

Department of Education, Training and Youth Affairs

# **Employer Satisfaction with Graduate Skills**

## **Research Report**

ACNielsen Research Services

99/7

February 2000

Evaluations and Investigations Programme  
Higher Education Division

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ISBN 0 642 23973 8

ISBN 0 642 23974 6 (Online version)

DETYA No. 6442HERC00A

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The report is funded under the Evaluations and Investigations Programme of the Department of Education, Training and Youth Affairs.

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# Contents

Executive summary	vii
1 Introduction and objectives	1
1.1 Introduction	1
1.2 Objectives	1
2 Research methodology	3
2.1 Qualitative research	3
2.2 Quantitative research	4
2.2.1 The survey	4
2.2.2 Data processing	4
2.2.3 Characteristics of sample of employers	5
2.2.4 Characteristics of sample of graduates	6
3 Summary of qualitative findings	7
3.1 Reasons for recruiting graduates	7
3.2 Skills sought in new graduates	7
3.3 Personal attributes	8
3.4 Skills for the future	8
3.5 Satisfaction with skills of new graduates	9
3.6 TAFE colleges	9
4 Quantitative findings	11
4.1 Graduates recruited	11
4.1.1 Applications received	11
4.1.2 Graduates employed	12
4.1.3 Study undertaken	12
4.1.3.1 Field and sector of last new graduate study	12
4.1.3.2 Employer industry by last new graduates' sector of study	13

4.2	Skill requirements	14
4.2.1	Overall	14
4.2.2	By sector	17
4.2.3	By industry	17
4.2.4	Reason for recruiting new graduates	19
4.3	Skill availability	22
4.3.1	Performance of new graduates	22
4.3.1.1	Graduates overall	22
4.3.1.2	By sector of study	24
4.3.1.3	By field of study—university graduates	25
4.3.1.4	By field of study—TAFE graduates	27
4.3.1.5	By occupation—university graduates	27
4.3.1.6	By occupation—TAFE graduates	28
4.3.1.7	By industry—university graduates	29
4.3.1.8	By industry—TAFE graduates	30
4.3.1.9	By size of workplace—university graduates	32
4.3.1.10	By size of workplace—TAFE graduates	32
4.3.2	Level of unsuitable applicants	33
4.3.2.1	By workplace size	34
4.3.2.2	By industry	34
4.3.3	Comparisons of importance and performance	35
4.3.3.1	Basic skills and competencies	35
4.3.3.2	Academic skills	36
4.3.3.3	Personal attributes	38
4.3.3.4	Skill importance versus performance of university and TAFE graduates	39
4.3.3.5	Skill deficiencies—the gap between importance and performance	39
4.3.3.6	Deficiencies as perceived by employers	41

4.4	Employers who were unsuccessful in recruiting graduates	43
4.4.1	Size of business	43
4.4.2	Number of applications received	43
4.4.3	Sector of applicants	44
4.4.4	Proportion of unsuitable applicants	44
4.4.4.1	Overall	45
4.4.4.2	By workplace size	45
4.4.5	Importance of skills and competencies	46

## Appendices

1.	Screening questionnaire	49
2.	Mail questionnaire	53
3.	Cover letter	59

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## Tables and charts

### Tables

Table 1	Industry of employers	5
Table 2	Size of businesses	5
Table 3	Field and sector of study of last new graduate employed	6
Table 3	Field and sector of last new graduate study	13
Table 4	Employer industry by last new graduates' sector of study	14
Table 5	Skill requirements by industry	18
Table 6	Reasons for recruiting new graduate	20
Table 7	Perceived skill deficiencies among applicants for position	41
Table 8	Sector of applicants	44

## Charts

Chart 1	Applications from new graduates in last two years	11
Chart 2	New graduates employed in last two years	12
Chart 3a	Importance of skills and competencies	15
Chart 3b	Importance of skills and competencies: by sector	16
Chart 4	Performance of new graduates	23
Chart 5	Performance of last new graduate by sector of study	24
Chart 6a	Performance of last new graduate by field of study	25
Chart 6b	Performance of last new TAFE graduate by field of study	26
Chart 7a	Performance of last new university graduate by occupation	28
Chart 7b	Performance of last new TAFE graduate by occupation	29
Chart 8a	Performance of last new university graduate by industry	30
Chart 8b	Performance of last new TAFE graduate by industry	31
Chart 9a	Performance of last new university graduate by size of workplace	32
Chart 9b	Performance of last new TAFE graduate by size of workplace	33
Chart 10	Proportion of unsuitable applicants by industry	34
Chart 11	Proportion of unsuitable applicants by workplace size	34
Chart 12	Basic skills and competencies	36
Chart 13	Academic skills	37
Chart 14	Personal attributes	38
Chart 15	Skill importance compared with performance of applicants and the last new university and TAFE graduates	40
Chart 16	The gap between importance and University/TAFE graduates' performance	42
Chart 17	Comparison of employers successful and unsuccessful in recruiting a new graduate: size of business	43
Chart 18	Comparison of employers successful and unsuccessful in recruiting a new graduate: number of applications received	44
Chart 19	Comparison of employers successful and unsuccessful in recruiting a new graduate: proportion of unsuitable applicants by workplace size	45
Chart 20	Comparison of employers successful and unsuccessful in recruiting a new graduate: importance of skills and competencies	46

# Executive summary

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## The study and objectives

ACNielsen Research has conducted a two stage research project to establish the extent of employer satisfaction with the skills of new graduates entering the labour market, and areas of dissatisfaction.

The first qualitative research stage consisted of 12 focus groups with employers and graduates, and six in-depth interviews with industry representatives.

The second quantitative stage consisted of a mail survey of employers who had recruited a new graduate in the last two years. They were recruited and screened by telephone before being mailed a self-completion questionnaire. A total survey sample of 1105 employers was obtained on which this analysis is based. A further 155 telephone interviews were also conducted with employers who had tried to recruit a graduate but who had been unsuccessful.

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## Main findings

The main results from this study are as follows:

- **Overall performance:** Overall, the performance of new graduates employed appears to be reasonable, neither particularly low or high. The performance ratings given to new graduates employed, across the twenty-five skills and attributes tested, ranged from 3.2 to 4.2 out of a possible 5.0. However, the performance of new graduates who had applied for positions but who were considered unsuitable was poorer, their ratings were between 2.9 and 3.9 out of 5.0.
- **Perceived suitability of applicants:** A large proportion of applicants for positions are considered to be unsuitable, even for other positions within the organisations; over-all this unsuitable proportion was 76.5 per cent. This level of unsuitable applicants was highest amongst larger businesses (85 per cent) and lowest amongst the smallest businesses (69 per cent). Given that the larger businesses also received the largest number of applicants, they must be spending a great deal more time and effort on screening and selection of suitable candidates.

The level of unsuitable applicants was highest in the hospitality industry and among students from the services/hospitality/transport fields.

- **Skill deficiencies:** Taking into account the relative importance of the skills to employers, the greatest skill deficiencies among new graduates were perceived to be in the areas of:
  - creativity and flair;
  - oral business communications; and
  - problem solving.

Creativity and flair were the most important of all the skills tested, yet received only a relatively mediocre performance rating (3.5 out of 5.0 for the last graduate employed, lower for the rest of the applicants). Oral business communications and problem solving skills received the lowest ratings of all skills yet were both quite important to employers (4.3 out of 5.0). These three skills show the greatest performance shortfalls, given their importance to employers.

Several of the highest rating skills were not at all important to employers, particularly customer focus and the ability to benefit from on-the-job training.

- Unsuccessful applicants, like the successful applicants, under-performed most in creativity and flair and oral business communication skills, but they were much more likely than the successful applicants to *also* lack the capacity for independent and critical thinking. This skill is of great importance to employers and seems to be the skill that most sets apart successful from unsuccessful applicants; in other words, employers *value* this skill and *can* find it but it is *rare*.
- The *skill deficiencies* most commonly cited by employers *themselves* are:
  - a lack of communication skills;
  - a lack of interpersonal skills; and
  - a lack of understanding of business practice.
- **Study sector:** Across *all* skill areas tested, the University sector produced higher rating graduates than the TAFE sector.
- **Field of study:** Graduates of engineering and surveying courses (from both the University and TAFE sectors) were perceived to be poor in many skills, particularly at problem solving and oral business communications which employers consider important but also in interpersonal skills and (among TAFE graduates) numeracy and oral business communication.

Graduates from services/hospitality/transportation courses (primarily from the TAFE sector) performed well in a number of skill areas, particularly in computer skills, understanding of business practice, capacity to handle

pressure, numeracy and oral communication. They were the highest rating TAFE graduates.

The highest rating graduates overall either had arts/humanities/social sciences qualifications or business/administration/economics qualifications and these were likely to be from the University sector.

- **Occupation:** University graduates appear to be performing best as associate professionals while TAFE graduates who are employed in these positions are receiving much poorer ratings. The best rating occupational groups originating from the TAFE sector were labourers and related occupations, whose graduates were reported to be mature, had good computer skills and high potential given on-the-job training.
- **Industry:** There does not appear to be an industry in which University graduates perform well across all or most of the skill areas while TAFE graduates employed in the hospitality sector are given high ratings, higher than their counterparts employed in other industries.

The industries mostly likely to have given graduates lower ratings (relative to other industries, not necessarily poor *per se*) appear to be retail, wholesale and manufacturing, but the pattern by industry, particularly among University graduates, is not very strong.

- **Size of business:** Larger businesses consistently rated their new graduates more highly than smaller businesses, confirming our hypothesis that this may be the case due to the resources they are able to put into recruitment and their ability to attract the best graduates.
- **Preference for graduates:** The survey confirmed that employers' main reasons for recruiting graduates (as opposed to non-graduates or those with work experience) were:
  - to enable them to train that person in the organisation's procedures;
  - because they are more trained/educated/better;
  - to provide tomorrow's managers; and
  - to introduce new ideas or fresh thinking into the organisation.



# 1 Introduction and objectives

---

## 1.1 Introduction

This report presents the findings of a study into the satisfaction of employers with new graduates' skills. The study was a two-stage study and this report covers both the qualitative and quantitative research undertaken.

As the detailed findings of the qualitative research were provided in a separate report, we include a summary of the qualitative research findings in this report and compare and contrast the findings where relevant.

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## 1.2 Objectives

The main objective of the overall research programme was to establish the extent of employer satisfaction with the skills of new graduates entering the labour market, and areas of dissatisfaction.

The more specific objectives of the study were to:

- determine which skills employers are seeking when recruiting graduates;
- determine the relative importance of different skills; and
- identify any perceived deficiencies in new graduates' skills.

The new graduates included those from the higher education and the vocational education and training sectors.



## 2 Research methodology

### 2.1 Qualitative research

The first stage of the project consisted of a total of twelve focus groups with employers and graduates, and in-depth interviews with representatives from industry associations.

