

SME Guide to Graduate Recruitment & Development

Why recruit graduates?

How to find the best graduates?

What is a graduate?

Selecting the best person for your business

How to ensure graduates hit the ground running

Why recruit graduates?

Recruiting graduates is not the sole privilege of large, corporate businesses. In 2015, [36% of graduates](#) worked in SME businesses and more than 90% of graduates considered working for an [SME](#). If you haven't considered hiring graduates before then first you need to figure out why you want to hire them in the first place.

Why?

1. Fill existing or future skills gaps
2. Introduce new ideas, creative input
3. Technical skills from degree level education and generally very tech savvy
4. More cost effective than hiring experienced employees
5. Create a 'talent push' within your business, through highly motivated graduates

Return on investment

It is critical that your management team are bought into the idea of hiring a graduate and that you agree what success will look like.

You should decide how you are going to measure your return in investment of a graduate. This could be:

- Quality profit from time and money saved on process improvements
- Billable hours or income generation
- Project delivery or support
- Other KPIs

For more excellent examples of how graduates add value to businesses see [Adding Value Beyond Measure](#).

Graduates love working for SMEs

The scope of work and responsibility on offer at an SME is typically much broader than a large business. This means that graduates learn very quickly to turn their hand to many different tasks in any given day. The [millennial generation](#) thrive on having this kind of variety and many express a preference for working in this way.

Graduates that we have hired into SMEs talk about the unique culture that comes with a smaller business.

Here are some of the aspects they enjoy most about working in an SME:

1. Fast-paced, fun, team environment
2. The MD knows my name
3. Accountability and responsibility to deliver
4. Freedom and flexibility to implement my ideas
5. Opportunity to progress quickly

In a nutshell:

- First, decide on **why** your business 'needs' a graduate
- SMEs can 'sell' the variety of opportunities on offer
- Graduates are tech savvy and highly motivated to succeed



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What is a graduate anyway?

More females than males – UK University statistics (www.hesa.ac.uk) shows that since 2011, of all graduates leaving higher education 57% were female. Government initiatives to widen higher education participation are having positive impact on the ethnic and socio-economic diversity of graduates as well. Diversity is key for business improvement – the more diverse your business, the better it performs.

There is a hidden graduate pool – many graduates hold off on applying for jobs in their final year to concentrate on getting the best qualification they can. Some take a gap year after university. These graduates might have missed the typical [Milkround](#) and so are hidden from the market. You can access this talent pool through the free [Graduate Talent Pool](#) website or getting in touch with your local careers service.

Second jobbers – after landing a place on a corporate grad scheme, many graduates find out that working for a big business is not for them. They may have tried to make it work, but actually what they want is the chance to make an impact in an SME. Some may have decided that they want to follow a different career path. These so called ‘second jobbers’ can be very valuable graduate hires for an SME.

CASE STUDY: Grads for Datagraphic

We needed marketing staff but couldn't find them! – Glynn King, MD at [Datagraphic](#), found it extremely difficult recruiting experienced marketing and commercial employees for their printing business. So the management team decided to start from scratch and hire graduates instead, provide them with training and they would bring fresh ideas into the business.

Attraction with a little help – They no idea where to start and quite frankly, couldn't afford the time. So we asked Gradconsult to help us find two marketing graduates. They wrote the adverts and used their knowledge of the best graduate channels, and conduct the initial sifting and assessment stages. We were given the best performing candidates to interview. It was hard giving up the control of most of the recruitment process, but we found two amazing graduates.

We want more grads! – following the success of the two marketing graduates, we decided to hire a commercial graduate. Glynn said: “It was amazing to see how well our first two graduates did in the business. After three months they were flying. So it made absolute sense to hire another graduate for our commercial team.”



Finding the best graduates

Get social – Our experience tells us that you should focus on Facebook and LinkedIn. Don't bother with Twitter (grads just don't use it). Promote your brand and what you are doing – make it relevant and related, not just posts about your vacancies. Give an insight into your business and what it is like to work there.

Get in touch with your local university – most universities have a dedicated team or person whose sole job it is to get in touch with SME employers (that's you, by the way!). Ask to speak with this person and find out about all the free ways you can advertise your role and if you have time, how you can get on campus and meet students face to face. If you open your opportunity to any degree discipline (like most grad schemes do) you are likely to get more applicants. **English or language grads often make great coders!**

Funded internships or placements – this is the classic 'try before you buy' approach to graduate recruitment. There are many funded internship or placement programmes run through a local university, council or business e.g. [University of Birmingham](#) or [Santander Internships](#). You might get support in recruitment and selection, and a small subsidy for your first hire. You will still have to pay the minimum wage and provide quality work.



