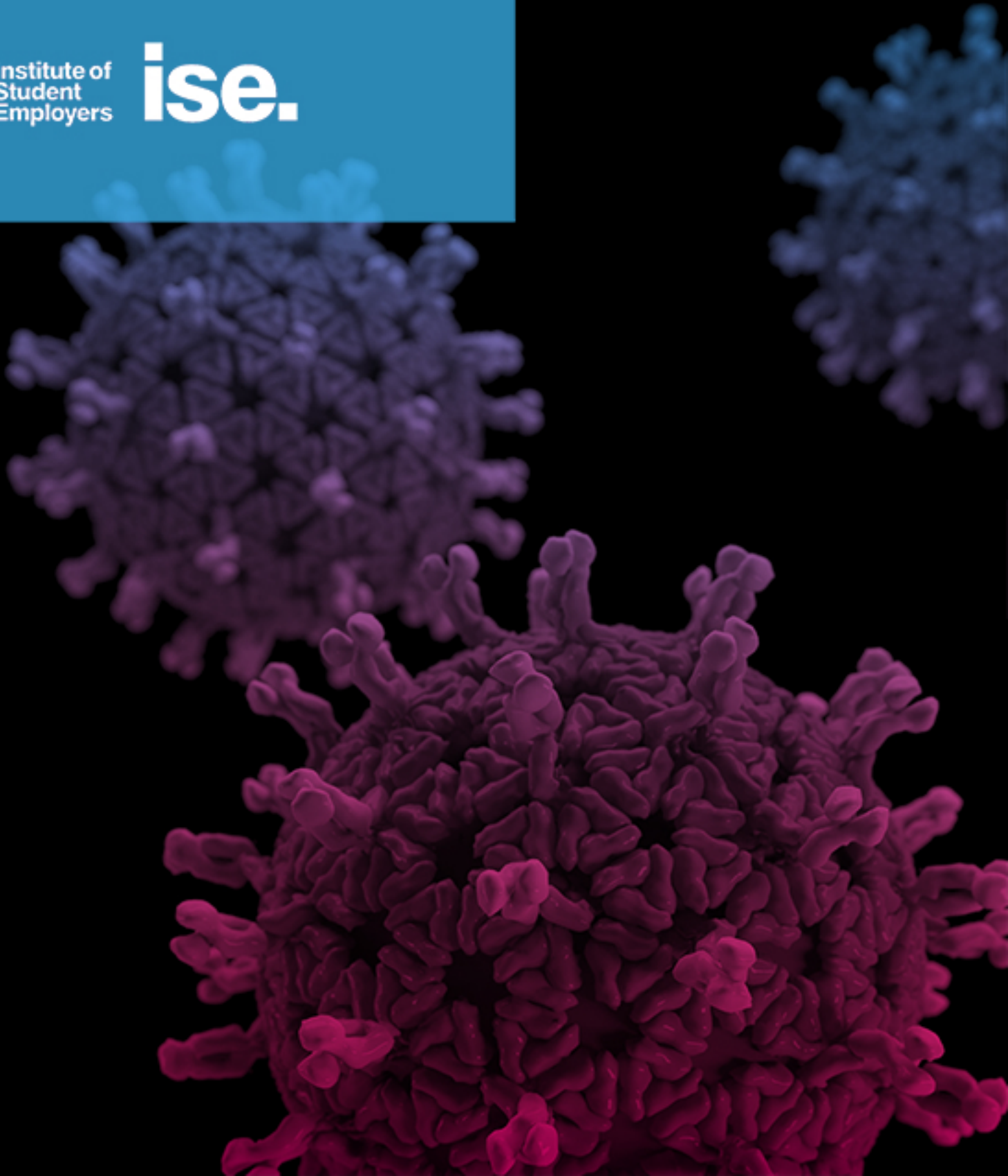


# COVID-19

Challenges for student  
recruitment and development

Institute of  
Student  
Employers

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# COVID-19: CHALLENGES FOR STUDENT RECRUITMENT AND DEVELOPMENT

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## Executive summary

The report sets out a survey conducted between Friday 13<sup>th</sup> March and Friday 20<sup>th</sup> March looking at the impact of COVID-19 on recruitment, hiring, learning and development and working practices within the student labour market. The findings presented here are based on 124 valid responses from businesses across the UK. Key findings are as follows.