The twelve focus groups were structured as follows:

1.	Melbourne	Mixed	Large (100+ emps)	HR managers
2.	Sydney	Mixed	Large	HR managers
3.	Canberra	Federal Government	Large	HR/Graduate recruiters
4.	Melbourne	Mainly engineering	Large	Line managers
5.	Melbourne	Mainly professional	Medium (50–99 emps)	HR managers
6.	Sydney	Mixed	Medium	HR managers
7.	Sydney	Professional/Government	Medium	Line managers
8.	Melbourne	Mixed	Small (<50 emps)	General managers
9.	Sydney	Mixed	Small	General managers
10.	Sydney	Mixed	Mixed	HE graduates
11.	Canberra	Federal Government	Large	HE graduates
12.	Melbourne	Mixed	Mixed	VET graduates

State and Local Government employers were included in the Melbourne and Sydney groups. All employers had to have recruited new graduates in the last two years. It was not always possible to recruit suitable line managers, and in some cases human resource or similar managers attended these groups

A total of six **in-depth interviews** were conducted with representatives from the following Industry Associations:

- Australian Association of Graduate Employers (AAGE)
- Australian Medical Association (AMA)
- National Institute of Chartered Accountants (NICA)
- Metal Trades Industry Association (MTIA)
- Association of Professional Engineers, Scientists & Managers, Australia (APESMA)
- Institution of Engineers Australia (IEA)

The results from this first stage of the research were used to define the parameters of the survey and to guide the design of the questionnaire. A summary of the qualitative findings is provided in chapter 3.

---

## 2.2 Quantitative research

### 2.2.1 The survey

A survey of employers of graduates was conducted using telephone recruitment followed by a self-completion mail-return questionnaire.

The sample for the telephone recruitment consisted of a sample of businesses stratified by size of business (number of employees) and industry sector to ensure that it would be as representative of the business population as possible.

The screening questionnaire used for recruitment is attached at Appendix 1. All potential respondents were asked if they have recruited a new graduate in the past two years, or if they have attempted recruiting a new graduate in the past two years but were unsuccessful. Depending on their responses to these questions they were mailed a self-completion questionnaire and cover letter (Appendix 2 and 3), or asked some further questions to assist in subsequent weighting of the data. The interviewer instructions are provided at Appendix 4.

To ensure an appropriate final sample of employers, interviewing quotas were applied to both the size of the workplace (i.e. the number of employees), and whether the business had recruited a graduate in the last two years.

A total of 2091 employers were mailed a questionnaire and 1105 were returned, which is a response rate of 52.8 per cent.

### 2.2.2 Data processing

The data collected was coded, entered and weighted to ensure that it reflected Australian businesses in terms of size and industry.

### 2.2.3 Characteristics of sample of employers

In terms of their industry and the size of their businesses, the final sample of employers who participated in the mail survey is as follows:

Table 1 Industry of employers

Industry	Interviews (n)	Weighted (%)
Agriculture, forestry and fishing	3	0.0
Mining	18	0.7
Manufacturing	279	17.6
Electricity, gas and water supply	5	0.0
Construction	55	8.2
Wholesale trade	70	6.4
Retail trade	70	7.7
Accommodation, cafes and restaurants	62	2.5
Transport and storage	23	2.1
Communication services	8	0.7
Finance and insurance	65	5.0
Property and business services	280	28.1
Government administration and defence	17	0.2
Education	48	3.6
Health and community services	63	8.0
Cultural and recreational services	21	4.6
Personal and other services	17	4.5
Not stated/refused	83	0.0
<i>Total</i>	<i>1105</i>	<i>100</i>

Table 2 Size of businesses

Number of employees	Interviews (n)	Weighted (%)
less than 20	142	89.1
20–49	245	6.1
50–99	287	2.6
100+	417	2.1
Don't know/can't say	14	0.0
<i>Total</i>	<i>1105</i>	<i>100</i>

Note that wherever percentages do not exactly add to 100 per cent in this report, it is due to rounding of figures.

## 2.2.4 Characteristics of sample of graduates

The last new graduates hired by the employers in the survey had studied in the following fields of study, shown by the University and TAFE sectors:

Table 3 Field and sector of study of last new graduate employed

Field of study	Total	Sector of study (%)	
		University (%)	TAFE (%)
		57.9	38.1
Business, administration, economics	20.9	28.7	9.5
Engineering, surveying	12.5	13.3	12.4
Arts, humanities and social sciences	8.1	13.9	0.1
Education	6.7	6.1	6.8
Computer science	5.1	6.6	3.4
Architecture, building	4.3	6.0	2.2
Health, community services	3.4	1.5	5.1
Services, hospitality, transportation	3.1	0.2	7.8
Science (not computer science)	1.7	2.9	0.0
Law, legal studies	1.7	2.9	0.0
Veterinary science, animal care	1.3	2.2	0.0
Land/marine, animal husbandry, agric.	0.8	1.3	0.1
Other	30.4	14.4	52.6
<i>(Unweighted base)</i>	<i>(1105)</i>	<i>(802)</i>	<i>(275)</i>

## **3 Summary of qualitative findings**

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### **3.1 Reasons for recruiting graduates**

There appear to be three major reasons for recruiting new graduates:

- to provide a sufficient pool of future middle and senior managers;
- to fill the need for trained and educated people in areas requiring professional or highly skilled personnel;
- to introduce new ideas and techniques into workplace organisations.

These reasons may vary somewhat with size of organisation, with large companies, for example, having more interest in the need to recruit future business leaders, whilst small businesses are much more concerned to obtain skilled people whom they can use in the short term.

---

### **3.2 Skills sought in new graduates**

The research suggests that the following skills may be sought in new graduates through the recruitment process:

- academic achievement in a suitable discipline
- literacy
- numeracy
- basic computer skills
- time management skills
- written business communication skills
- oral communication skills
- interpersonal skills
- teamworking skills
- problem solving skills
- comprehension of business processes

Two further skill areas are sometimes, though not always, important:

- research and analysis skills
- leadership skills

Of the skills listed above, three skills would seem to be ones that should, ideally, be developed at school. These are basic literacy, numeracy and computer skills.

The majority of the remaining skills are general skills which are sought in all graduates entering industry or Government Departments. However, research and analysis skills are not always sought, although these skills are important in the public sector and certain professional jobs. Nor are leadership skills always important since organisations generally recognise that they need a mix of 'leaders and followers'.

The criterion on which employers put most weight in recruitment, other than certain personal attributes, is academic achievement. While this usually needs to be in a relevant subject area, high academic achievement is taken as indicative of intellectual capability, capacity to learn, and motivation to pursue and achieve high goals.

---

### **3.3 Personal attributes**

Employers mentioned also a whole range of personal attributes which they look for in recruiting new graduates. These include: enthusiasm, motivation, ambition, maturity, personal presentation, including grooming and dress. Also important is evidence of interest in the actual position the graduate is being considered for—it is important for a recruit not to appear to have sent out numerous identical applications.

---

### **3.4 Skills for the future**

In the future, Australian business is expected to be more international in operations and focus; and the world of work is expected to change rapidly in response to changing social and environmental conditions and technological change. The need for graduates to demonstrate adaptability and flexibility in order to cope with these future changes is important to some employers. New graduates also need to be aware of the need for continuous learning and re-training throughout their careers.

---

### **3.5 Satisfaction with skills of new graduates**

In general, satisfaction with the skills of the graduates that are successfully recruited appears to be high. We hypothesise, however, that it is higher in large organisations (those employing 500 or more) than in small organisations (employing less than 50), with medium-sized companies in between. The reasons for this difference lie in the effort and expense put into recruitment by large companies, their more realistic expectations of new graduates, and their ability to ‘cream off’ the best graduates.

In saying that recruiters are satisfied, however, we should note that there is an apparent over-supply of graduates, and employers can pick from among them. Many graduates appear to miss out on job opportunities because of the lack of skills in basics such as literacy or numeracy.

If there is dissatisfaction with graduate skills as such, it probably lies in the area of written communication, because the majority of students are not taught to write in a manner appropriate to business communications.

In regard to course content, we found very few complaints by employers, except in regard to more advanced areas of information technology and electronic communications.

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### **3.6 TAFE colleges**

Granted that this research has mainly focused on University graduates, the following comments are made in relation to TAFE colleges.

Firstly we think there is unlikely to be any major difference in the skills sought by employers from students from the VET sector. Secondly some employers have an active preference for TAFE graduates, believing them to be likely to be more mature and ‘streetwise’. Thirdly some TAFE degrees are highly practical and hands-on in nature (for example, such topics as graphic arts, design etc). Employers taking graduates from such courses may have high expectations that the graduates can make an immediate impact in their organisations. Fourthly whereas we heard few criticisms that universities were not up-to-date with the latest advances in industry, there was some feeling that this may not be so in regard to some TAFE courses.



## 4 Quantitative findings

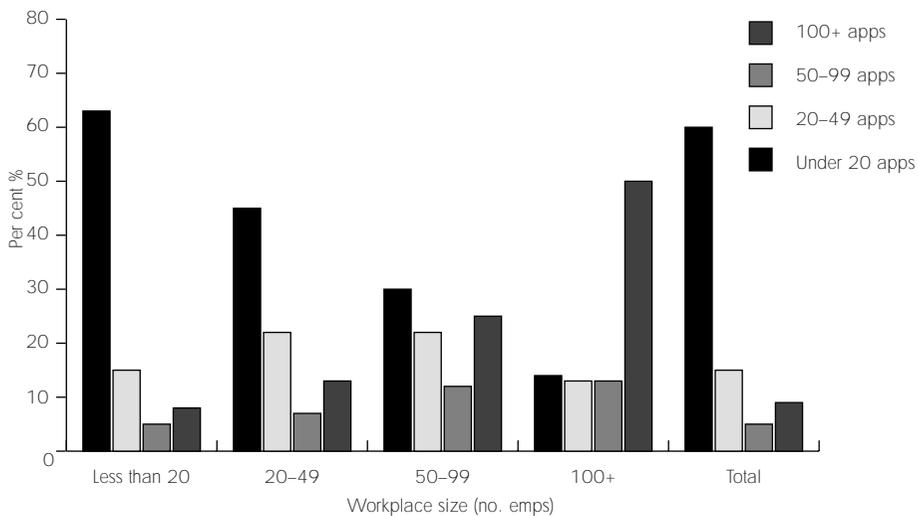
### 4.1 Graduates recruited

#### 4.1.1 Applications received

Respondents were asked to indicate how many applications from new graduates had been received at their workplace in response to advertisements or through staff recruitment agencies in the last two years i.e. since September 1996.

Two-thirds of the total employers surveyed reported receiving fewer than 20 applications during the two year period, as shown in Chart 1, but this figure largely reflects small businesses that constitute almost 90 per cent of the weighted sample.

Chart 1 Applications from new graduates in last two years



The chart also shows that about half of the employers in the large businesses received over 100 applications and confirms that there is a clear relationship between size of business and number of applications received.

### 4.1.2 Graduates employed

The employers also indicated how many new graduates they had actually recruited and employed at their workplace in the last two years.

