What do graduates really want?

Reaping the rewards of graduate recruitment by understanding what graduates want.

All graduate recruiters think long and hard about whether they are selecting the right candidates. But today’s candidates are just as determined to select the right employer.

Competition is fierce for high-performing graduate talent. Yet many employers are losing the right candidates to competitors because their culture, assessment, and hiring processes simply are not aligned with what graduates expect. Business leaders know how vital finding and retaining the right talent is to organizational strategy. Failure to do so can lead to reduced business efficiency, reduced competitiveness, skills shortages, and ultimately a negative impact on the bottom line.

Graduate recruitment is no exception to the rule. In the current labor market, quality graduates with in-demand skills have more choices than ever. In fact, in today’s digital world, they can pick and choose where to work at the click of a button. (Or simply swipe left).

In searching for employees who will drive the business forward, it is essential that organizations understand how graduate millennials think and what they want. Drawing on Korn Ferry research, this paper explores what millennials in general want, together with what employers should consider in order to identify and recruit the right talent.
Did you know?

A Millennial workforce 36% today but 75% by 2025.¹

Today’s graduates make up the younger end of the millennial spectrum. However, the workforce they are entering is undergoing a generational revolution.

In the United States, for example, millennials presently make up just over 36% of the working population. Yet this proportion is set to rocket to 75% in less than a decade.¹ With millennials having their own very distinct outlook on the world of work, this demographic change means employers will have to think and act differently in order to attract graduates.

By the numbers: What graduate millennials think.

How engaged are graduates likely to be after being hired? Our research on millennial engagement and enablement at work provides clues about their inclinations.

Fewer than 65% of millennials are upbeat about their workplace.² ³

According to our research, millennials in general are less positive about their workplace than any other generation, with fewer than 65% being optimistic about their jobs.² ³

Only 72% of millennials feel engaged in the workplace.³

A lack of engagement can harm organizations and whole economies. In the US, for example, disengaged employees cost the US economy up to $350 billion per year in lost productivity.³

However, from a graduate standpoint, a lack of engagement might also be an indicator that something may be awry in the recruitment process. Put simply, if graduates are not being assessed correctly at this stage, then employers risk taking on employees who are not right for the role or the culture, and who will also be less engaged from the outset.

In debt and on the edge: only 45% of millennials feel they are fairly paid.³

With the ongoing rise in the cost of living and tuition, today’s graduate generation may well be one of the most indebted in living memory. In the US, student loan debts have exceeded $1 trillion, and across many economies, graduate debt is spiraling upward.

With millennials set to be the first generation in America and the United Kingdom to have a lower standard of living than their parents, fair pay will be a concern to today’s graduates. Our research shows that while 63% of baby boomers and 59% of Gen Xers feel fairly paid for their work, only 45% of millennials do. In general, just 37% of millennials feel their pay is fair when they compare it to those who work for competitors and do a similar job.³
Confronting the myths.

Today’s graduates find themselves portrayed in much the same vein as millennials in general.

Labeled the “me me me” generation, regarded as being coddled by parents and schools, and obsessed with social media, they are routinely denigrated for their inflated expectations and desire to “have it all their own way.”

Millennials are different to their predecessors in some ways: the worries they have are real and do influence the way they think about work and their careers.

However, our research firmly debunks the myth of them being markedly different. Millennials (and graduate millennials) often want the same things as everyone else. They’re just more willing to demand it—louder, more frequently, and a lot earlier in their careers.

And in today’s labor market, graduates—the managers and leaders of the future—are demanding more of employers. With a significant amount of information about organizations available online, especially on employee review sites like Glassdoor, graduates are putting employers under the microscope as never before.

What motivates today’s graduate millennials?

In order to understand today’s graduates, we first need to understand the mindset of the generation of which they are indisputably a part of: the millennial generation. So, how do millennials want to work? How do they want to be managed?

Where they are coming from.

Like their older millennial counterparts, graduate millennials have never seen or experienced a “good” economy.