- **Disruptions to recruitment.** The recruitment process for new entry level staff has been severely disrupted. 40% of employers are concerned that the cancellation of academic qualifications will disrupt their recruitment process. Employers are also cancelling direct interactions with the education system (e.g. 69% have cancelled visits to universities), work experience placements and are seeking to move as much of their recruitment processes online as possible (e.g. 60% have moved assessment centres online and 71% have moved interviews online).
- **Reduced hiring.** Many employers report that they will be recruiting less entry-level hires as a result of COVID-19. Around a quarter (27%) say that they will be recruiting less graduates, 23% less apprentices and school leavers and 31% less interns and placement students. These impacts come on top of a student labour market that is already stagnant. Reductions in hiring may be even more marked in SMEs. Unless this downturn is addressed there is the danger that unemployment and underemployment will grow for the COVID-19 generation who leave education this year and next.
- **Reorganisation of learning and development.** Most firms are keen to maintain their learning and development programmes for entry-level hires. Some are moving programmes online (37% for non-graduate employers, 40% for graduate employers), whilst others are delaying learning and development provision for now.
- **Changes in working practices.** Working practices have shifted dramatically in response to COVID-19. 95% of respondents are moving meetings online, 92% moving to homeworking and 85% reducing travel.
- **Uncertainty and fluidity.** The responses that employer have given to all of the questions in this survey need to be understood in the light of a rapidly evolving situation. Many openly state that they do not know what their response will be or what the likely medium- and long-term implications will be.

## 1. Introduction<sup>1</sup>

At the start of the year it would have been impossible for us to imagine that a virus that almost no one had ever heard about would be the number one political and economic issue by the middle of March 2020. COVID-19 was first identified in Wuhan, China in December and by the end of January had spread to the UK.<sup>2</sup> By the 3<sup>rd</sup> March the government had published the *Coronavirus action plan* and it had become increasingly clear that this was going to have a massive impact on citizens, businesses, the education system and the country as a whole.<sup>3</sup>

Throughout March the level of threat and the responses to it have been steadily ramping up. At ISE we started to hear about the responses that businesses were making to COVID-19 from early March. We quickly determined that we needed to conduct some research to allow us to move beyond anecdotes and gain a more thorough picture of what was happening. We therefore decided to launch a survey to explore how the coronavirus was impacting on working practices, recruitment, hiring and learning and development within the student labour market.

### About the study

ISE launched the survey on Friday 13<sup>th</sup> March and closed it at midnight on Friday 20<sup>th</sup> March. During this week the coronavirus crisis became considerably worse with many businesses moving to homeworking during this week. The survey needs to be understood as a snapshot of practice taken during this point. Depending on how the crisis develops we may conduct further studies later in the crisis as some of the questions that we posed have been overtaken by events.

The survey received 179 responses. Following data cleaning there were 124 valid responses.<sup>4</sup> The survey was open to ISE members and to other employers who were recruited through social media and the networks of other ISE members and the Association of Graduate Careers Advisory Services (AGCAS)<sup>5</sup>. Most respondents are large firms which typically recruit large numbers of entry-level staff. The focus of the survey is on how their approach to recruiting and developing early career staff will be changed by COVID-19.<sup>6</sup>

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<sup>1</sup> Please use the following format to cite this survey  
Institute of Student Employers. (2020). *COVID-19: Challenges for student recruitment and development*. London: Institute of Student Employers.

<sup>2</sup> For ongoing updates on the pandemic see [https://en.wikipedia.org/wiki/2019–20\\_coronavirus\\_pandemic](https://en.wikipedia.org/wiki/2019–20_coronavirus_pandemic).

<sup>3</sup> Department of Health and Social Care. (2020). *Coronavirus action plan*. Retrieved from <https://web.archive.org/web/20200308004057/https://www.gov.uk/government/publications/coronavirus-action-plan>.

<sup>4</sup> Data were cleaned to remove test responses, responses with no usable data in them, duplicates and incomplete responses where no organisational name had been given. Where duplicates were found the most complete response was used. One firm had completed two full responses. In this case the data were combined to create a single complete response. Where qualitative responses were given these were analysed and coded.

<sup>5</sup> For further information about AGCAS visit <https://www.agcas.org.uk/>.

<sup>6</sup> The analysis and writing for the report was undertaken by Tristram Hooley. Thank you to Jane Cambell, Tomas Christodoulou, Stephen Isherwood, Emma Moore, Holly Savage, Clare Tregaskis, Edward Walker, and Vivienne Wootten for their input into the paper.

## 2. Findings

This section sets out the finding of the survey. It begins by looking at how student recruitment has been changing in response to the corona virus and what implications this might have on the level of hiring that firms plan to do. It then moves on to look at learning and development and changes to staff's working practices. It finishes by examining what firms are looking for from ISE.

### Recruitment

Every year large numbers of young people exit the education system and move into work. Many firms, particularly those that recruit substantial numbers, formalise their recruitment process and recruit large cohorts of young people from schools, colleges and universities every year. This activity is critical as it provides a managed transition for young people from education to work, because it is a vital flow of new skills and labour into businesses and because it provides an important economic indicator of the health of the economy. In this section we will look at how COVID-19 is impacting on entry-level recruitment.