Chart 2 New graduates employed in last two years

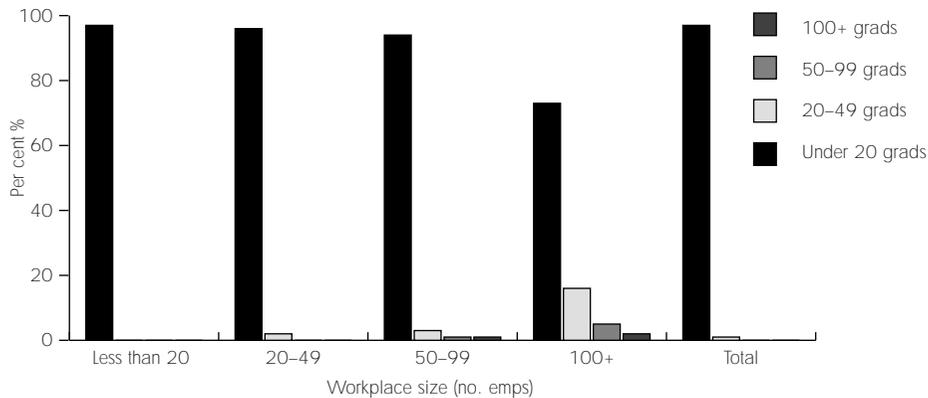


Chart 2 shows that the vast majority of the businesses had employed fewer than 20 graduates but also shows that the large businesses were the only businesses likely to employ graduates in large numbers.

### 4.1.3 Study undertaken

#### 4.1.3.1 Field and sector of last new graduate study

Table 3 shows the fields of study of the last new graduates employed and also compares the sectors in which these graduates undertook their study. More than half of the employers (57.9 per cent) reported that the last new graduate employed had a University degree, compared with 38.1 per cent who reported the last new graduate had a TAFE qualification.

Overall, it is important to note that business, administration and economics accounts for more than one-fifth of this group of new graduates. Engineering and surveying also accounts for a sizeable proportion (12.5 per cent). These two fields of study, together with arts, humanities and social sciences, account for more than 55 per cent of the University graduates. The TAFE graduates have clearly studied a wider range of subjects as evident in the large group in 'Other' (52.6 per cent). This is of course also due to the more specific vocational nature of their studies. The single largest group of TAFE graduates studied engineering and surveying (12.4 per cent). Almost all of the

arts/humanities graduates were from the University sector, while the TAFE graduates were more likely than the University graduates to have studied in the areas of service/hospitality/ transportation and health/community services.

Table 4 Field and sector of last new graduate study

Field of study	Total (%)	Sector of study	
	Sectors	University (%) 57.9%	TAFE (%) 38.1%
Business, administration, economics	20.9	28.7	9.5
Engineering, surveying	12.5	13.3	12.4
Arts, humanities and social sciences	8.1	13.9	0.1
Education	6.7	6.1	6.8
Computer science	5.1	6.6	3.4
Architecture, building	4.3	6.0	2.2
Health, community services	3.4	1.5	5.1
Services, hospitality, transportation	3.1	0.2	7.8
Science (not computer science)	1.7	2.9	0.0
Law, legal studies	1.7	2.9	0.0
Veterinary science, animal care	1.3	2.2	0.0
Land/marine, animal husbandry, agric.	0.8	1.3	0.1
Other	30.4	14.4	52.6
<i>(Unweighted base)</i>	<i>(1105)</i>	<i>(802)</i>	<i>(275)</i>

#### 4.1.3.2 Employer industry by last new graduates' sector of study

Table 4 shows the propensity of employers in certain industries to have employed their last new graduate from either the University or TAFE sectors.

The industries which appear to have an above average likelihood of employing University graduates include: property and business services, finance and insurance, cultural and recreational services, education and mining.

Those that appear more likely to opt for a TAFE graduate are in: manufacturing, construction, health and community services, retail, personal and other services, hospitality, and communications.

Table 5 Employer industry by last new graduates' sector of study

Industry of employer	Total (%)	Sector of study	
		University (%)	TAFE (%)
Property and business services	28.1	38.2	14.1
Manufacturing	17.6	13.7	23.7
Construction	8.2	4.9	12.3
Health and community services	8.0	6.0	10.2
Retail trade	7.7	4.8	12.6
Wholesale trade	6.4	5.1	7.4
Finance and insurance	5.0	7.4	1.7
Cultural and recreational services	4.6	5.7	1.8
Personal and other services	4.5	2.3	8.4
Education	3.6	6.2	0.0
Accommodation, cafes, restaurants	2.5	1.5	4.2
Transport and storage	2.1	2.4	1.8
Mining	0.7	1.3	0.0
Communication services	0.7	0.1	1.7
Government admin. and defence	0.2	0.3	0.1
Agriculture, forestry and fishing	0.0	0.1	0.0
Electricity, gas and water supply	0.0	0.0	0.0
<i>(Unweighted base)</i>	<i>(1105)</i>	<i>(802)</i>	<i>(275)</i>

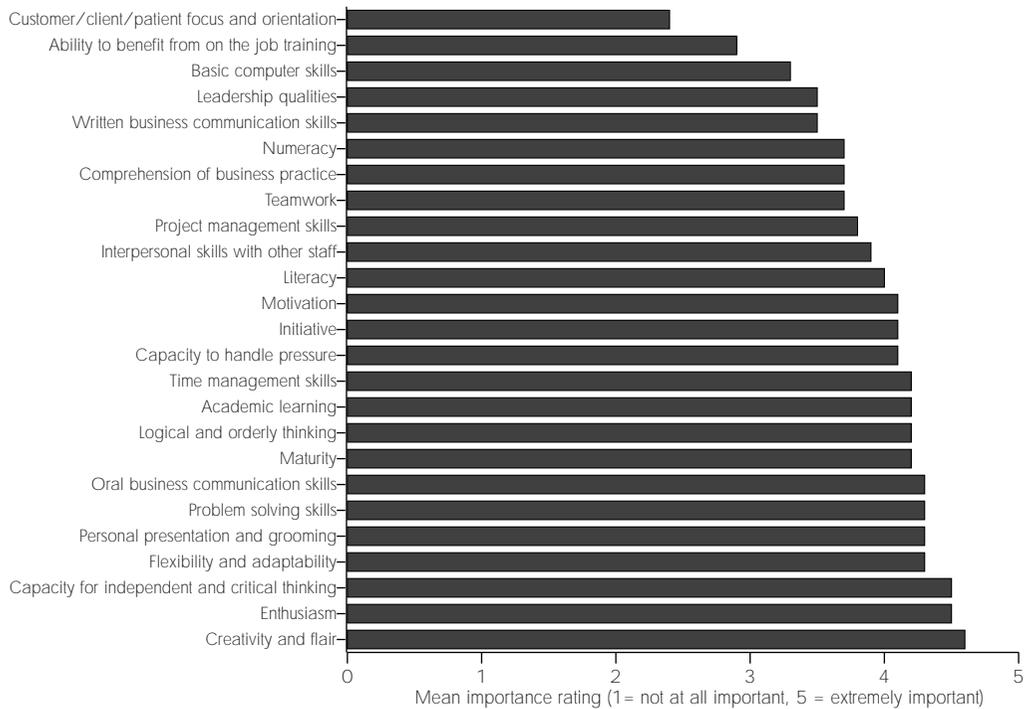
## 4.2 Skill requirements

### 4.2.1 Overall

Chart 3 shows the relative importance to employers of all 25 skills covered in the survey. The purpose of this chart is to illustrate employers' priorities in terms of the skills they would seek in a graduate and to provide a relative ranking of the importance of different skills. The ratings obtained for importance were between 1 and 5 where 1 meant '*not at all important*' and 5 meant '*extremely important*'. Using the mean scores of this data provides the best overall representation of the distribution of ratings, as it takes into account the actual number of respondents who selected *each* of the five rating options and allows the most meaningful comparison between skills. Note the visual range covered by the charts is from 2.0 to 5.0 in order to highlight any differences and patterns.

The skills employers consider to be *most* important in graduates are creativity and flair, enthusiasm and the capacity for independent and critical thinking. However, all skills with a mean importance rating of 3 out of 5 or higher could be considered important. This encompasses almost all of the skills

Chart 3a Importance of skills and competencies



listed, so employers obviously consider almost all of the skills important. There are virtually none that they do not consider important. The least important skills for graduates to have are: customer focus, the ability to benefit from on-the-job training and basic computer skills.

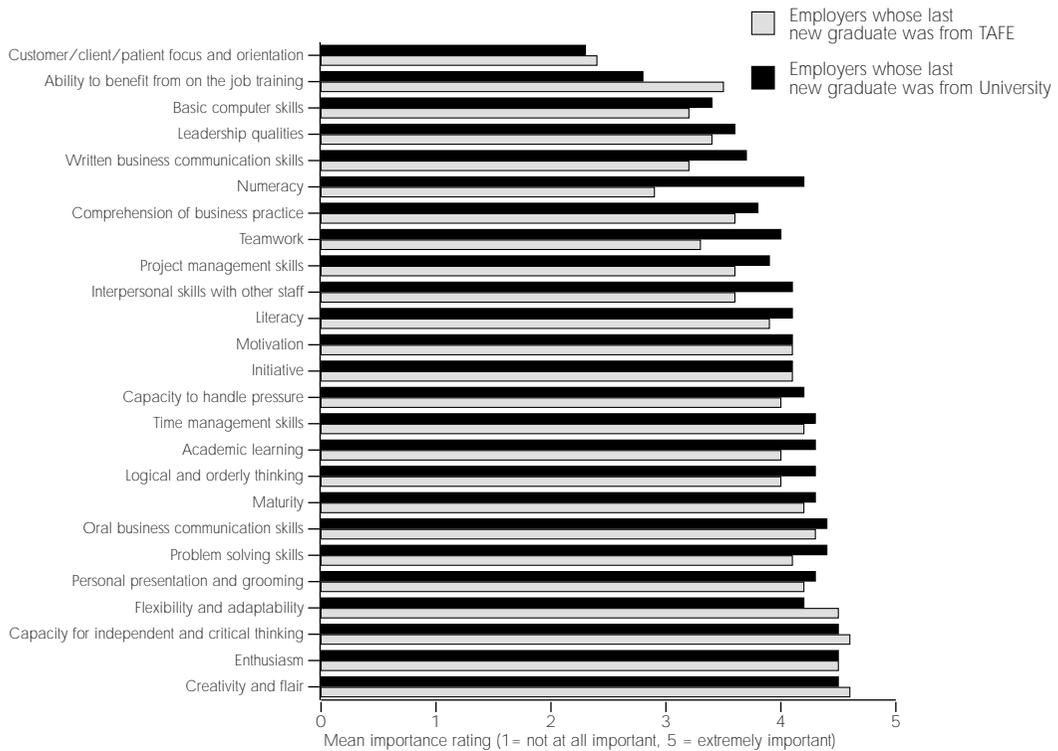
There do not appear to be any particular patterns in terms of the four skill groups (i.e. as grouped in the questionnaire)—basic competencies, basic skills, academic skills and other personal qualities.