They have entered the workplace in either a soft economy, a downturn, a recession, or a job recovery. The economic stresses of older generations have certainly dampened their career prospects. They have also found it hard to get a foot in the door because of limited entry-level job prospects and an aging workforce. Moreover, once they are in a role, they think it will be tough to move up, thanks to lean staffing and a stagnant organizational pipeline.

What they want.

And yet, according to our research, the most important things many graduates look for when deciding which organizations to apply to (and what roles to apply for) are not necessarily monetary rewards or employee benefits alone.

Opportunities to move up the career ladder (83%); to develop (82%); to have a role that matched their career aspirations (77%); and to be in the right location (77%) are definitely among the top priorities that today’s graduates have. However, these aspects are perhaps reflective of where graduates are in their careers.

Meanwhile, pay and benefits are not far behind on their list of priorities, and clearly demonstrate the need that graduates have to both contend with rises in the cost of living, and to pay off their student debt.

However, and as we explore next, it is what they want and expect from employers themselves that is influencing who they wish to work for.
What they expect from employers.

It would be tempting to consider that for today’s graduates, a combination of career priorities and pay outweigh all other considerations. However, this would be a serious miscalculation for employers to make.

An organization’s ethics and purpose matters to this generation.

In fact, when it comes to their career decision-making, our research shows that corporate ethics and a business’s purpose are playing an increasingly important role in their deliberations.

In some respects, this is not surprising. The millennial generation is considered very socially conscious, and particularly so as consumers. In 2015, Neilson’s Global Sustainability Report demonstrated that while 66% of consumers were willing to spend more on a product if its brand was associated with sustainability, millennials were likely to do so in even greater numbers (73%). Moreover, 81% of millennials also expected their favorite companies to prove themselves good corporate citizens too.5

Put simply: graduate millennials want to be associated with employers whose ethics and purpose mirror their own.

As we’ll see in the next section, these factors are also reflected in the type of work they want to do.

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Top 10 most important factors when applying to an organization:

- Good insight into the role: 84%
- Career progression opportunities: 83%
- Personal development: 82%
- Location: 77%
- Match with career aspirations: 77%
- Starting salary: 72%
- Employee benefits: 72%
- Positive endorsement: 70%
- Ethical values of the organization: 63%
- Affinity with the products or services: 58%

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How they want to work and be managed.

1. They want an interesting job.

In an extensive survey of 145,000 workers across more than 50 countries, millennials, Gen Xers, and baby boomers all ranked “interesting job” as the most important job characteristic—with “interesting” being defined as the “ability to work independently,” in a “job that can help other people,” and in a “job that is useful to society.” For millennials, however, “interesting job” was three times more important to their job satisfaction than high income and job security (which unsurprisingly, were the next highest priorities for Gen Xers and baby boomers, respectively).6

2. They want the right culture.

Side by side with the need for an “interesting job” is the rising importance of company culture. Another Korn Ferry research survey canvassed the opinions of HR leaders around the globe and discovered that five years ago, with many economies still emerging from the Great Recession, salary and benefits were the top reason why a candidate would choose one company over another.7

However, today, company culture and being able to identify with a company’s mission, is now considered to be the leading reason why candidates would choose to work for a specific company. This is particularly true of millennials. Millennials want to feel good about where they are working in terms of having a shared sense of purpose, as well as feeling they have an ability to make an impact.7

3. They want greater flexibility in how they work.

Decades before today’s graduates were born, Dolly Parton sang, “Working 9 to 5, what a way to make a living.” Now, in the era of ubiquitous technology and the gig economy, millennials want to make their living a different way. Technology and modern lifestyles mean millennials appreciate flexibility beyond rigid hours and working practices, and more prefer an “independent consultant” approach to work.3,7

In our global survey of HR leaders, when asked what the biggest reason would be for a candidate to choose one job over another in the next five years, “flexible working” was cited as the most important factor.7 With millennials estimated to make up 75% of the workforce by 2025,1 this factor cannot be ignored.

4. They want frequent feedback.

In today’s world of instant information, real-time feedback, upticks, and likes on social media posts and review sites, the millennial graduate wants to know how they are getting on, more of the time. In another survey of almost 1,000 business executives, a Korn Ferry study found that 44% of millennials required more feedback than other generations.8
What are today’s graduates looking for in a future employer?

