



THE STATE OF GLOBAL EARLY CAREER HIRING

2024



PRODUCED IN
PARTNERSHIP WITH:

Institute of
Student
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ACKNOWLEDGEMENTS

This report was produced based on data sourced from research undertaken by [The Institute of Student Employers](#), [The National Association of Colleges and Employers](#), and the [Australian Association of Graduate Employers](#). HireVue would like to acknowledge and thank these partners for the use of their annual survey data, which helped enable the first global picture of early career hiring trends derived through industry body data.



EXECUTIVE SUMMARY

Early career talent is unique. These candidates are just starting out on their job search and have a career of limitless potential in front of them. But with macroeconomic factors biting hard, “rearview HR” processes creaking at the seams, and the emergence of new technologies - it is a complex landscape. As we analyzed independent survey data from around the globe, three clear trends stood out:

- **Assessing skills is becoming the dominant approach for early career talent**
- **Hiring teams are relying less and less on past experience or GPA**
- **AI is growing as a tool used by students and recruiters in the hiring process**

Despite challenges on several fronts, the graduate market continues to show resilience, with early career hiring returning to pre-pandemic levels or growing slightly globally. Traditional industries such as energy and engineering show the most resilience.

Skills continue to become the currency of hiring. The changing nature of jobs, talent shortages, and company growth are placing increased emphasis on skills-based hiring to deliver the talent that organizations need now and for the future.

Fairly and effectively assessing who is best for a job when most CVs/resumes look similar and many contain little relevant experience, remain a challenge for early career employers. To overcome this, employers are continuing to reduce their requirement for minimum academic results globally; it now sits at less than 50% across North America, the UK, and Australia. The top in demand technical skills revolve around digital and IT capabilities, with employers also seeking graduates who possess strong teamwork and communication soft skills.

With budgets being squeezed, recruitment team headcount remains the same or has reduced slightly. However, application numbers are increasing as graduates apply for more roles. This could be a factor in recruitment cycles remaining long, and renege and disengagement rates remaining high. For employers, this emphasizes the need to harness new technologies such as automation and AI, and to adapt to changing candidate expectations.

The data shows that AI is being cautiously adopted globally and its use is gathering pace. Currently it is predominantly used for pre-screening and psychometric assessment by recruiters, and for writing resumes and cover letters by students. One of the most notable rises can be observed in the UK where its use jumped from 9% to 28% in 2023. Speed, efficiency and productivity are the most common use cases for AI at present, where it has the potential to ease some of the resourcing issues reported in this analysis.

Although AI is growing in its adoption, employers are keen to maintain a human element to the recruitment process. This is where vendors must now clearly demonstrate, with real data, how their systems assist human decision-making by evaluating everyone in ways that are fair, standardized, and job-related.





GLOBAL GRADUATE RECRUITMENT OUTLOOK



GLOBAL GRADUATE RECRUITMENT OUTLOOK

- **THE EARLY CAREERS JOB MARKET IS HOLDING STRONG WITH TRADITIONAL INDUSTRIES SHOWING THE MOST RESILIENCE**
- **THE NUMBER OF APPLICATIONS PER ROLE CONTINUES TO RISE AROUND THE GLOBE**
- **RENEGE AND DISENGAGEMENT RATES REMAIN AN ISSUE FOR EMPLOYERS**

Early career roles are forecast to grow by a rate of 5% in 2023/2024 in the UK. Despite a cooling jobs market and economic uncertainty, graduate vacancies grew 6% in 2022/23 in the UK, which was higher than predicted (2%). Energy, Engineering, Health, and Finance and Professional Services showed the most recruitment resilience in 2023. Employers from all sectors report a growing need for a range of skills such as digital skills and accounting skills (ISE Student Recruitment Survey 2023).

The ISE data is backed up by government predictions that the UK economy needs more skilled workers, an additional 2.5 million by 2035 (UK Government: Labour market and skills projections 2020 to 2035).

The 2024 job outlook for the U.S. shows overall hiring is projected to dip by 1.9%. However, it is important to note that this is down from the last two years, when the college job market experienced brisk growth that, in 2022, reached record levels. The members of the Class of 2024 are still entering a strong job market, although they may need to be flexible to attain the position they want (NACE).