Interestingly, the skills employers wanted most from graduates, as identified via the qualitative research, appear to be different from the ranking shown opposite. The qualitative research (see Section 3.2) suggested that employers sought the following skills:

- academic achievement
- literacy
- numeracy
- computer skills
- time management skills
- written business communications

- oral communication
- interpersonal skills
- teamworking skills
- problem solving skills
- comprehension of business processes

Chart 3b Importance of skills and competencies: by sector



The qualitative research had also suggested that employers wanted graduates with certain personal attributes, such as enthusiasm, motivation, ambition, maturity and personal presentation.

However, many of these skills in the above listing (especially computer skills, written business communication skills, numeracy, understanding of business practices and teamwork) are in fact lower down in the chart opposite, or less important, than other skills including some of the personal attributes. The difference could simply reflect the fact that in the survey respondents were prompted with these and many other attributes while in the group discussions they were asked to discuss and reveal what they considered to be most important.

It is also possible that the skills near the top of the chart reflect *why employers recruit graduates in the first place*, rather than which skills they particularly want these graduates to possess. Academic achievement (being a graduate) is taken as an indicator of other skills, such as intellectual capability, problem solving skills, the capacity to learn and motivation to achieve and these personal attributes *are* nearer to the top of the chart.

#### 4.2.2 By sector

Chart 3b shows the same importance measure, but compares the importance ratings given by employers whose last new graduates were from University and by those whose last new graduate were from TAFE. This may provide some indications of different expectations from employers.

It shows that for many of the skills, the two groups of employers viewed them as equally important.

Employers whose last new graduate came from the University sector appear to attach greater importance to a smaller number of skills, namely interpersonal skills, teamwork, numeracy and written business communication skills. Interestingly, the data suggests that employers whose last new graduate came from the TAFE sector place less importance on many of the skills but are more interested in being able to train the graduate on the job.

#### 4.2.3 By industry

Table 5 shows the mean ratings given to the importance of the skills, by the nine industries with sufficient representation. All ratings of 4.5 or higher have been marked to assist interpretation.

The main points of difference between the industries appear to be as follows:

- The skills in most demand overall (as seen in previous section, namely creativity and flair, enthusiasm, and capacity for independent and critical thinking) are particularly sought after by the *education* sector, who also place great value on literacy, time management skills, oral and written communication skills, project management skills and maturity. Employers in education also gave the highest rating of all industries to comprehension of business practice, which may be somewhat surprising.
- The *finance and insurance* sectors demanded quite a range of skills, and placed particular emphasis on time management skills and the capacity to handle pressure as well as creativity and flair, enthusiasm, and capacity for independent and critical thinking. They were more interested than other industries in academic learning, problem solving skills, logical and orderly thinking.

Table 6 Skill requirements by industry

Skills x Mean importance Ratings	Manufacturing	Construction	Wholesale	Retail	Hospitality	Finance /Insurance	Prop /Bus services	Education	Hlh/Com services
Literacy	3.9	3.9	3.9	3.9	4.3	4.4	3.9	4.4	4.2
Numeracy	3.3	3.3	4.0	3.2	3.0	4.1	4.3	3.9	3.4
Time management skills	4.2	4.1	3.8	3.9	4.6	4.8	4.1	4.6	4.7
Basic computer skills	3.2	3.6	3.1	2.9	3.4	3.4	3.1	3.8	3.9
Interpersonal skills with other staff	3.5	4.0	3.7	3.7	3.7	4.0	4.0	4.0	4.2
Leadership qualities	3.4	3.7	3.6	3.1	3.9	3.7	3.4	3.8	3.8
Oral business communication skills	4.3	4.3	3.8	4.0	4.6	4.4	4.4	4.6	4.7
Comprehension of business practice	3.6	3.6	3.6	3.6	3.4	4.1	3.8	4.2	4.0
Teamwork	3.5	3.2	3.8	3.5	3.5	4.1	3.9	3.8	4.0
Academic learning	4.1	4.2	4.0	3.7	3.6	4.5	4.3	4.2	4.2
Written business communication skills	3.5	3.8	3.6	3.0	3.4	3.9	3.4	4.0	3.7
Problem solving skills	4.3	4.2	4.1	4.2	4.3	4.5	4.5	4.4	4.0
Project management skills	3.6	3.7	3.9	3.6	3.2	3.8	3.7	4.4	3.9
Logical and orderly thinking	4.1	4.2	3.9	3.9	4.0	4.5	4.3	4.2	4.0
Creativity and flair	4.5	4.4	4.4	4.6	4.4	4.7	4.5	4.8	4.7
Capacity for independent/critical thinking	4.4	4.4	4.3	4.6	4.7	4.7	4.5	4.8	4.7
Enthusiasm	4.5	4.3	4.3	4.5	4.1	4.7	4.5	4.8	4.7
Motivation	4.1	4.0	4.0	3.9	4.4	4.3	4.0	4.4	4.6
Initiative	3.7	3.7	3.9	4.2	4.7	4.4	4.1	4.2	4.6
Maturity	4.2	4.2	3.8	3.8	4.6	4.5	4.2	4.6	4.6
Personal presentation and grooming	4.3	4.3	4.0	3.8	4.6	4.5	4.3	4.4	4.3
Capacity to handle pressure	3.7	3.8	4.1	4.3	4.1	4.8	4.1	4.2	4.6
Flexibility and adaptability	4.4	4.6	4.4	4.3	4.7	4.5	4.3	4.1	4.4
Customer focus/orientation	2.4	3.1	2.6	2.9	1.9	2.0	2.4	2.0	2.5
Ability to benefit from on-the-job training	2.6	0.4	3.6	3.4	2.9	3.5	3.2	2.4	3.3
(Base: All respondents n=)	(279)	(55)	(70)	(70)	(62)	(65)	(280)	(48)	(63)

Not shown due to small sample size: Primary (n=3), Utilities (n=5), Communications (n=8), Personal/Other Services (n=17), Govt/Admin/Defence (n=17), Mining (n=18), Cultural/Recreational (n=21), Transport/Storage (n=23)

- Employers in the *hospitality* industry are particularly interested in initiative, maturity, personal presentation and grooming, and flexibility and adaptability. They also want independent/critical thinkers with good oral communication and time management skills.
- The employers in *property and business services* generally want similar skills to employers overall (including creativity and flair, enthusiasm, and capacity for independent and critical thinking) but they also prefer good numeracy and good problem solving skills.
- *Manufacturing* employers are less demanding overall in terms of the range of skills tested than other employers. They too considered creativity and flair and enthusiasm to be the most important attributes for graduates to have but there were no skills they demanded any more than other employers.
- Employers in the *construction* industry considered flexibility and adaptability to be the most important characteristics for a graduate to have. These employers also gave a higher rating to customer focus than their counterparts in other industries, although it was not especially high.
- The *retail* industry employers gave the highest importance ratings to creativity and flair, enthusiasm, and capacity for independent and critical thinking and were otherwise not different to other employers in their demands.
- The employers in the *wholesale* trade industry were also not demanding in any one particular area, and seemed to wish to rely on on-the-job training more than other employers. They gave this skill a higher importance rating than all other industries.
- Employers in the *health and community* services areas were keen to get graduates with good oral business communications and time management skills, and who can handle pressure, as well as the skills others demanded also (creativity and flair, enthusiasm, and capacity for independent and critical thinking). They were also particularly keen to get graduates who are mature, motivated and have initiative.

#### 4.2.4 Reason for recruiting new graduates

The employers were asked to describe why their organisation recruited a *new* graduate, instead of a non-graduate or a graduate with relevant work experience. This question was open-ended where respondents were not prompted by a range of options but were free to offer reasons. Their written responses were coded according to standard research practices and the results are shown in Table 6 and compared with the size of their businesses and the sector of study of the last new graduate.

Table 7 Reasons for recruiting new graduate

Reasons	Total (%)	Size of business (No. emps)				Sector	
		<20 (%)	20–49 (%)	50–99 (%)	100+ (%)	Uni (%)	TAFE (%)
To enable us to train the person in our procedures/organisation	19.4	19.7	17.1	13.9	18.5	24.1	12.6
Most suitable applicant/best applicant	14.9	14.8	18.0	13.6	11.5	17.2	12.8
Necessary standards of competency /need trained staff	10.5	10.6	9.0	11.1	10.1	10.9	10.8
High potential employees/develop into tomorrow's managers/fresh ideas	9.4	9.2	10.2	9.4	16.3	11.5	5.4
Less expensive to employ /lower salary/cost effective	8.0	8.5	3.7	5.6	5.0	12.6	1.9
Need to have formal qualifications /University education required	7.1	6.3	14.3	10.5	13.4	7.6	7.0
Recommended/by word of mouth/known to us through training/work experience	6.6	7.0	3.3	3.1	1.7	1.3	13.7
Applicants who are studying in the field/committed to field	5.6	5.6	4.9	7.0	5.0	2.8	10.5
To fill a junior position /young and enthusiastic	4.1	4.2	2.0	6.3	2.4	4.8	3.4
Wanted to give young people opportunity to start	4.0	4.2	2.0	3.1	3.6	4.7	3.5
Apprenticeship complete /apprenticeships	3.4	3.5	2.9	1.7	1.2	0.0	8.9
Trade experience/need their licence	3.3	3.5	2.0	2.4	1.0	0.0	7.1
Non-graduate would not have required knowledge levels	3.3	3.5	1.6	0.7	1.7	5.6	0.0
Graduates tend to learn more quickly/quicker learning response	2.9	2.8	3.3	3.8	2.2	3.7	1.8
Difficulty in finding someone with relevant experience/experienced graduate	2.2	2.1	2.9	4.2	1.2	2.6	0.2
Policy to recruit new graduates /part of our graduate programme	1.8	1.4	3.3	4.2	13.4	2.0	1.8
Mandatory requirement/ tertiary qualification mandatory	1.5	1.4	2.4	2.1	1.7	0.4	3.4
Other	14.5	14.1	17.8	18.7	21.5	15.5	14.5
(Base: All respondents n=)	(1105)	(142)	(245)	(287)	(417)	(802)	(275)

This table shows a number of interesting patterns:

- A key reason for hiring graduates and not requiring work experience is that it *enables employers to train them* in their own organisation, according to their own procedures. This was the most common reason cited and seemed to apply to businesses of all sizes.

- Another considerable proportion said that the graduate was the most suitable applicant for the position; so graduates need not be selected *because they are graduates*, but may be selected *because they are better candidates* for the job.
- Some employers said that they needed staff with certain levels of competency or training (which does not specifically tell us if there is any reason to *not* hire those with work experience as well).
- Another important reason why large businesses are recruiting graduates is because they are considered to be *high potential employees* and can develop into *tomorrow's managers* and bring *fresh ideas* into the organisation. This was also apparent from the qualitative research.
- Graduates were also reported to be more cost-effective than, presumably, those with years of experience on their resumes and this appears to be particularly important to the small businesses.
- For some businesses a tertiary qualification is simply *mandatory* though these tended not to be the smallest businesses.

The qualitative research had suggested that the main reasons why employers wanted graduates were to:

- provide future managers;
- meet the need for highly trained and educated people in areas requiring this; and
- introduce new ideas into the organisation.

These findings have clearly been borne out by the survey data.