To sum up.

If employers want to attract and retain the right talent, then there are some clear lessons to learn from the motivations, fears, and aspirations of today’s graduates.

The top five employers should be aware of are:

1. **Progress.** Graduates want to progress and develop quickly; they want to see their skill sets evolve and gain the experiences they need to drive their careers forward. At the same time, graduates need the feedback that tells them that they are on the right trajectory.

2. **Pay.** Money and finances matter, especially in today’s economic climate of rising living costs and student debt. Graduates want to be paid both fairly and competitively. Employers whose graduate salaries do not measure up will struggle to attract and retain top talent.

3. **Purpose.** As part of one of the most socially conscious generations, graduate millennials want to work in organizations that possess the kind of culture, purpose, and ethics that they can identify with. They also want the chance to make an impact.

4. **Plasticity.** Graduates are looking for workplace flexibility and careers that reflect modern living. In today’s technologically enabled, gig-economy world, graduate millennials are going to actively choose employers that offer them work options that fit their lifestyle.

5. **Process.** Last, but by no means least, graduates want and expect a recruitment process that is candidate-friendly, swift, less bureaucratic, and hassle-free. Organizations that can offer streamlined, technology-enabled, and responsive recruitment processes are going to set themselves apart from other employers.
What should smart employers be doing better?

Swift, modern, and responsive: How today’s graduates want assessment and recruitment to work.

It is notable that many organizations invest huge sums in marketing their graduate opportunities, showcasing their values and showing how inclusive and welcoming they are. Yet many risk wasting that investment by providing a candidate experience that runs counter to the promise.

When Korn Ferry surveyed millennials on their experiences of graduate recruitment, we were expecting some negative opinions. And we got them. As we outline below, there is a clear message that employers seeking to attract the right graduate talent should consider.

In analyzing what graduates expect and want from the candidate experience, four major themes stood out.

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### Good communication and feedback.

This is a massive frustration for all job seekers, and particularly frustrating for those who are looking for their first job. “How hard can it be to let me know?” is the first thought of graduates born into a world of easy, technology-enabled communication.

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<th>What they want:</th>
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<td>Regular updates on the progress of their application from start to finish.</td>
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<td>Clear information about the length of the application process and the stages involved.</td>
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<td>Constructive feedback on why they were unsuccessful, if they were rejected.</td>
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### A swift process.

Finding a job is one of the biggest priorities in a graduate’s life and can be stressful for most individuals who lack work experience. This can be made worse by having to endure an unnecessarily complex and long process, with lots of hoops to jump through.

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<tr>
<td>Fast, online processes and communication.</td>
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<td>As few steps as possible between application, assessment, and appointment.</td>
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<tr>
<td>An understanding of why particular assessments are used and why such assessments are helpful to them.</td>
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### Politeness and information.

No candidate wants to be treated disrespectfully or unprofessionally. In our survey, rude interviewers were flagged as a particular concern while basic administrative or logistical errors were also seen as annoyances. But many graduates also questioned the relevance and quality of assessment practices.

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<tr>
<td>Promises to be kept and deadlines met.</td>
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<tr>
<td>Polite, respectful, knowledgeable, and welcoming interviewers who live up to the brand values the organization advocates.</td>
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<tr>
<td>An understanding of how assessments are relevant to the role and being successful in it.</td>
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### Job roles reality.

No one likes being mis-sold a product or service. However, being mis-sold a job is worse. Our research discovered that too often, graduates found that the reality of their work was not the same as that promised by the employer during the application process.

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<th>What they want:</th>
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<tr>
<td>A clear idea about the competencies, qualities, values, and personality characteristics required.</td>
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<td>An accurate job description and overview of the role and what it entails.</td>
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<tr>
<td>Not to be oversold promises in a graduate marketing campaign.</td>
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“Some interviewing staff members were rude and clearly appeared to not want to be at the assessment day. I received absolutely no feedback from the day whatsoever—including no actual rejection.”