The overwhelming majority of employers use the qualifications awarded by educational institutions as a key criteria in recruitment and selection processes.<sup>7</sup> While an increasing number of employers are unconcerned with the exact degree or grade that a student has, the successful completion of a degree remains important for graduate employers. Similarly, for those students starting on apprenticeships, it is often an important pre-condition that they have achieved certain grades in GCSE or A level.

The announcement that GSCE, AS and A level exams will be cancelled<sup>8</sup> and the lack of clarity about how final exams will be conducted in higher education<sup>9</sup>, raises considerable issues for employers. In our survey, 40% of employers reported that the cancellation of exams and the potential delay in the award of grades would cause them a problem in their recruitment process. A further 28% of employers were still unsure about what the implications of this would be for their recruitment, with only 32% reporting that it would not cause them a problem.

We then asked respondents about the approaches that they use in their recruitment. Figure one examines whether they are making no change, delivering online or by the telephone, reducing or cancelling this aspect of their recruitment. Many indicated that they were still in the process of figuring out the best approach to take. As one respondent wrote *'for some of these answers it depends how long COVID 19 runs for'* with another reporting that *'the situation is unfolding as we speak'*. With the Prime Minister's announcement on the 19<sup>th</sup> March that the government expected the situation to continue for at least 12 weeks, the idea

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<sup>7</sup> Institute of Student Employers. (2019). *Inside student recruitment 2019: Findings of the ISE recruitment survey*. London: ISE.

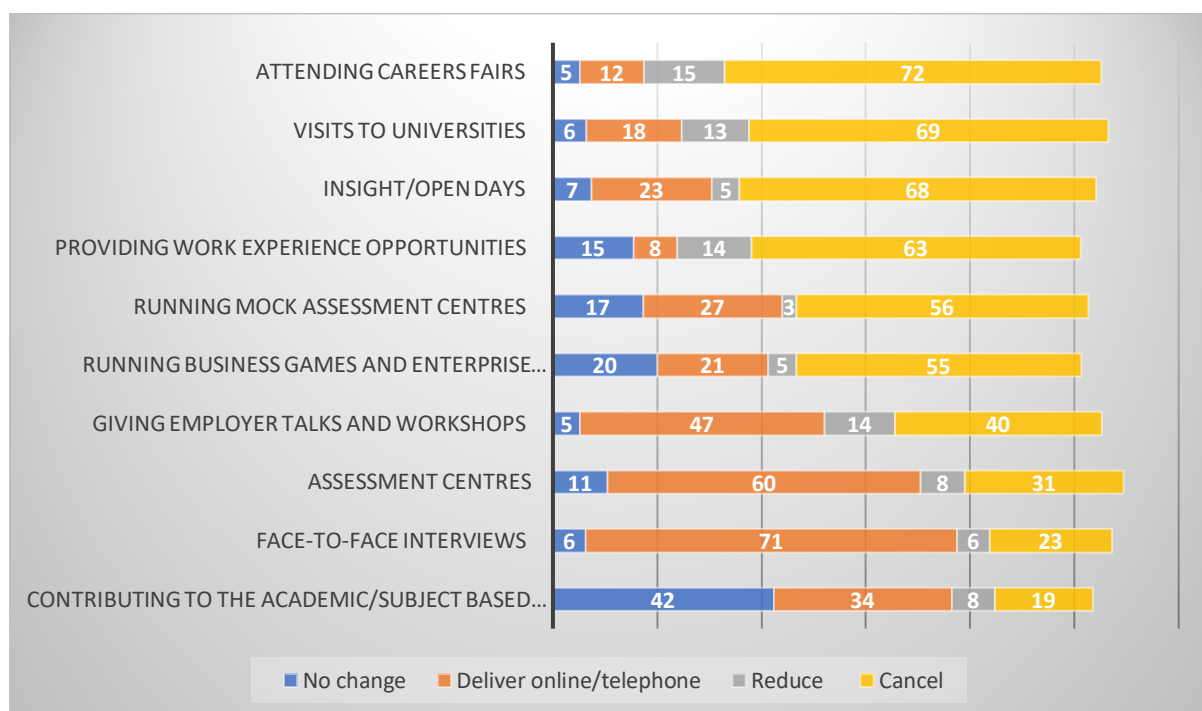
<sup>8</sup> Department for Education. (2020). Coronavirus (COVID-19): cancellation of GCSEs, AS and A levels in 2020. Retrieved from <https://www.gov.uk/government/publications/coronavirus-covid-19-cancellation-of-gcses-as-and-a-levels-in-2020/coronavirus-covid-19-cancellation-of-gcses-as-and-a-levels-in-2020>.