There are also some clear differences between the reasons given by employers whose last graduate had been from University or from the TAFE sector. The main differences appear to be that those whose last graduate was from University were more likely to say that their reasons for recruiting a new graduate were:

- to allow them to train the person in their organisation and procedures;
- because they were high potential employees/tomorrow's managers;
- because a non-graduate would not have the required knowledge levels;
- because they were better applicants/candidates for the job;
- graduates would learn more quickly;
- it was difficult to find a graduate with relevant experience; and
- they were less expensive to employ (than those with experience).

Those whose last graduate was from the TAFE sector were less likely to give the above reasons but more likely to say that their reasons for recruiting a new graduate were:

- they were recommended the individual or they were already known to them;
- the candidates had demonstrated a commitment to the field by their studies;
- their apprenticeship was complete;
- they had experience in their trade or had their trade licence which was needed by the employer.

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## 4.3 Skill availability

### 4.3.1 Performance of new graduates

#### 4.3.1.1 Graduates overall

Chart 4 shows the averages of the ratings given to the skills of the last new graduate employed by the organisation as well as to the rest of the applicants. Overall the skills in which the new graduates employed appear to be most deficient are:

- problem solving skills;
- oral business communication skills; and
- interpersonal skills with other staff.

On average the graduates employed were rated 3.2 out of 5.0 for each of these qualities, which is not particularly poor *per se* but two of these skills (problem solving and oral business communications) were quite high on the employers' list of what they considered to be important skills (4.3 out of 5.0 for importance). Therefore these appear to be the skill areas in which there are the greatest deficiencies.

The unsuccessful applicants appear to have better interpersonal skills, confirming that this skill was not as important as the other two qualities (also seen in the rating of 3.9 out of 5.0 for importance).

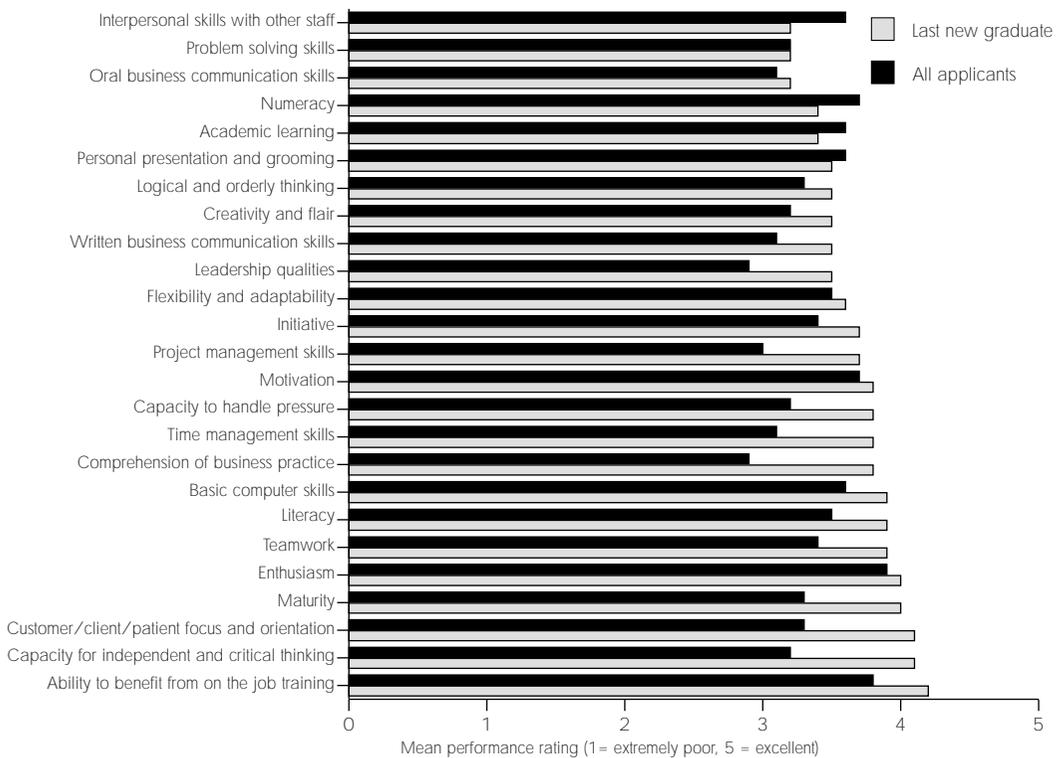
The next lowest ratings of graduates hired were given to:

- numeracy (3.4)
- academic learning (3.4)

on which the rest of the applicants also performed better (and which were thus also not critically important to employers) followed by:

- personal presentation and grooming (3.5)
- creativity and flair (3.5)
- logical and orderly thinking (3.5)
- written business communication skills (3.5)
- leadership qualities (3.5)

Chart 4 Performance of new graduates

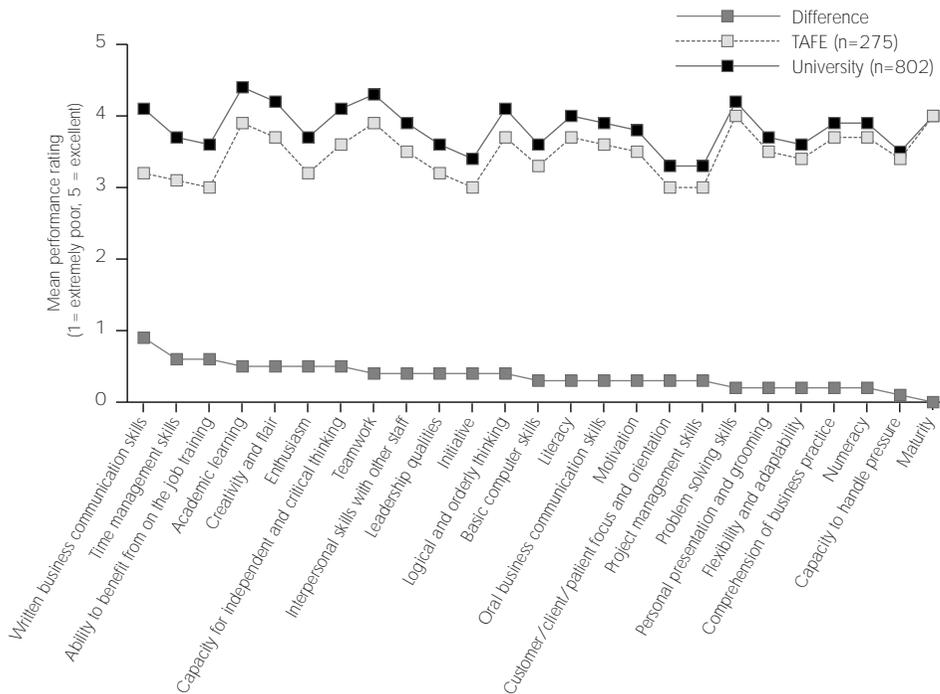


Some of these skills were quite important to employers, particularly creativity and flair (which was the *most* important skill overall) so it is somewhat surprising to see this quality receive this relatively low rating. Academic learning, personal presentation and grooming, and logical and orderly thinking were also high on the employers' wish-list, so this is also indicating deficiencies. Interestingly, the unsuccessful applicants rated lower on most of these skills, suggesting employers were looking for these attributes and they were more influential in their final decisions.

Generally, we can see from this chart that for all the remaining skills the graduates hired clearly outperformed the rest of the candidates by varying degrees.

The 'gap' between importance and performance is analysed in more detail elsewhere in this report (see Section 4.3.3.5).

Chart 5 Performance of last new graduate by sector of study



#### 4.3.1.2 By sector of study

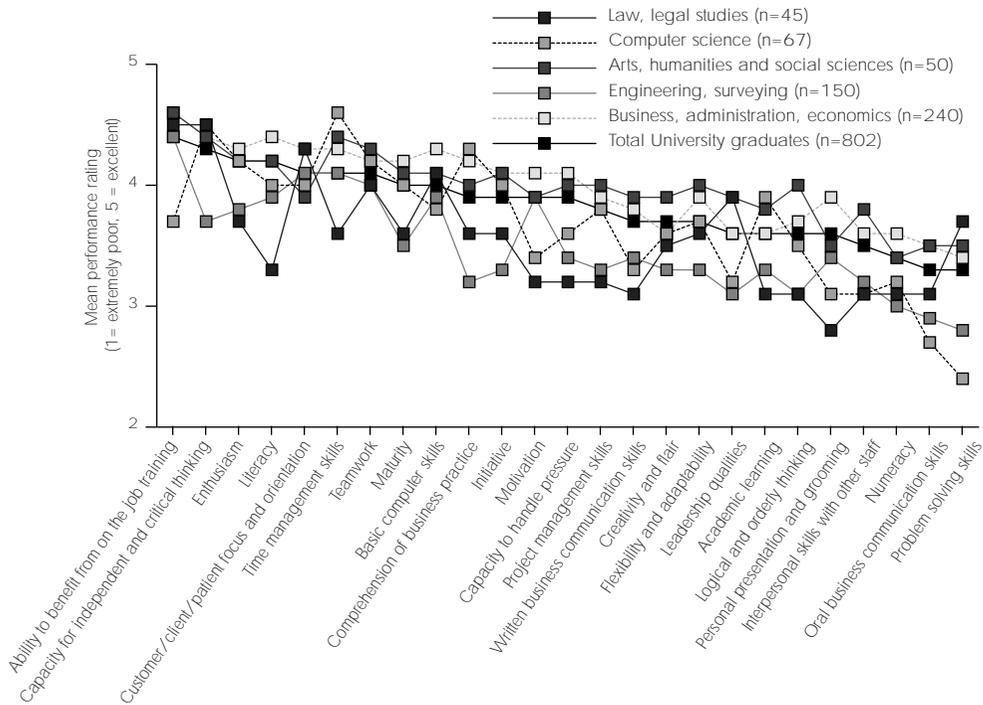
Chart 5 compares the mean ratings given to graduates from the University and TAFE sectors.

It reveals a remarkably consistent pattern, with a clear difference in the mean ratings given, for every single skill except maturity where the mean rating given was the same. All other skills were rated more highly on average in University graduates than they were in TAFE graduates.

The third line measures the size of the gap between the ratings for University and TAFE graduates, and shows that overall there is relatively little variation in the size of the difference. The greatest difference exists in ratings of University and TAFE graduates' time management skills, with the University graduates receiving a rating which is 0.9 higher than TAFE graduates.

The two groups' ratings on the skills in which there appear to be the greatest deficiencies overall differ by 0.3 and 0.4—so University graduates scored 0.4 higher on interpersonal skills with other staff, and 0.3 higher on oral business communications and problem solving skills.

Chart 6a Performance of last new graduate by field of study



#### 4.3.1.3 By field of study—university graduates

Chart 6a allows a comparison of the performance ratings given to the last new University graduate by the field of the graduates' study. Chart 6b shows the same data but for TAFE graduates. Only those fields of study with sufficient numbers of responses are shown. A direct comparison of skills performance by field of study needs to be viewed with caution, as the performance expectations of employers to some skills are likely to differ.