How employers can avoid alienating them.4

According to our study:

- 55% of graduates were not satisfied with the candidate experience.
- Only 49% of employers explain the purpose of assessments during the recruitment process.
- Only 49% of graduates were given feedback after taking assessment tests. Of these, less than half (44%) were satisfied with the detail of that feedback.

Why getting this right is vital.4

According to our survey:

- 70% of graduates claim that other people’s bad experiences with an organization would put them off applying to that company for a job.
- 51% of graduates said negative publicity about an organization would deter them from applying.
- 22% of graduates said that reading other people’s recruitment experiences in student forums online would influence whether or not they would apply for a job at that organization.
How getting assessment and recruitment wrong can cost employers.

From negative impacts on the bottom line and business performance, to missing out on top talent, getting graduate assessment and recruitment wrong can be expensive.

Reduced business performance.
Overly complex recruitment and assessment processes can risk alienating the very individuals that employers are seeking to hire. Moreover, failing to fill important vacancies can have short- and long-term consequences too—from impacts to operating efficiency and future profitability, to skills shortages and the lack of a leadership pipeline. Employers can also risk losing potentially valuable recruits to a competitor.

Increased recruitment costs.
From assessment to onboarding, candidates who are not the right “fit” are more likely to leave the organization, thereby costing the employer time and money. For example, the cost of replacing a manager within six to 12 months of their hire can be 2.3 times that person’s annual salary. While graduates are still at the beginning of their careers, the above statistic is a pertinent reminder that the cost of a bad hire, even at this level, can still be significant.

Poor job performance.
If candidates are not assessed in the right way, and for the right things, then employers cannot expect stellar performance from them. In fact, they may even end up with poor performers. Graduates want jobs that suit their skills and temperament—and provide them with opportunities to excel. Mismatched candidates not only won’t progress, they can reduce productivity, and have a negative effect on wider team performance too. According to one Gartner study, an average of 20% of hiring managers wish they had never extended an offer to 20% of their team members.
Good hires leaving too soon.

Graduates can quit if employers have not assessed them correctly for cultural fit or if they find the job is not what they expected. Again, that can cost organizations, both in terms of recruitment, and in terms of lost productivity. A study by Harvard University, asserted that up to 80% of employee turnover could be attributed to mistakes made during the hiring process. And in a major survey by Korn Ferry, more than 50% of graduate hires said they had considered leaving their jobs because they did not fit in.

Graduates sharing their bad experiences and damaging your brand.

Candidates are potential customers. And they can complain about their poor candidate experiences via social media, reaching an enormous audience in the process. The damage adverse social media can do to an organization’s reputation is already well documented. However, candidates who have had a poor experience with an employer may also avoid them as a consumer or potential business-to-business client in the future. According to Korn Ferry research, 11% of graduates who had a bad recruitment experience reported that they would not become a customer of that organization.

So how should employers mitigate this and deliver a recruitment process that exceeds candidate expectations?
How to get recruitment and assessment right.

With millennials soon to be the majority of the workforce in less than a decade—and with Generation Z also entering the workplace—organizations need to understand the graduate mindset in order to establish a process that satisfies candidates while also delivering the right talent. While all organizations are different, we believe there are a number of core principles that apply when it comes to improving graduate recruitment.

Identify exactly who you are looking for.

The first key step is simply understanding what “success” looks like. What are the behavioral competencies, cognitive abilities, and personality traits that will enable the graduate to fit the role, team, and organization successfully? While this may appear obvious, it is surprising just how often organizations rush through this step without giving it the due consideration it so richly deserves. Getting it wrong can be costly and can result in higher graduate turnover (arising from poor hires) and increased recruitment costs.

Getting this step right, however, means that employers not only avoid these pitfalls, but also gain a better chance of hiring the right candidates too.

Today’s graduates want a hassle-free, swift, and informative recruitment process. Organizations that have a defined “success profile” can inform applicants through the job description as to what attributes they need to possess before they apply, together with what is required and expected of the successful candidate in the role. Providing this can help eliminate one grievance that candidates have, which is feeling that they have wasted their time in applying based on poor or inaccurate information—something that can be damaging to an employer’s brand if candidates complain about it publicly.

Take a holistic view.