<sup>9</sup> Wittenberg, D. (2020). Coronavirus leaves universities with no choice but to cancel our exams. *The Guardian*. Retrieved from <https://www.theguardian.com/education/2020/mar/17/coronavirus-leaves-universities-with-no-choice-but-to-cancel-our-exams>.

of a quick return to usual recruiting practice is looking less likely.<sup>10</sup> A small number of firms reported that they had already completed most of their recruitment for next year and so, this would minimise the impact for now, but for most the impacts were more immediate. Many recognised that they were in a period of transition and hoped that they would be able to figure out how to make their recruitment processes work despite the crisis.

*At present we are adjusting to working from home. This will take some time, but we are looking at all options to assess candidates remotely, without impacting current processes. We have candidates at invite to assessment centre stages, who have passed all pre assessment exercises.*

**Figure 1. The proportion of firms reporting that they are continuing, delivering online/by telephone, reducing or cancelling aspects of their recruitment<sup>11</sup>**



Many employers have scaled back the activities that they are doing to attract students to apply to their firm. These kind of attraction activities have typically been cancelled, for example 72% have cancelled attendance at careers fairs, 69% visits to universities. They have also largely decided to cancel work experience and work taster opportunities with 68% cancelling insight days and 63% cancelling work experience placements.

<sup>10</sup> Walker, P. (2020). Boris Johnson: UK can turn tide of coronavirus in 12 weeks. Retrieved from <https://www.theguardian.com/world/2020/mar/19/boris-johnson-uk-can-turn-tide-of-coronavirus-in-12-weeks>.

<sup>11</sup> The proportions do not sum to 100% as some firms indicated that they were taking multiple approaches e.g. moving some activities online at the same time as reducing the overall amount of that activity that they were doing.



*We have cancelled school work experience over Easter. Summer internships for undergraduates (starting early June) are likely to be pushed back.*

Where firms have closer relationships with institutions and are delivering subject-based or employability learning they are making a stronger effort to continue with such activities. So, 17% are continuing to run mock assessment centres and a further 27% moving these online. The picture is similar with business games and enterprise competitions (20% continuing, 21% online), giving employer talks (5% and 47%) and contributing to the curriculum (42% and 34%). It remains to be seen whether all of these activities will be able to continue in the light of universities' own decision to move to largely online delivery response to the coronavirus crisis.<sup>12</sup> As one respondent wrote *'the main reason for our team to decrease the amount of campus activity would only be due to the universities themselves closing'*.

Unsurprisingly employers have been far less willing to cancel elements of their own recruitment process with 31% cancelling assessment centres and 23% face-to-face interviews. For some this amounted to a complete cessation of recruitment, with one respondent writing that *'all recruitment activities have been stopped for the moment'* and another noting that *'recruitment will be on hold until coronavirus measures are lifted'*. However, most employer are seeking to move their assessment centres (60%) and face-to-face interviews (71%) in an online or telephone format. But, this process is logistically complex and is inevitably taking some time.

*As of last week, all of our f2f interviews have been moved to virtual format. We are in the process of amending our assessment centre format, and have suspended those planned for the next 2 weeks whilst we plan.*

Other employers reported that they were rapidly reorganising their recruitment process and changing the elements within it to what could be delivered online. As one respondent wrote, our *'assessment centres will be cancelled, and we will rely on our video interview and online assessment tools more heavily.'* Some reported that there were elements of face-to-face processes that were difficult to recreate online and so were having to be cut.

*We will need to remove the group exercise element of assessment centres so some offers will be made without candidates having completed that interview*

Where face-to-face provision is going ahead firms are putting in place health tests. As one respondent wrote *'all attendees for external recruitment interviews will have to be asked a number of questions relating to their status of health in regards to the Coronavirus'*.