Two groups of University graduates tend to have generally been given above average ratings, namely the business, administration and economics graduates and the arts, humanities and social sciences graduates.

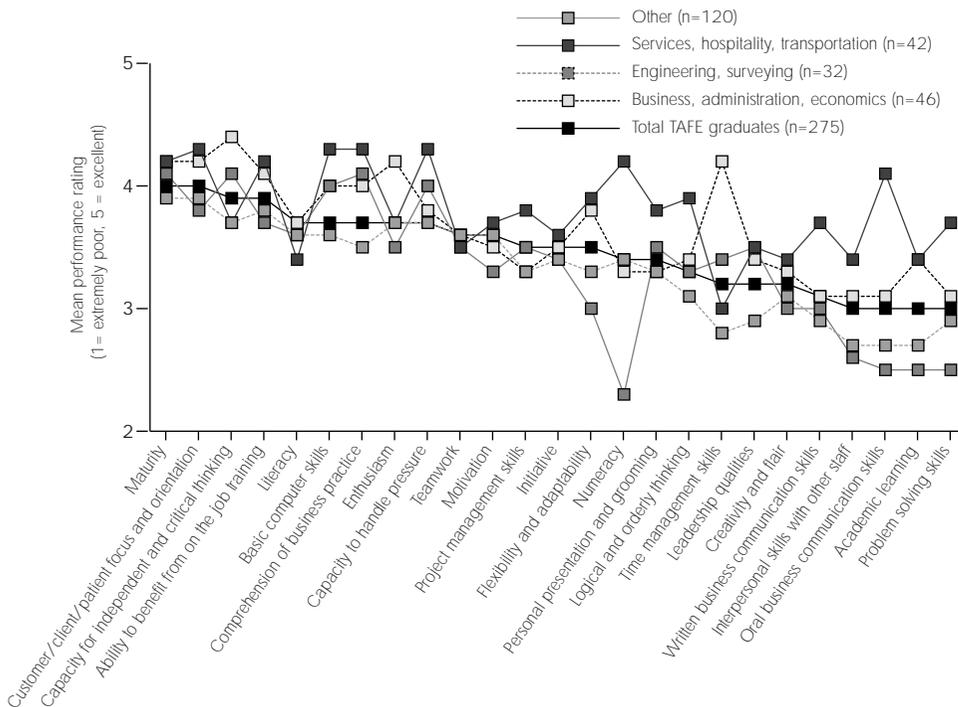
The *business, administration and economics* graduates were given above average ratings for all skills except creativity and flair (where they were only just below average), and leadership qualities and academic learning where they obtained average ratings.

The *arts, humanities and social sciences* graduates were given above average ratings for many skills but not for literacy and for personal presentation and grooming. They obtained average ratings for enthusiasm, customer focus, initiative and interpersonal skills.

The *computer science* graduates were given above average performance ratings for many skills, but also below average ratings for many others. The skills for which they received quite high ratings were: time management skills, comprehension of business practice and academic learning, while those for which they received relatively low ratings are: their ability to benefit from on the job training, both written and oral business communication skills, initiative, leadership qualities, personal presentation, numeracy and problem solving skills.

The remaining two groups analysed received below average ratings for many of the skills. *Engineering and surveying* graduates were perceived to be particularly poor at critical and independent thinking, comprehension of business practice and motivation. The *law and legal studies* graduates performed at or above average in a few skills areas (critical and independent thinking, literacy, maturity, leadership qualities and problem solving) but below average in many other areas, particularly in customer focus, initiative,

Chart 6b Performance of last new TAFE graduate by field of study



capacity to handle pressure, project management, written business communications and personal presentation.

#### 4.3.1.4 By field of study—TAFE graduates

Chart 6b allows a comparison of the performance ratings given to the last new TAFE graduate by the field of the graduates' study. Only four fields of study could be shown due to smaller cell sizes.

Overall, the TAFE graduates from *services, hospitality and transport studies* were given high ratings, particularly for their computer skills, understanding of business practice, capacity to handle pressure, numeracy, logical and orderly thinking, oral communication and problem solving skills.

The *business, administration and economics* graduates were given close to average ratings for most skills, with the exception of time management skills.

The sample of TAFE *engineering and surveying* graduates is relatively small (32) so caution should be taken when interpreting this data; however, they appear to have quite poor numeracy skills.

The last group of graduates whose study was not in any of the fields in the questionnaire ('other') was given ratings close to average.

#### 4.3.1.5 By occupation—university graduates

Chart 7a shows the mean ratings for the performance of the last new University graduate by their occupation. Chart 7b shows the same information but for TAFE graduates.

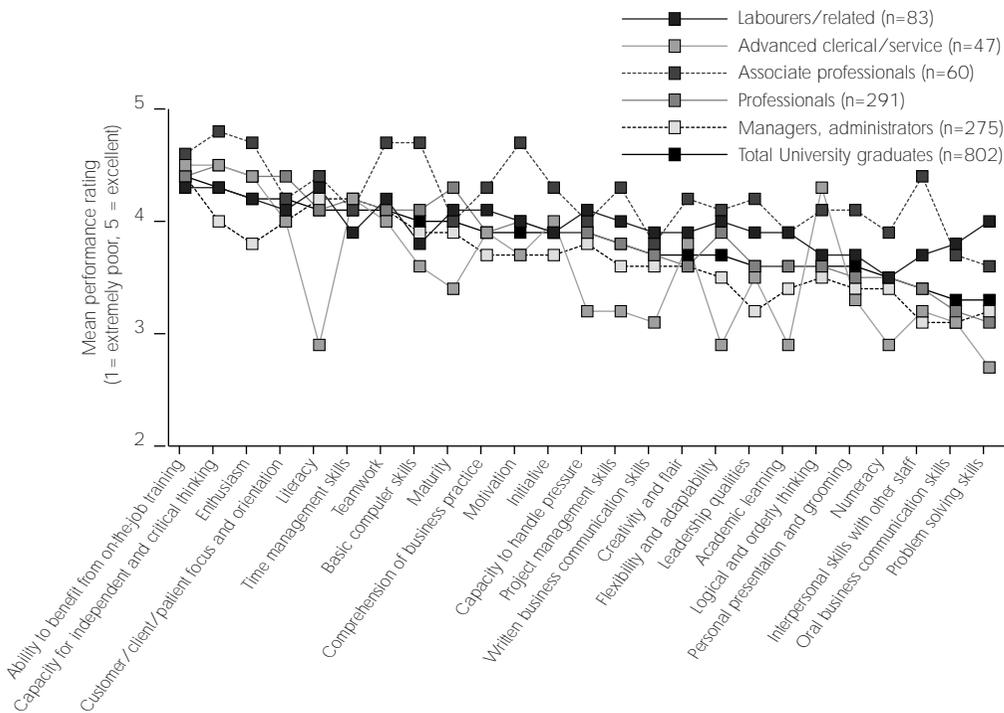
The University graduates employed as *associate professionals* received high ratings overall, clearly outperforming the other occupations in most of the skill areas. They were considered to be particularly good at critical and independent thinking, teamwork, basic computer skills, motivation and interpersonal skills.

*Labourers and related workers* were also given quite high ratings, the only below average ratings being for their time management and computer skills.

Ratings given to those employed in *professional* positions were also quite good, with almost all skills receiving at or just above average ratings.

The graduates hired for *management and administration* positions received ratings that were mostly just below average.

Chart 7a Performance of last new university graduate by occupation



Those hired in the category of ‘*advanced clerical/service*’ were given the lowest ratings, with particularly low ratings in the areas of literacy, maturity, capacity to handle pressure, project management, written communications, flexibility and adaptability, academic learning, numeracy and problem solving skills. (They received a particularly high rating for their logical and orderly thinking, which appears difficult to reconcile with their low ratings in the other skill-related areas).

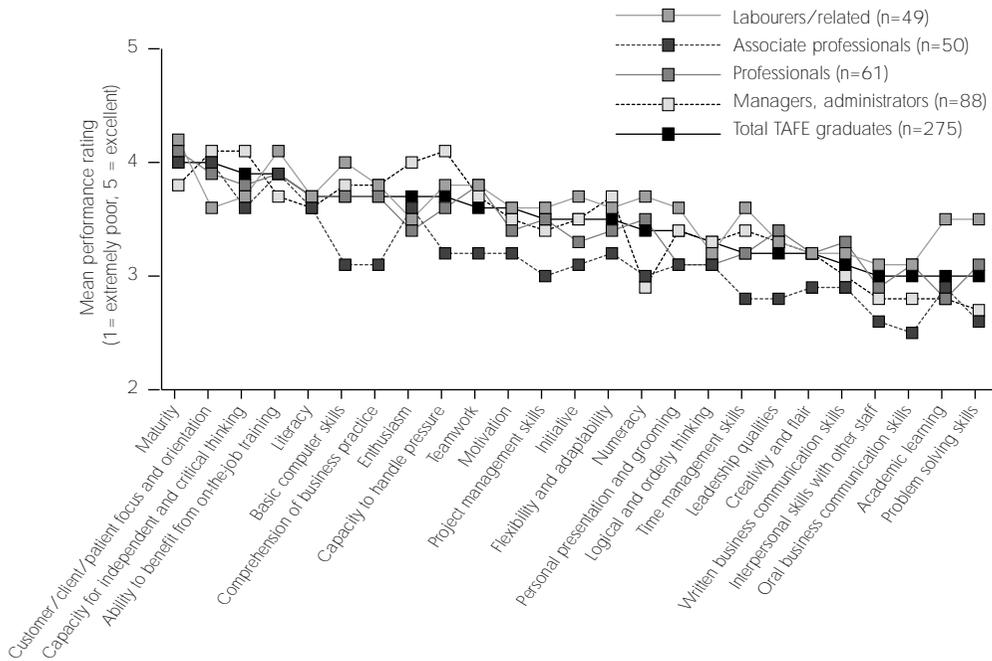
#### 4.3.1.6 By occupation—TAFE graduates

Chart 7b shows the mean ratings for the performance of the last new TAFE graduate by their occupation.

As distinct from the University graduates who were employed as *associate professionals*, the TAFE graduates in these occupations received relatively low ratings.

The three other groups of TAFE graduates shown (*managers/administrators, professionals and labourers/related*) generally received ratings that were close to the average. The labourers and related workers rated higher than the other occupation groups for a number of the skills.

Chart 7b Performance of last new TAFE graduate by occupation



#### 4.3.1.7 By industry—university graduates

Due to the total number of industries represented in the study, and the potential complexity of the chart, Charts 8a and 8b only show the performance results for the University graduates in the six industries with the largest cell sizes.