What to include in your offer

- ✓ Competitive salary
- ✓ Variety of work
- ✓ Team culture
- ✓ Entrepreneurial approach
- ✓ Flexible working
- ✓ "We work with clients such as..."
- ✓ Make a difference

What salary to offer?

To get good applicants to apply, you need to pitch it right. This means understanding the market for the role you are trying to fill. Check out www.unistats.gov.uk to see the typical salaries grads command from your local universities. You can see different salaries by course and specialism.

Don't worry about trying to compete on salary with the larger businesses. The AGR and Times Top 100 annual surveys report annual average salaries of £27–36,000 pa. These surveys are mostly made up of large London-based corporate businesses. **The realistic average salary for all UK businesses is closer to £20,000 with regional and specialism variations.**

Selecting the best person for your business

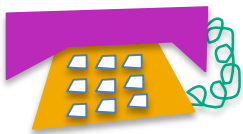
The [AGR Summer Survey 2015](#) shows that most graduate employers use a three stage recruitment process, with more than 90% using an assessment centre in the final stage. We highly recommend a three stage process, but you can save time and money by following the steps below:

STEP 1: CV and Cover Letter



If you hire based **ONLY** on a CV, it predicts future performance with **25% accuracy**

STEP 2: Telephone or Video Interview



If you hire based a CV and telephone or video interview, it predicts future performance with **30-40% accuracy**

STEP 3: Face-to-face interview with individual assessment task



If you hire based on an assessment task plus interview, it predicts future performance with **55-65% accuracy**

Choose the selection process fit for you

Make it easy for graduates to apply (CV and cover letter), instead of an onerous application form. There is still great value in reviewing CVs and cover letters. Make sure you have a robust and fair scoring criteria.

Choosing video interviewing or telephone interviewing

Video interviewing is the new kid on the recruitment block. It is an affordable way to recruit and can directly replace the telephone interview, saving time and money in the process.

Unlike live Skype interviewing, video interviewing relies on the employer pre-arranging the questions that will be asked, setting the time frames for the candidates to answer the questions. The candidate then completes the interview, to be reviewed at the convenience of the employer.

In short, this alternative gives a better insight into the candidates applying and can lighten the administrative load when trying to run your business as well as run a recruitment process.

Assessment Centre Lite

No, not a product we are trying to push, rather it is an approach we know that works. We know that you haven't got the time to invest in a resource heavy assessment centre. You just want to make sure you hire the best person for the job.

Doing an interview goes part of the way. But an even better way to predict future performance is having your candidate run through one or two assessment tasks. The trick is to present the candidates with a genuine task or activity they would need to do in the role. This will give you the very best prediction of whether or not they will be able to do the job well.



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4 easy steps to ensure graduates hit the ground running

Induction A graduate will come to you with bags of enthusiasm, ready to take on the challenge of working at an SME. At this stage, they will need lots of direction in terms of what to do and how your business works. The purpose of the induction is to immerse them in your business from their first week, so they are set up from the outset to deliver a great job for you.

The induction should consist of a day-by-day plan for the first week. Please find a blank induction plan populated with a suggested outline here. If you want to use this form, simply add in relevant information about their first week's activities, details of people to meet, where and at what times.

Quality Work Ensure your graduate has real, substantive and challenging work to do with clear targets, quality standards, deadlines and measures of success. This will not only allow you to get the most benefit from having a graduate in your business, but it will also provide the graduate with excellent experience and on-going positive commitment to your business.



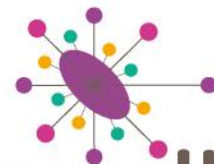
Select the Best Line Manager If you are a small or fairly informal business this may seem unnecessary but graduates consistently rate their line manager as critical to their early career experiences. Line managers are cited as one of the [main reasons why employees quit a job](#). Your graduate may have had little practical work experience and will most likely had no experience of your specific business. They come to you with intelligence and ability. The opportunity is to put that learning into practice and their line manager will be the most influential person in shaping their performance and attitude. A line manager's duties will vary from business to business, but get the basics right like setting clear objectives and targets, monitoring and ensuring work quality and building trust with the graduate. Striking the right balance with the graduate between training, support and challenge will be critical to their success. Often, if you give the graduate room to achieve, they're more likely to go above and beyond.