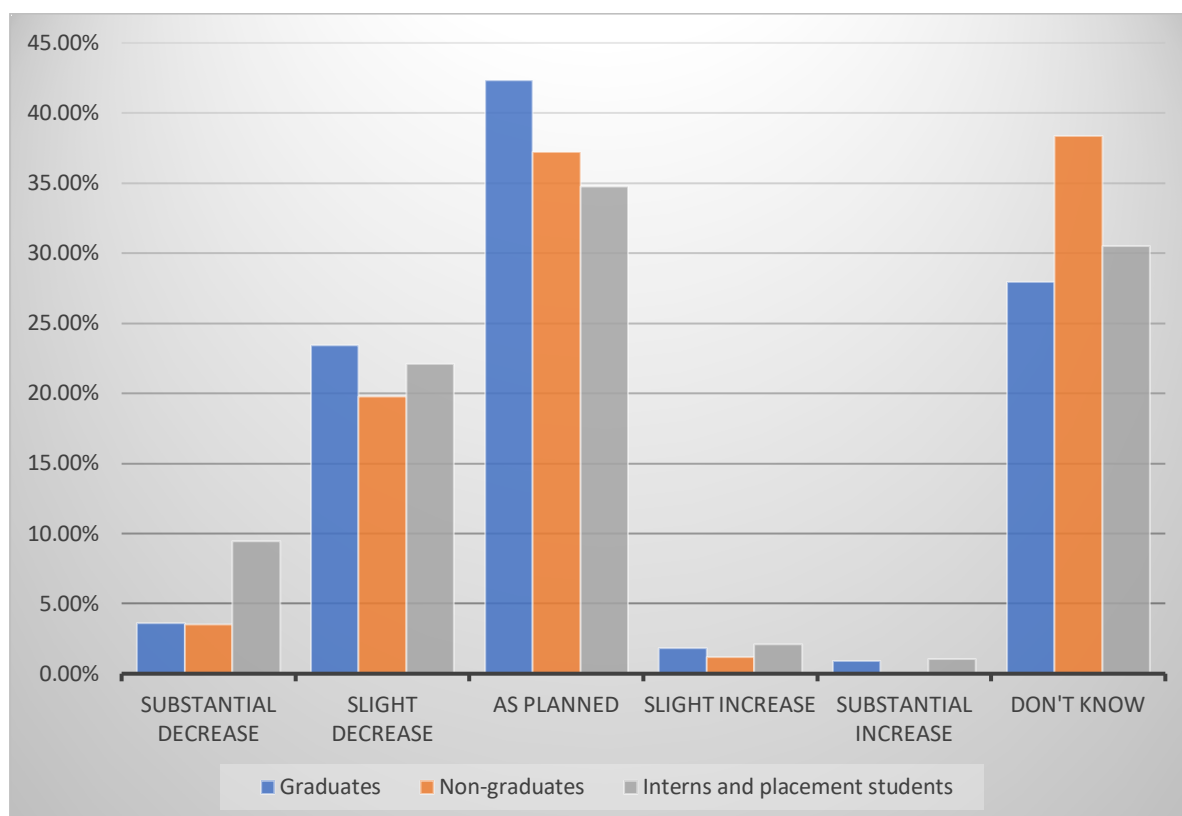
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<sup>12</sup> Kernohan, D. (2020). Which universities are moving to remote teaching? WONKE. Retrieved from <https://wonke.com/blogs/which-universities-are-moving-to-remote-teaching/>.

## Hiring

We also asked respondents whether they anticipated that COVID-19 would have an impact on their overall hiring numbers for the year. Figure two sets out respondents' predictions about how their hiring numbers for graduates, non-graduates and interns and placement students will be affected by COVID-19.

**Figure 2. Anticipated change in hiring number due to COVID-19**



Around a quarter (27%) of respondents reported that they would be reducing the number of graduates that they recruited. The impact of COVID-19 needs to be understood in the context of what, in our pre-virus research, we found to be a stagnant entry-level labour market.<sup>13</sup> Given this, we can expect that the overall number of new graduate jobs will be less in 2020 than it was in 2019.

Most ISE members are larger firms, but it is likely that the crisis will impact more quickly and more deeply on small and medium-sized enterprises (SMEs). As one SME completing the survey reported.

*There is no work at all coming in..two people we took on, who were in probationary period, have both agreed happily to have their pay stopped until this is over. For SMEs this crisis is far more acute than the public sector.*

The announcement by the government that it will pay 80% of the wages of staff who would otherwise be laid off will undoubtedly be welcomed by SMEs, but it is less likely that they will

<sup>13</sup> Institute of Student Employers. (2019). *The ISE Pulse Survey 2020: Taking the temperature of the graduate labour market*. London: Institute of Student Employers.

move to recruit new staff.<sup>14</sup> As 34% of graduates go to work for SMEs, the problems faced by this group of employers is also likely to depress the graduate labour market.<sup>15</sup>

The picture is similar for non-graduates such as apprentices and school leavers. Again around a quarter (23%) of employers say that they are going to reduce recruitment of this group.

For short-term hires like interns and placement students the picture is slightly works with almost a third (31%) of employers saying that they are going to reduce recruitment from this group. One employer reported that '*internships may need to be cancelled and delivered in a different format - more an engagement process perhaps rather than work experience*'. Another respondent agreed that these short-term hires were most vulnerable to being cut altogether.