While some U.S. industries cite budget cuts or an uncertain economy as catalysts for slowing or decreasing hiring, traditional industries - such as social services, oil and gas, food and beverage, and construction - remain strong. These employers highlight the importance of keeping their talent pipelines full, company growth, and increased demand for their products and services as the primary drivers for their planned increase in hiring.

More than three-quarters of U.S. employers rate the job market for the Class of 2024 from “good” to “excellent”, underscoring employer perception of the current market’s strength. (NACE Job Outlook 2024)

Australian employers experienced a 6% increase in the number of graduate roles in their programs in 2024 compared to 2023 (AAGE Employer Survey 2024) and demand for early career programs as a source of talent remains strong. In Australia the National Skills Commission identified, “It is likely that 91.7% of new jobs will require post-school education, and more than three-fifths of the total projected employment growth will occur in high skill level jobs” over the next five years (Employment Outlook: National Skills Commission).

However, with the broader labor market in Australia softening this year the sentiment is that whilst 2024 will be another competitive year in early careers, recruitment volumes are predicted to remain consistent. Feedback sourced from AAGE members in February 2024 was that vacancy numbers for the 2025 cohort of graduates are predicted to be similar to the 2024 intake for most organizations.



GLOBAL GRADUATE RECRUITMENT OUTLOOK

THE INDUSTRIAL/ORGANIZATIONAL PSYCHOLOGISTS VUE

“The hiring landscape has changed for the foreseeable future. Market data from around the globe proves that labor shortages are the new normal and are here to stay for the major world economies. Compounding this is the fact baby-boomers are aging out of the workforce and the skills required to perform jobs are changing every year, mainly driven by technology. There will be approximately 100 million new jobs in the next 5 years and we don’t even know what they will look like yet.

All of this means that employers need to open up the aperture and hire based on the potential a candidate has to operate in a changing environment, rather than hiring based on previous experiences, which is becoming increasingly less relevant. It’s the talent with the ability to learn, grow and adapt that will set organizations up for success going forward. Hiring based on skills, motivations and individual characteristics or abilities allows organizations to connect talent with a wider range of opportunities and unlocks the potential in all candidates to achieve what they are truly capable of.”

- DR NATHAN MONDRAGON PH.D. *Chief IO Psychologist, HireVue*



Dr Nathan Mondragon Ph.D.

“This meta-analysis of global data on early talent recruiting highlights several trends across the United States, United Kingdom, and Australia. As we settle into a post-COVID world, there is much for college graduates to be optimistic about. The hiring market, globally, remains strong, with opportunities across industries for recent graduates. The report also underscores that it is important for students to clearly articulate their skills to potential employers.

Across all three countries, formal markers of education—such as GPA—are being used less frequently to filter candidates, while skills-based hiring is emerging. This shift has the potential to increase equity of opportunity in our labor force, as employers are searching for candidates who can demonstrate their skill mastery. In addition, the findings on the use of AI highlight the importance of AI complementing, not replacing, human decision-making in the recruitment process.”

- SHAWN VANDERZIEL *President and CEO, NACE*





A GLOBAL SHIFT TO SKILLS



A GLOBAL SHIFT TO SKILLS

- **A CLEAR MOVEMENT TOWARDS HIRING BASED ON SPECIFIC HARD AND SOFT SKILLS**
- **COMMUNICATION AND TEAMWORK ARE THE SOFT SKILLS SOUGHT AFTER GLOBALLY**
- **THE MOST COMMON TECHNICAL SKILLS BEING ASSESSED FOR ARE DIGITAL AND IT**

In the U.S. less than 40% of employers reported that they are screening candidates by GPA this year (NACE)

Other factors, such as internship experience in the industry and/or organization, and proficiency in career readiness competencies, play a large role in whether employers screen by GPA. This shift away from GPA as a screening tool shows the importance of skills-based hiring and work-based learning programs. It indicates the weight employers now place on candidates' skills and competencies. The top-rated career readiness competencies continue to be communication, teamwork, and critical thinking skills. Additionally, problem-solving skills, the ability to work in a team, written communication skills, and a strong work ethic are the top attributes employers seek (NACE Job Outlook 2024).