Feedback / appraisal – this is another chance to give open and honest feedback to your graduates about their performance, though should never be the only occasion. What we know is that graduates today love feedback. They thrive on it. So don't leave them guessing. There are many other things to consider as part of training and keeping a great graduate in your business like coaching, mentoring, professional qualifications and lots more!

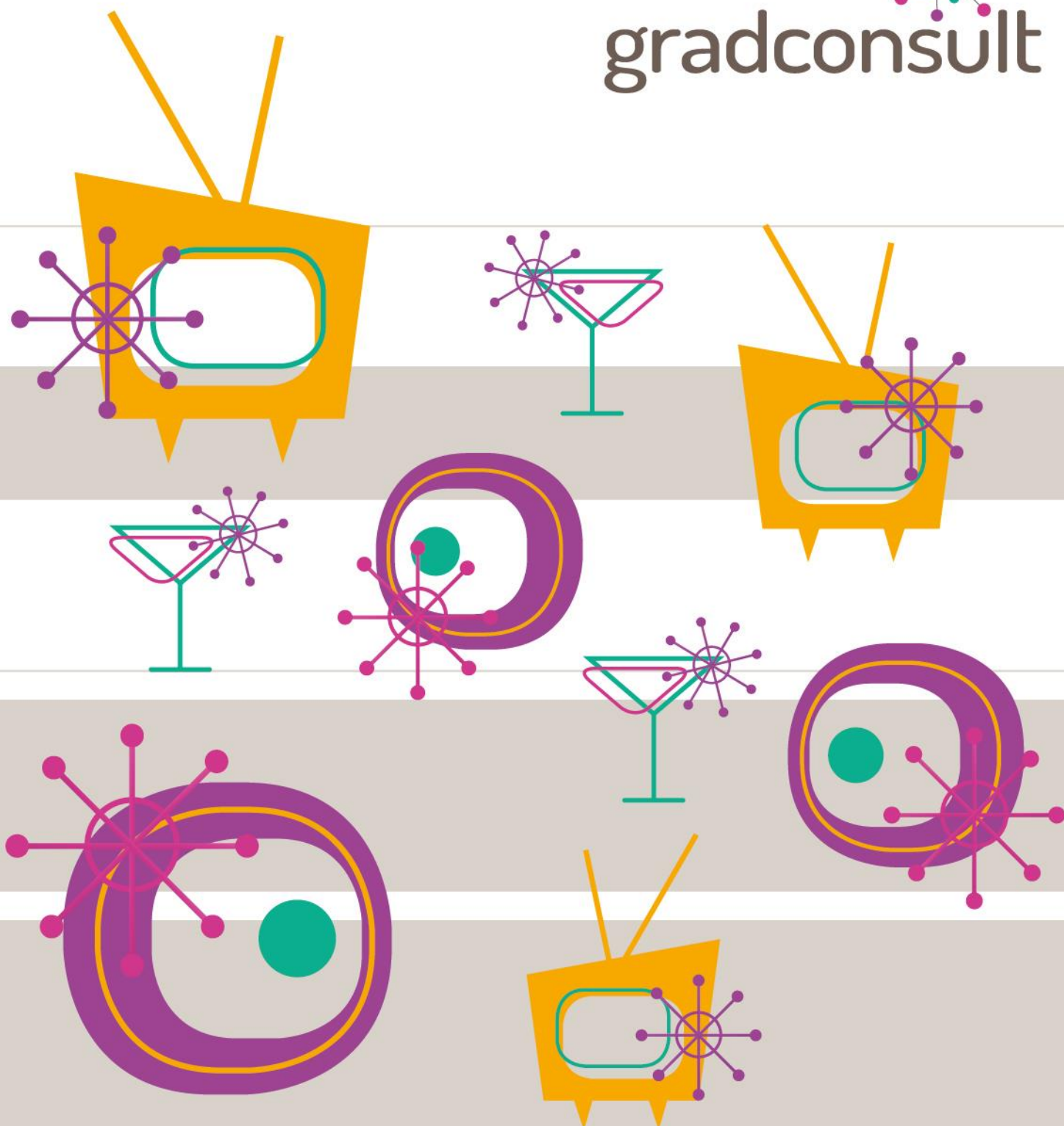
In a nutshell:

- Get the basics right
- Demand high quality work from your grads
- Provide feedback, often





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Gradconsult works directly with employers (large and small) from all industry sectors to help hire and develop the very best graduates. They draw upon extensive experience through work with funded internship schemes and working with a quarter of the UK's universities. Gradconsult employees have helped over 350 businesses hire more than 2000 graduates over the last 15 years.

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