*The programmes most at risk of changes and possible postponement or even cancellation are summer internships with these due to start at the end of June. Although we hope to continue as normal we are also contingency planning for other scenario's, we've also frozen making any further offer onto summer internship programmes due to this risk.*

However, the strongest pattern that emerges from the data is the number of employers who are still unsure about how to adjust their recruitment in the light of COVID-19. Over a quarter (28%) of employers said that they were not sure how they were going to adjust their graduate numbers, over a third (38%) were not sure about non-graduates and around a third (31%) were not sure about interns and placement students. Most were adopting a 'wait and see' approach, with one respondent saying '*we are not making any offers until we have better understanding of the situation*'. Another described their situation as follows.

*At the moment we're probably 2-3 weeks away from knowing. We are still budgeting to recruit graduate roles on a similar volume to previous years, but with everyone working from home for the foreseeable, this causes challenges with entry-level roles in terms if inducting and training new starters. The likelihood is that entry level roles will be delayed until we're back in the office environment, hopefully recruiting a similar volume to those originally planned.*

Many recognised that the situation was fluid, and that their recruitment numbers would still be likely to change. As one respondent wrote.

*Current assumptions are that this will be more of a temporary setback so long term our recruitment won't change however if the situation lasts longer than several months I suspect things will change*

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<sup>14</sup> BBC. (2020). Coronavirus: Government to pay up to 80% of workers' wages. Retrieved <https://www.bbc.co.uk/news/business-51982005>.

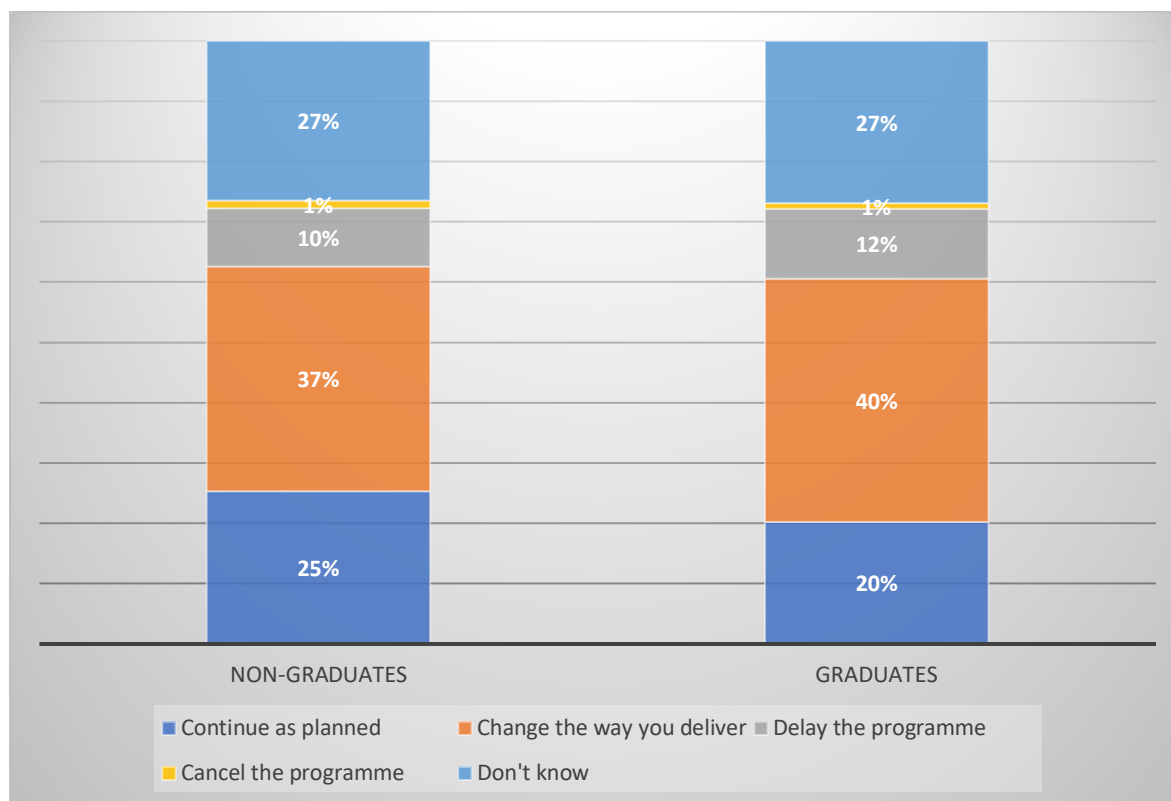
<sup>15</sup> Greaves, L. (2018). Labour market myths: 'Graduates all work for big businesses'. *Prospects Luminare*. Retrieved from <https://luminare.prospects.ac.uk/labour-market-myths-graduates-all-work-for-big-businesses>.