UK employers are also continuing to reduce their reliance on minimum academic cut-offs for applicants. In 2023 the figure dropped to 44% and less than 10% set a minimum UCAS points tariff.

54% of UK employers expect to move to a recruitment approach that focuses on evaluating candidates based on their skills, rather than on their education or past work experience (ISE Student Recruitment Report 2023)

In demand skills now transcend sectors and type of student hire (e.g. graduate or school leaver). The top in demand skills include IT/digital, accounting and engineering. IT and digital skills were also forecast to become increasingly more in demand over the next five years. UK employers expect early career hires to have strong adaptability, confidence, and motivation skills, but identify resilience, time management and self-awareness as areas of on-going development (ISE Student Recruitment Report 2023).

In Australia, employers similarly identified their top three in demand roles as being in data, IT and Finance, with a focus on assessing for career ready competencies and skills that will prepare them for the future of work. We also see the reliance on minimum GPA qualifications as a screening tool falling in Australia (2024 AAGE Employer Survey).

Only 30% of Australian employers in 2024 stated they felt examination results were 'very important' or 'quite important' to assess during the selection process, down from 38% in 2022 (2024 AAGE Employer Survey)

The top soft skills considered important by Australian employers are; communication 82% (up from 77% in 2023), teamwork 67% (up from 66% in 2023), interpersonal skills 63% (matching 63% in 2023), and resilience 42% (up from 38% in 2023) (2024 AAGE Employer Survey).

Australian employers are also embracing early career programs such as apprenticeships and cadetships (a 6% increase in 2024 compared to data collected in the 2023 AAGE Employer Survey) as pipelines for talent that sit alongside their graduate and intern programs. (2024 AAGE Employer Survey).

A GLOBAL SHIFT TO SKILLS

Flutter Entertainment plc is an international sports betting and gambling company, including brands such as FanDuel, Paddy Power and Sportsbet. They wanted to create a skills-based and streamlined hiring process that gives every single candidate a fair opportunity to apply.

Flutter moved away from resumes and now invites every candidate to a first stage assessment based on skills and behaviors. This has reduced time to hire by almost 50%, improved retention and created a stronger candidate experience.

Flutter integrates Games-Based Assessments and Video Interviewing solutions with Workday Recruiting for a range of high-volume retail roles, including early careers. [Watch their story here.](#)

THE PRACTITIONER'S
← VUE

"It is interesting to see the similarities between the picture we see in the UK and that reported globally around the rise of skills-based recruitment, the reduction of reliance on academic and past experiences as predictors of future success, and the continued focus on a human centric approach to recruiting and developing early careers talent around the world. The UK graduate market has historically focused on skills, as most UK employers don't hire by subject studied. We'll be interested to see if this approach grows in other regions in the coming years too.

AI and automation will certainly continue to influence the early careers landscape in the coming years. However, the need to develop human skills such as teamwork and communication capabilities, alongside the need to have a growth mindset to continually develop new skills throughout one's career, seems set to remain a core focus for early careers globally."

- **STEPHEN ISHERWOOD** *Joint CEO – Institute of Student Employers*

Institute of
Student
Employers **ise.**



GLOBAL RECRUITMENT RESOURCING



GLOBAL RECRUITMENT RESOURCING

- **THERE ARE FEWER OR THE SAME NUMBER OF RECRUITERS TO HANDLE INCREASING APPLICATIONS**
- **RECRUITMENT CYCLE LENGTH REMAINS LONG AND IS INCREASING IN THE U.S. AND UK**
- **RENEGE AND DISENGAGEMENT RATES ARE INCREASING GLOBALLY**

Recruitment departments are feeling the squeeze. Although budgets didn't change much over the last year for more than 80% of U.S. employers, there are fewer recruiters to handle the work: respondents said they had 7.2 recruiters in 2023, that's down from 9.0 reported in the 2022 survey. The average number of days between the candidate's first interview and getting a job offer, or being notified they were not being considered, rose to 25.1 (NACE Recruiting Benchmark Reports 2023).