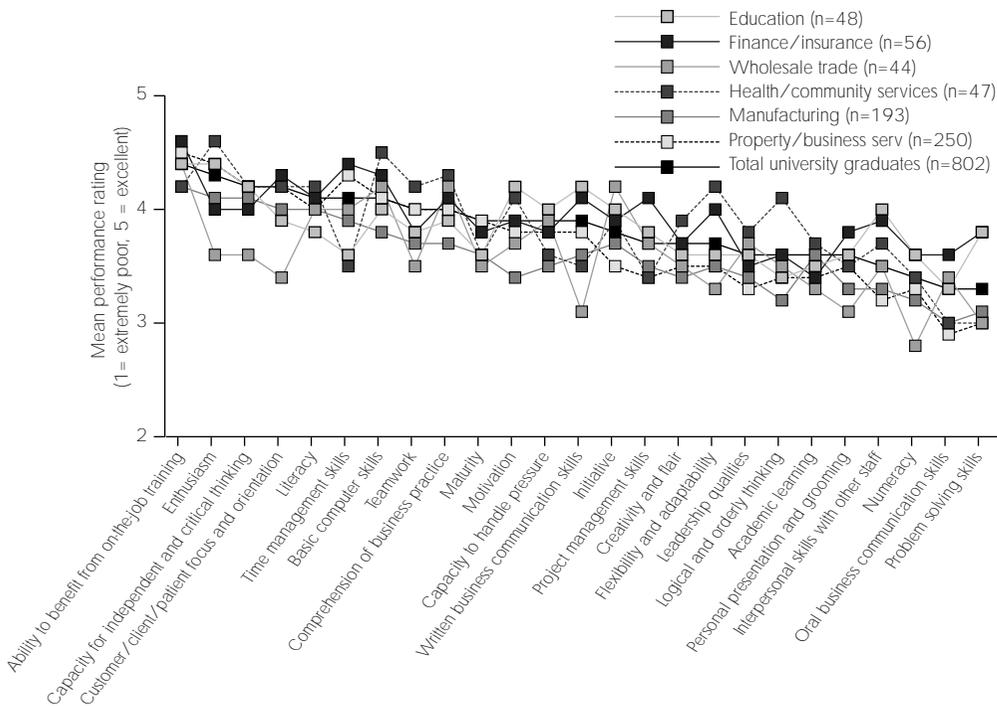
Therefore, in Chart 8a, the industries not shown here are agriculture/forestry/fishing, mining, utilities, construction, retail, hospitality, transport, communications, government administration/defence, cultural and recreational services and personal and other services. This chart may appear complex initially; however, its main purpose is to compare the ratings given to University graduates in different industries.

Overall, it should first be noted that there is no clear pattern of better performance among any industry group; all appear to have a mixture of high and low ratings.

The chart shows us that for the three most deficient skills overall (creativity and flair, oral business communication skills and problem solving skills):

- University graduates in none of the industries performed especially poorly in terms of creativity and flair (those in health and community services received the highest rating whilst those in manufacturing received the lowest rating);

Chart 8a Performance of last new university graduate by industry



- graduates from *property and business services* received the lowest rating for their oral business communications skills and shared the lowest position for their problem solving skills with graduates from the *wholesale* and the *health and community services* sectors for their problem solving skills.

Other noteworthy performances were:

- graduates employed in the *wholesale* sector were rated relatively poorly on a number of skills, including interpersonal skills, the capacity to handle pressure, personal presentation, customer focus, basic computer skills, the capacity for independent and critical thinking and enthusiasm;
- those in *health and community services* were rated above average on the capacity for independent and critical thinking, teamwork, computer skills, flexibility and adaptability and academic thinking.

#### 4.3.1.8 By industry—TAFE graduates

Chart 8b shows the ratings given to the TAFE graduates by industry. Only four industries could be shown due to small cell sizes and care should be taken in interpreting the three cells shown of fewer than 80 respondents. The chart shows that for the three most deficient skills overall (creativity and flair, oral business communication skills and problem solving skills):

- TAFE graduates in none of the industries performed especially well in terms of creativity and flair and those in the *retail* industry received the lowest ratings for this skill;
- TAFE graduates employed in the *hospitality industry* received very high ratings on many of the skills and clearly outperformed many of their counterparts in other industries. They performed particularly well, it seems, in the areas of oral business communication skills, problem solving skills, maturity, academic learning, numeracy, basic computer skills and comprehension of business practice. Notably, the first two of these skills are most deficient overall, indicating these TAFE graduates are unlikely to be contributing to these low ratings. The TAFE hospitality graduates appeared to falter in the area of time management skills; while the TAFE graduates from the other three industries received ratings reasonably close to average for oral business communications and problem solving skills. Overall, the graduates in the *retail industry* received comparatively low ratings for many of the skills, especially for maturity, critical and independent thinking, literacy, enthusiasm, time management and interpersonal skills with other staff.

Chart 8b Performance of last new TAFE graduate by industry

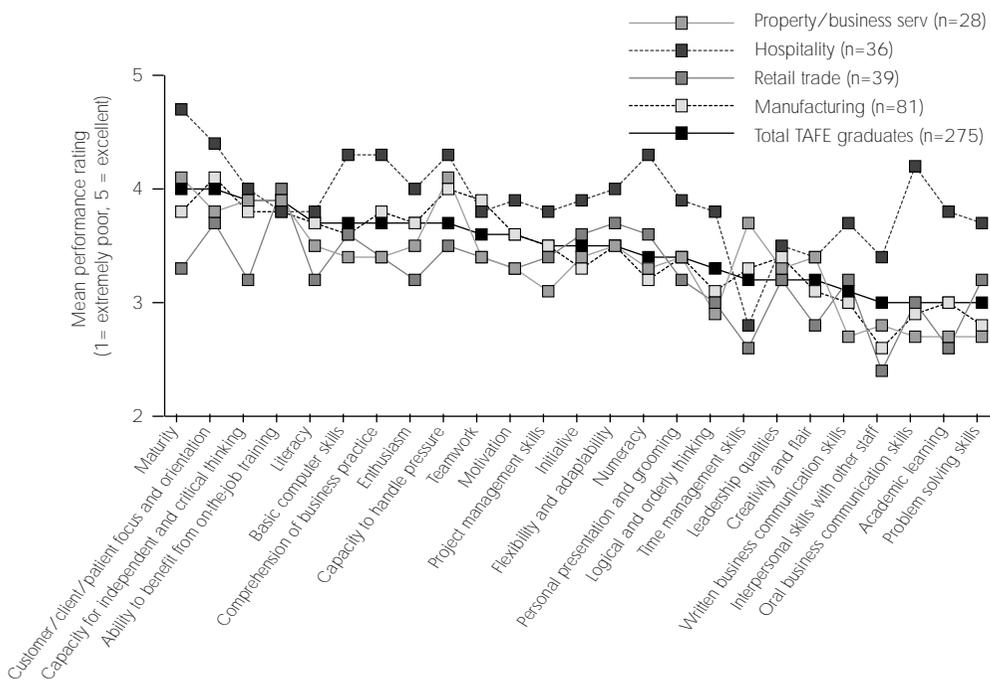
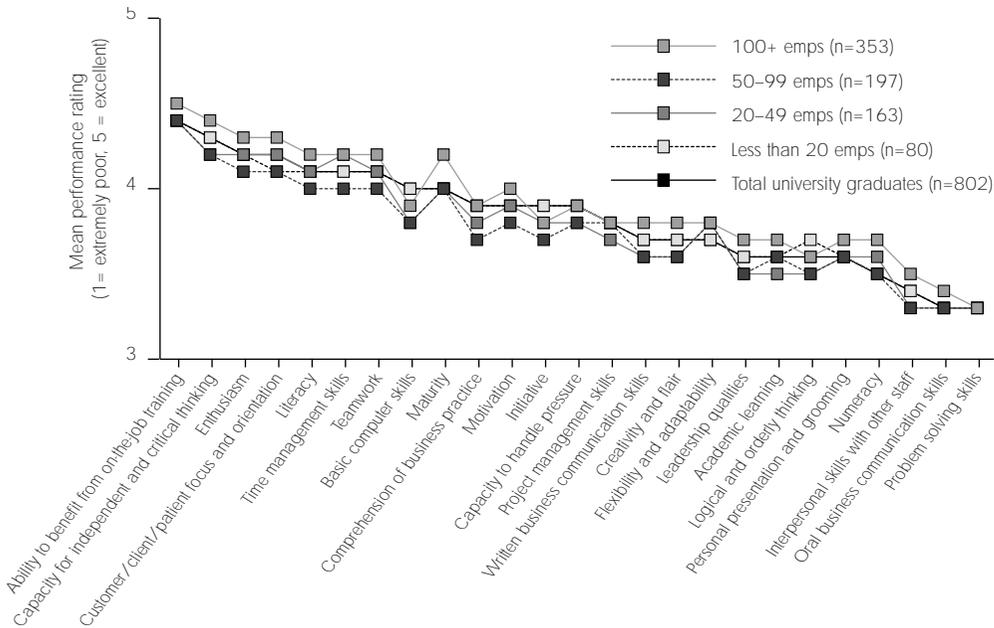


Chart 9a Performance of last new university graduate by size of workplace



#### 4.3.1.9 By size of workplace—university graduates

Charts 9a and 9b show the performance ratings of the last new University and TAFE graduates by the size of the workplace to determine if there is much variation from the average.

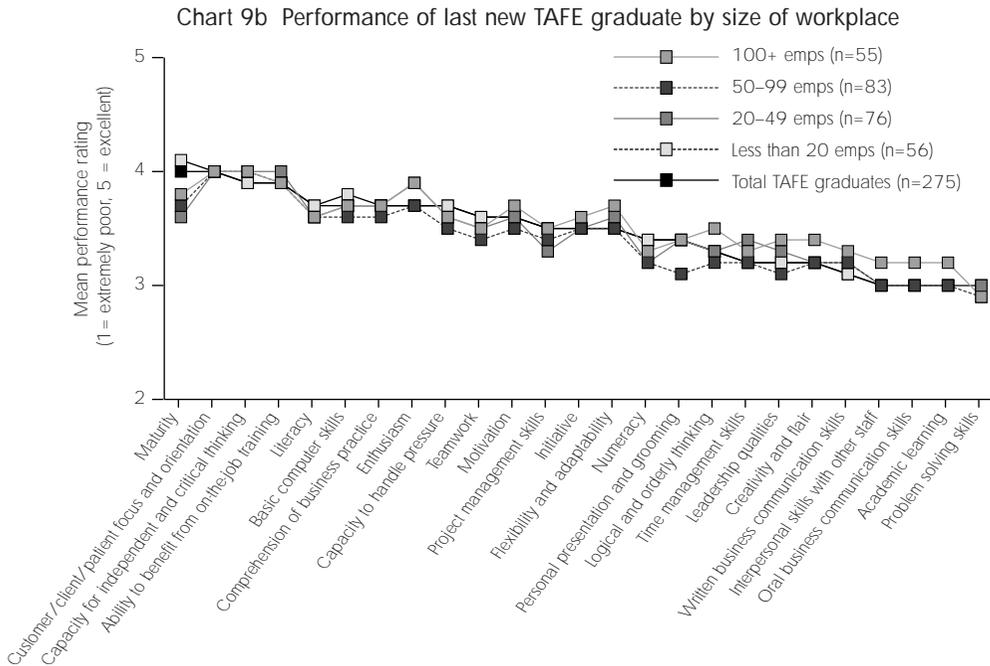
There does not appear to be much variation at all with this variable in the ratings given to University graduates.