Having a success profile can define the competencies, cognitive ability, traits, and drivers that the right candidate requires, and thereby provide a benchmark against which to measure them. However, many employers often fail to have a success profile or, if they have one, fail to use it in this way. Instead, many will simply assess an applicant using a single standard personality assessment, and then sift candidates based solely on their academic achievements.
While still valuable, single assessments can risk employers not having a holistic view of the right candidates, and thus increase the risk of hiring the wrong ones. Moreover, they can potentially alienate quality candidates who may feel that these assessments haven’t allowed them a chance to fully demonstrate what they’re capable of. For an assessment process to truly work, employers first need something relevant to the role to assess the candidate against—the success profile. Once armed with that, we would recommend that they conduct a combination of assessments in order to gain a fuller picture of the individual applicant. For example:

- Ability tests measure how well the applicant can process new information (numerical, verbal, and logical) under time pressure. As a measure of intellect, they are invaluable in identifying candidates that can demonstrate the ability to acquire knowledge and perform well in the future.

- Of increasing importance are Situational Judgement Tests (SJTs), which can present the applicant with a realistic view of the role or organizational culture. SJTs are also especially effective for gauging the candidate’s capability to make sound judgements in the context of real-world challenges that may emerge on the job.

- By contrast, personality assessments can provide employers with essential insights into a candidate’s personality traits and drivers. These are critical for assessing skills such as Learning Agility, Emotional Intelligence, and Resilience that make a real difference in whether they will thrive in their role.

All of these assessments provide key information to inform interview questions that can be posed to a candidate at an assessment center. And, importantly, they can provide additional objective information that is hard ascertain by other means.

**Make the process candidate-centric.**

It’s useful to make the most of technologies that are an everyday part of candidate’s lives. And as we’ve already seen, in today’s world of instant information, graduates want an assessment and recruitment process that’s as candidate- and consumer-centric as possible. Graduates want swift, responsive, and valuable experiences—therefore, candidate feedback should be an essential and automatic part of the assessment process, regardless of whether the candidate is offered the position or not.

Moreover, solutions that enable candidates to apply across multiple platforms and allow employer branding to be seamlessly integrated will provide an engaging candidate experience and help employers stand out.
Manage expectations.

Graduates want and need to have an accurate overview of the role and organization. The application process presents employers with a golden opportunity to give candidates a taste of what the future holds. While situational judgment tests can present individuals with hypothetical situations they might encounter in a job, another option can be to provide applicants with a Realistic Job Preview (RJP). An RJP can present both the benefits and the challenging aspects of the role, and can be a good way to manage candidates’ expectations. From a graduate’s perspective, RJPs can help them decide whether to apply for the role or not, thereby saving both the employer and the graduate, valuable time.

Live your brand.

It doesn’t matter how robust an assessment methodology is or how streamlined your technology is. It only takes one rude interviewer to ruin the candidate experience and tarnish an organization’s reputation. When creating an assessment solution, even a technology-led one, employers should always ensure that it has a human touch. And during personal interactions, they should ensure that recruiters always come across to candidates in a thoughtful, professional, and respectful manner. In fact, we would suggest that organizations could benefit from going one step further and ensuring all recruiters are trained and briefed to live the brand values and actively promote their employer’s value proposition.

Pay a fair, competitive wage.

Financial worries and pay were among the graduate concerns we highlighted earlier. Today, salary is more important than ever to graduates, and in a candidate-led market, they will look around to find better rewards. If competitors have reviewed their compensation packages in recent years, then employers that haven’t risk losing out on the best candidates. They may also struggle to keep the good graduates they already have if those graduates discover better rewards are available elsewhere.

So how should employers accurately gauge pay levels? The Korn Ferry graduate solution provides a basic overview of salary information. By contrast, Korn Ferry Pay is a self-service tool that makes it easy to measure the competitiveness of salaries. Our pay data is collected from more than 20 million employees working for more than 25,000 companies in more than 110 countries. Many of those are graduate employers.

This data set is translated into reports and recommendations, having been filtered through the practical insight and local knowledge of our reward experts in different territories. The results of these reports can help enable organizations to offer competitive rewards packages that will attract and retain the right talent.
References