## Learning and development

Once firms have recruited entry-level hires it is important that they provide them with training and development. We asked them to report on how COVID-19 was impacting on their training and development activities. Figure three shows the responses that they gave.

**Figure 3. How firms are changing their learning and development approaches for entry-level hires in response to COVID-19**



In this area very few firms (1%) are cancelling the learning and development programmes that they are running for new hires. Although, some respondents reported that they are dependent on third party providers to deliver learning and development, particularly where work-based qualifications are part of the programme. In these cases, they were waiting to see how the providers responded to the virus. Even though most were hopeful that they would be able to continue to deliver learning and development programmes some recognised that COVID-19 was likely to endanger their learning and development programmes.

*We are very conscious that the increase in remote working reduce the ability for learning and development and are considering how we approach this.*

An area of concern was in the onboarding of new staff, which many respondents were struggling to conceive how best to organise in light of the restrictions on face-to-face meetings.

*We are trying to be a minimally disruptive to business as possible, although it's fair to say this will have an impact over our hiring and training*

*capabilities over the coming months. We are lucky that we have a workforce who already embrace a fair share of remote working and virtual learning, however our biggest concern is our ability to effectively onboard new starts in a way that is still engaging and gives them a feel for our unique company culture.*

Many employers are either delaying learning and development programmes (10% of non-graduate employers and 12% of graduate employers) or changing the way that they are delivered (37% for non-graduate employers and 40% for graduate employers). Where staff are involved in work-based learning and qualifications the learning may need to be paused until work returns to normal. One firm described this as follows.

*A pause in learning will be granted to all of those colleagues who request it and will be offered to those working in operational roles.*

Many respondents wrote about shifting to a blended or online approach to learning and development. As one respondent wrote 'we are putting it all online and making it virtual'. One respondent described their firm's approach as follows.

*All current in-person training has been shifted to online, some off cycle graduate hires may have delayed start dates (we currently intend to pay them from the start of the original contract) since no managers are currently in the office.*

Others highlighted the need to put in place support for new hires in this difficult time.

*The safety and wellbeing of our people is our prime focus- and there have been many actions to ensure we are providing appropriate mental health support for our current grad programmes / employees across the board.*

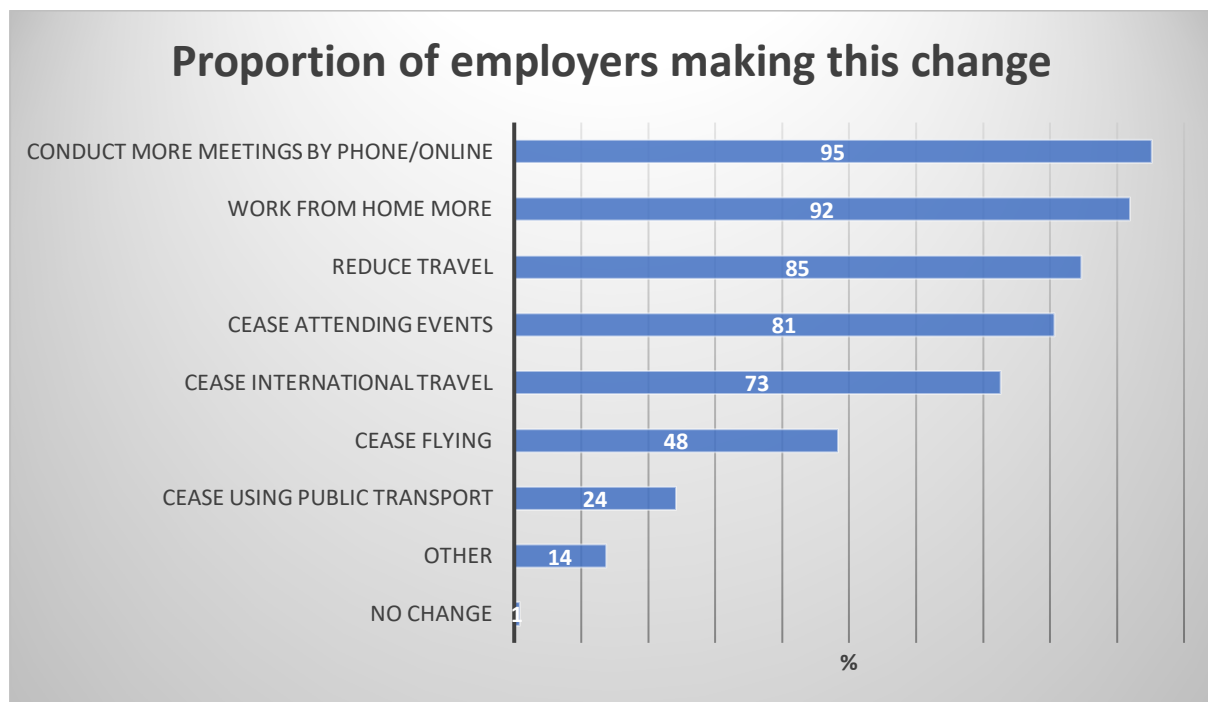
Again, there are substantial numbers (27%) of employers who are delaying making a decision on this. On the other hand some firms reported that they were viewing this as an opportunity to move to a new approach to online learning delivery.