In the UK, on average, one member of a recruitment team is responsible for recruiting 23 (median) or 47 (mean) students. There appears to have been a slow increase in this number over the last four years from 20 (median) students in 2020 to 23 (median) students in 2023. Compounding this, graduate applications per vacancy increased through 2023, up significantly by 38%, suggesting that recruitment teams are being asked to do more with less resources (ISE Student Recruitment Report 2023).

45% of the respondents expected that most of their recruitment will be conducted fully online in the next five years and they would increasingly automate the process of student recruitment (ISE Student Recruitment Report 2023).

The median number of hires that recruiters are managing in Australia is 50, with the average number of applications almost doubling from 16 in 2023 to 30 in 2024 (2024 AAGE Employer Survey). Highlighting that resources are even more stretched there than in other countries. Industry, geographic location and team resources can all impact the length of

the recruitment cycle, the average time taken from application to offer is 30 - 60 days for 45% of organizations and 90 - 120 days for 37% of organizations. Employers in Australia are focusing heavily on shortening their processes to get offers out in a competitive market, whilst still maintaining candidate care and keeping candidates engaged post offer. This has helped to increase the number of employers with a recruitment process that takes 2 months or less by 7%, compared to the 2023 Employer Survey (2024 AAGE Employer Survey).

This year, UK employers reported that 23% of their candidates withdrew or disengaged during the recruitment process without providing any reason, or stopped engaging in communications with the organizations (ISE Student Recruitment Report 2023). In the U.S. the rate at which offers are being accepted dropped from 73.6% in last year's report to 69.3% (2023 NACE Recruiting Benchmarks Report). Shifting dynamics in the post-pandemic job market, candidates considering multiple offers, and prolonged recruitment processes could be driving these withdrawals. Rates are holding steady in Australia with 17% of candidates reneging. However, the same percentage indicated that they are accepting roles whilst continuing to make new applications with employers (2024 AAGE Employer Survey).

THE PRACTITIONER'S VUE ↓

MinterEllison is a top-tier multinational Law firm based in Australia. They have a vision of recruiting diverse, high caliber and high performing individuals – for every role. Previously they had a traditional, lengthy and manual early careers hiring process, but they wanted to improve the experience of both candidates and recruiters.

They streamlined and simplified their process using Games-Based Assessments and Video Interviewing solutions integrated with SAP SuccessFactors. This enables them to differentiate between candidates and allows graduates to tell their full story.

MinterEllison is now able to see 300% more candidates and have saved thousands of hours in recruiting time. [Watch their story here.](#)



THE GLOBAL ACCEPTANCE OF AI



THE GLOBAL ACCEPTANCE OF AI

- **AI IS CAUTIOUSLY BEING ADOPTED IN THE HIRING PROCESS AND ITS USE IS GATHERING PACE**
- **SPEED, EFFICIENCY AND PRODUCTIVITY ARE THE MOST COMMON USE CASES FOR AI AT PRESENT**
- **EMPLOYERS ARE STILL KEEN TO MAINTAIN A HUMAN ELEMENT TO THE RECRUITMENT PROCESS**

A notable rise can be observed in AI's adoption into UK graduate recruitment cycles in 2023, with 28% of employers now using it, a considerable increase from 9% in 2022 (ISE Student Recruitment Report 2023). However, the adoption rate of AI varies across sectors.

Sector-based analysis in the UK highlighted that the Energy, Engineering & Industry sector used AI the most at 45%. This was closely followed by the Retail, FMCG & Tourism sector and the Built Environment sector, both registering 40% adoption (ISE Student Recruitment Report 2023)

83% of U.S. employers reported that using AI increased speed and efficiency in the recruitment process, increased the ability to analyze large volumes of data (64%) and allowed them to automate repetitive tasks (59%) (2023 NACE: A look at current practice among career services professionals). Psychometric assessments and the pre-screening of candidates by video interviewing were the most common use cases in the UK. However, employers were still cognizant of maintaining a human element to the recruitment process, with 70% of recruiters highlighting this. Concerns also persist around AI's reliability (63%) and potential for bias in decision-making (55%) (ISE Student Recruitment Report 2023).