*We will use this as an opportunity to pilot more virtual approaches. For example, we usually undertake 6 monthly one to one face to face catch ups with our graduates in all UK locations. We will now do that by phone/Jabber or VC [video conference], then test the feedback. This could help us save travel costs and carbon emissions, which we have been coming under some pressure to do in any event. We have postponed our Easter programme. Depending on how long these circumstances continue, our graduate intake in September may be impacted but that remains to be seen.*

## **Working practices**

There is clear evidence that COVID-19 is having an impact on working practices within firms for the staff involved in student recruitment and early career learning and development. Figure four sets out the proportion of employers who are making a variety of changes.

**Figure 4: The proportion of firms reporting that they are making changes to their working practices.**



As figure four shows, respondents report that they are moving meetings online (95%) and stopping attending events (81%) and reducing domestic (85%) and international travel (73%). They are also moving to homeworking (92%). This shows that a radical shift in the working pattern of these firms has happened very rapidly in response to COVID-19 and government recommendations. As one respondent wrote, in their firm *'if it's not currently business critical it's not happening!'*

Many firms have put into place a strategy to address the changes required by COVID-19. As one respondent described.

*Our firm has been very responsible & calm around how they have approached the situation. Employees have been placed into split teams and have been provided with the resources to work remotely. Daily communications have been sent out to keep employees in touch with the decisions that are being made. A dedicated page on our intranet has also been created.*

### **The role of ISE**

ISE exists to support its members and to ensure the effective function of the student labour market. In the current crisis we are keen to ensure that we are best able to support the membership with the things that they need. We asked respondents to provide us with their ideas about how ISE could best support them to deal with COVID-19.

The majority of respondents (70%) wanted ISE to facilitate the sharing of practice. Some (21%) especially highlighted the value of organising various forms of online meeting through webinars, videoconferences, and chat tools. Key to the sharing of practice is the regular sharing of information, which was highlighted by half (51%) of respondents.

Around a quarter of respondents (25%) were also looking to the ISE to provide advice and guidance about how to address the current situation. A similar proportion (24%) highlighted the value that research could have in this process as a way to gather insights from across the ISE membership. Finally, 5% of members were keen to see ISE taking a leadership and advocacy role for the sector, encouraging policymakers, the media and the general public to recognise the importance of some of the issues in the early career space.

### **3. Conclusions**

The findings of this study suggest that COVID-19 is already having a very substantial impact on the student labour market. It is transforming the working practices of the early career workforce, hampering recruitment, dampening down the number of hires and slowing down learning and development. In response to this firms have moved quickly to develop strategies and alternative working arrangements and are continuing to explore and develop new ways to work.

The long-term implications are still not clear. Many firms are still developing their approach and the situation is still unfolding. The Prime Minister's suggestion that the worst of the crisis will be over by mid-June, is perhaps longer than many were anticipating when the crisis began, but shorter than many currently fear. If he is right, then many of the firms here will still be in a position to put recruitment and hiring processes back into place before September. Whether they will choose to do so will depend to a large extent on how badly the economy has been hit by the crisis.

It is still too early to say much about the long-term impacts of this crisis. If the respondents to this survey are indicative of a wider trend then there is good reason to believe that entrants to the labour market may find it harder to find a good paying job in the immediate future. If the recession sparked by the crisis endures beyond this year firms may adjust their recruitment targets accordingly. For those young people leaving education in 2020 and possibly in 2021 this may result in substantial challenges. Without a clear strategy to address this there is the danger that the levels of unemployment and underemployment rapidly increase for the COVID-19 generation.

More positively, it is also clear that the current crisis is fostering creativity and experimentation in working practice. People are learning how to work remotely, recruit online and deliver training and development at a distance. It seems likely that some permanent changes in the way that we work will emerge from this crisis, but it is still unclear what those will be.

Regardless of what happens, ISE will continue to monitor the situation closely and help its members to share information and build a successful response to the crisis. In times like this it is more important than ever to be well connected and able to learn from the experience of others. By working together and connecting through the ISE, we believe that firms will be able to plot a chart out of this crisis. Whatever happen we remain convinced that the future success of the country and its businesses is bound up with the skills and talents of young people.