In the U.S., more than 40% of career services professionals reported using AI for work tasks over the last year. Composing emails and letters and answering questions were the most common uses. Among the 40% who said they used AI, only slightly more than half have used it with students. Here too,

use has been largely around creating resumes and cover letters and helping students answer questions. Nearly 80% acknowledged AI's potential for improving efficiency, and nearly half cited its potential for reducing costs (NACE AI on campus: a look at current practice among career services). Concerns cited by respondents revolve around facilitating plagiarism, unethical behavior, misinformation, and cheating on assessments, expressed by more than 65% of employers. In terms of student use of AI, students reported that they were using AI to write cover letters (49%) and resumes (42%). Five percent also reported that they were using AI as part of their internships. Nearly one-third of career professionals expect to offer workshops to students on AI use within the year (NACE AI on campus: a look at current practice among career services).

There is a slightly different picture in Australia with just 16% of organizations currently using AI as part of their recruitment process. Those that are using it are mainly using it for screening applications, psychometric assessments and screening video interviews (37%) (2024 AAGE Employer Survey). Just over one in ten graduates use AI or ChatGPT with the most common uses being for writing cover letters (68%) or crafting resumes (42%) (2024 AAGE Candidate Survey).



THE GLOBAL ACCEPTANCE OF AI

THE SCIENTIST'S VUE

"The view of AI in HR technologies has moved from fear to FOMO in recent years. Given the candidate volumes, we need systems that can assist human decision-making by evaluating everyone in ways that are fair, standardized, and job-related. Our research is adding evidence that AI-facilitated human decisions are better than decisions made by humans or AI alone.

There are still a lot of misconceptions around how AI works and how it is tested. Some people assume AI systems are learning on the fly in a way humans cannot control. Ethically-designed systems, however, are built with an extreme amount of care and continuous testing. The burden of proof is on the vendors to show how their technologies accomplish the goals of validity and fairness with real data."

- LINDSEY ZULOAGA *Chief Data Scientist, HireVue*



Lindsey Zuloaga

THE PRACTITIONER'S VUE →

Nestlé is a Swiss multinational food and drink corporation, it has been the largest publicly held food company in the world since 2014. Nestlé wanted to create a more streamlined and structured process that enabled them to move away from traditional recruitment practices.

Nestlé implemented AI-enabled Video Interviewing, Games-Based Assessments, and an SAP SuccessFactors integration for hiring across a range of roles. The candidates that were hired matched the profiles that were ranked highest by the AI-enabled recruitment solutions, demonstrating a positive correlation.

Nestlé can now hire in a more efficient and objective way and has also reduced their time to hire by 10 days. [Watch their story here.](#)



SUMMARY

It's clear from this analysis that the early careers landscape, despite its challenges, remains an area of huge potential for both candidates and recruiters. It is primed for innovation, so that early talent can be connected with the right opportunities and deliver long-term value to their careers and their companies.

With graduate vacancies holding firm, recruitment budgets being squeezed and application numbers rising, productivity and efficiency should be key themes for TA leaders when looking at process improvement - but while maintaining a personalized and human-centric experience. By automating low-value tasks recruiters can create extra bandwidth to focus on high-impact activities. Automation will also allow TA teams to reduce recruitment cycles and keep candidates engaged in a highly-competitive market.

Skills-based hiring is one of the hot HR topics in 2024, with many companies moving towards hiring models based on skills. With the nature of work changing and disruptions becoming more frequent, portable skills will underpin employer and employee success in the future. Hiring based on skills will also enable candidates to be considered for a broader range of roles - helping to ease talent shortages. Skills-based hiring is highly-predictive and has proven to improve performance extend average tenure length.

Early careers hiring models relying on minimum academic qualifications now sit at less than 50% across the U.S., the UK, and Australia. These traditional approaches that use past experiences have also shown to not predict success in a role. Assessing candidates using skills, behaviors and motivations will allow employers to place candidates in roles where they are best suited and unlock what graduates are truly capable of - improving both performance and retention.

AI was not out of the headlines in 2023 and that has continued in 2024. While the majority of HR professionals are excited for its potential to reduce bias, increase efficiency and improve hiring outcomes - all benefits validated in research by the ISE - there is understandable caution in equal measure. While the use of AI for early years recruitment is growing generally, some industries and regions are adopting it faster than others. The key takeaway here is that AI should facilitate better human decision-making, not replace it.

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