The largest businesses (100+ employees) do appear to have given their University graduates slightly higher than average ratings for many of the skills. We hypothesised after the qualitative research that this would be the case due to the effort and expense put into recruitment by large companies, their more realistic expectations of new graduates, and their ability to ‘cream off’ the best graduates.

Since the smallest businesses made up a large proportion of the weighted sample, their satisfaction scores are almost identical to the overall average, which also means that the greatest deficiencies identified overall are very much deficiencies existing within the small business sector.

#### 4.3.1.10 By size of workplace—TAFE graduates

Chart 9b shows the performance ratings of the last new TAFE graduates by the size of the workplace.



Again, there is little variation overall in the ratings given by small and large business, but the largest businesses again appear to have given their TAFE graduates slightly higher than average ratings for many of the skills.

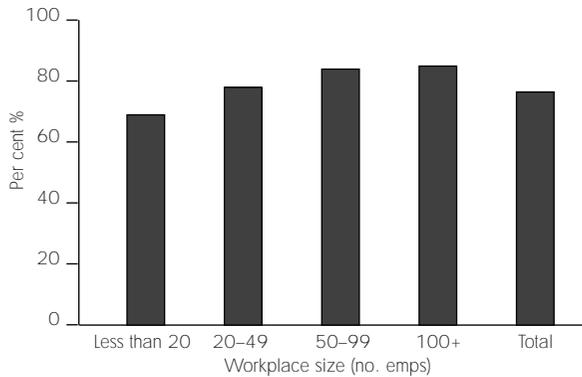
#### 4.3.2 Level of unsuitable applicants

Employers were asked to indicate how many of the applicants would have been suitable for a position in their organisation.

Overall the level of unsuitable applicants was 76.5 per cent, so three out of every four applicants for a position were considered unsuitable for that or any other position in the organisation. This seems to be quite a large proportion and helps explain employers' complaints about the skills available to them among graduates. It also confirms that graduates have to apply for a number of positions before finding an employer who might consider them suitable. The basis of the apparent 'unsuitability' of applicants is unknown but it may well be on the basis of relatively minor or less important skills or competencies—clearly employers get to be choosy.

Charts 10 and 11 show the unsuitability figure as a percentage of the total applicants for that position, analysed by the variables workplace size and industry. This shows which employers are most likely to have experienced skill deficiencies amongst applicants.

Chart 10 Proportion of unsuitable applicants by workplace size



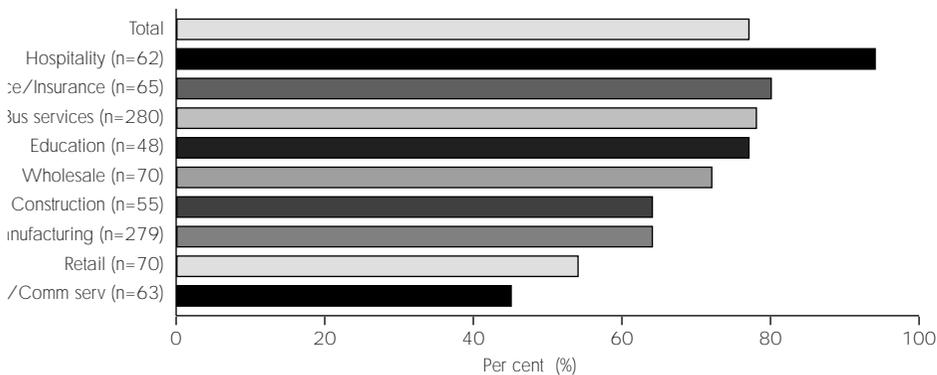
#### 4.3.2.1 By workplace size

Chart 10 shows that the larger the business, the larger the proportion of unsuitable applicants for the position. Therefore large businesses do appear to have a more difficult time overall, in that not only do they get larger numbers of applicants, proportionally more of them are unsuitable for the position, so they need to put more resources and effort into the screening and selection process.

#### 4.3.2.2 By industry

Chart 11 shows that the industry in which the level of unsuitable applicants was highest was the hospitality industry, where 94 per cent of applicants were considered unsuitable. This is followed, at some distance, by finance/insurance, property/business services and education.

Chart 11 Proportion of unsuitable applicants by industry



### 4.3.3 Comparisons of importance and performance

Chart 12 is the first of three which compare, for each skill, the importance of that skill, how well all the applicants for a position performed in that area, and how well the successful applicants performed—University and TAFE last new graduates (LNG) separately. (The sector of study of all applicants is unknown hence this category cannot be separated into sectors.) The skills are shown in order of their importance within each of the three groupings.

While it seems to be a useful measure, it should be noted that comparison of two different rating scales makes an assumption; in this case it assumes that if a skill is *'extremely important'*, then employers necessarily require a graduate who is *'excellent'* when this may not be the case. The risk with this gap analysis might therefore be to identify greater skill deficiencies than actually exist. Nevertheless, it has been included to assist interpretation of the data.

Where the successful applicant rates considerably higher than the rest of the applicants, we can infer that the skill was available to employers but difficult for them to find. Where the successful applicant rated lower than the other candidates, we can say that they were probably hired despite this deficiency and were hired for their other skills, which were considered more important in the circumstances. The ratings for the performance measures were between 1 and 5 where 1 meant *'extremely poor'* and 5 meant *'excellent'*.

#### 4.3.3.1 Basic skills and competencies

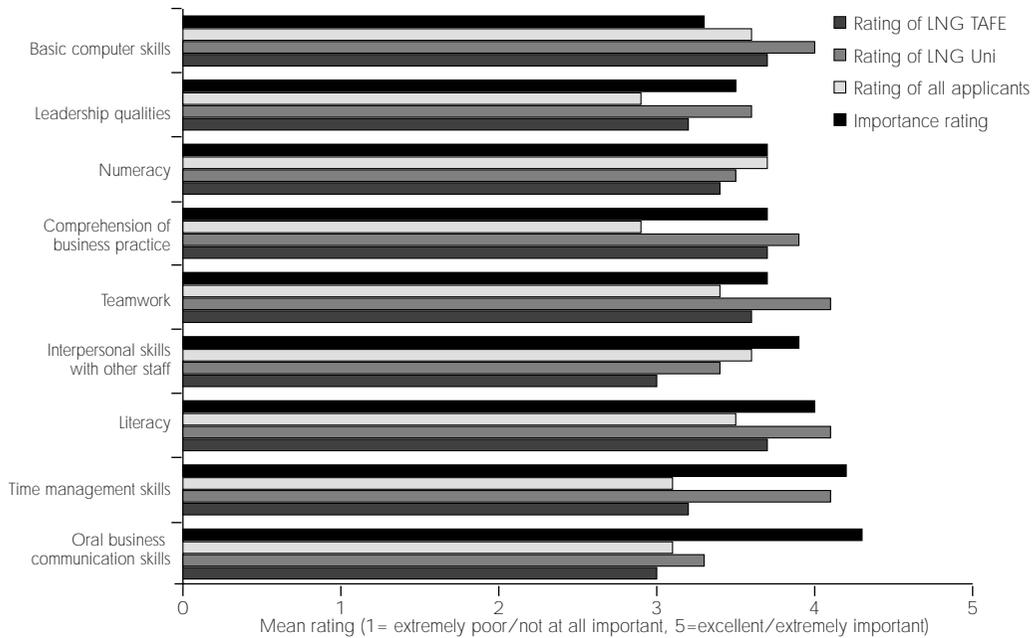
Chart 12 examines a number of basic skills and competencies.

The chart shows firstly that of the basic skills the most important one to employers is *oral business communication skills*. The data suggests however that despite its importance, the applicants did not perform particularly well in this area and even the successful applicants did not rate particularly well—the gap between importance and performance is relatively large. The University graduates performed better than the TAFE graduates on this measure.

*Time management and literacy* skills show a similar pattern; both are considered to be very important by employers, yet many applicants did not appear to possess them. The successful applicants did possess them but mostly the University rather than the TAFE graduates.

Interestingly, the successful TAFE and University graduates performed less well in terms of *interpersonal skills with other staff* than other applicants, which probably means that other skills (i.e. including other academic or personal skills) were deemed to be more important; of the 25 skills tested in total, 15 were more important than interpersonal skills with other staff.

Chart 12 Basic skills and competencies



There are three skill areas in which the performance of the University graduates received higher ratings than TAFE graduates and these are *teamwork*, *comprehension of business practice* and *basic computer skills*. The applicants were given relative low ratings for both comprehension of business practice and leadership qualities although, for both these skills the successful applicants performed much better; in other words, they were relatively difficult to find. The TAFE graduates received lower ratings than University graduates on all these skills.

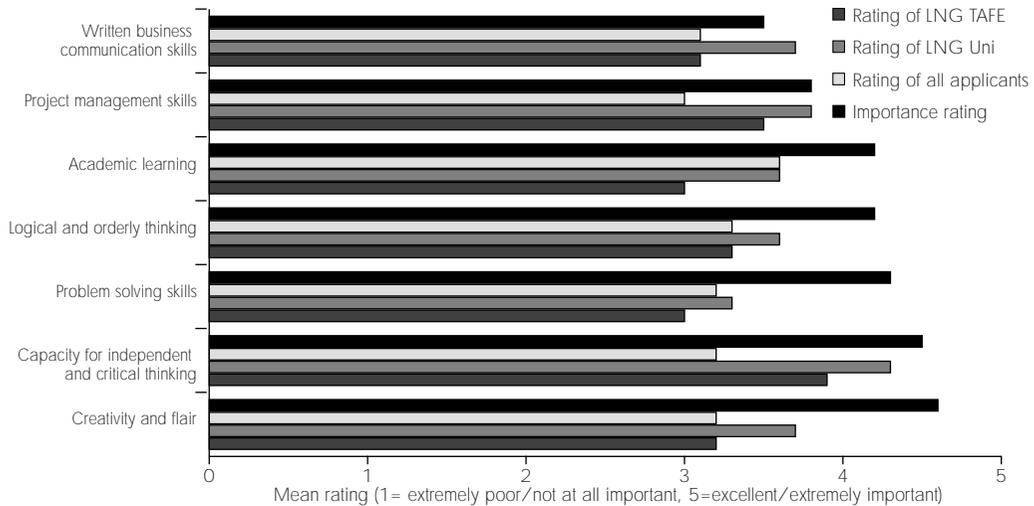
*Computer skills*, though not considered to be particularly important, appear to be readily available among job applicants, and the final candidates were even better than necessary.

#### 4.3.3.2 Academic skills

Chart 13 shows the results for the skills categorised as academic skills.

*Creativity and flair* was the skill which was considered to be most important to employers overall but we have seen in previous sections of this report that performance of graduates is poorer than its importance would warrant, and the chart appears to confirm this. The University graduates were given higher ratings on this skill than the rest of the applicants, but their performance still falls considerably short.

Chart 13 Academic skills



Results for the *capacity for independent and critical thinking* follows a similar pattern; it was also of great importance to employers, and on average the applicants were not particularly impressive. The graduates employed performed considerably better in this area than other candidates for the job, and University graduates rated more highly than TAFE graduates.

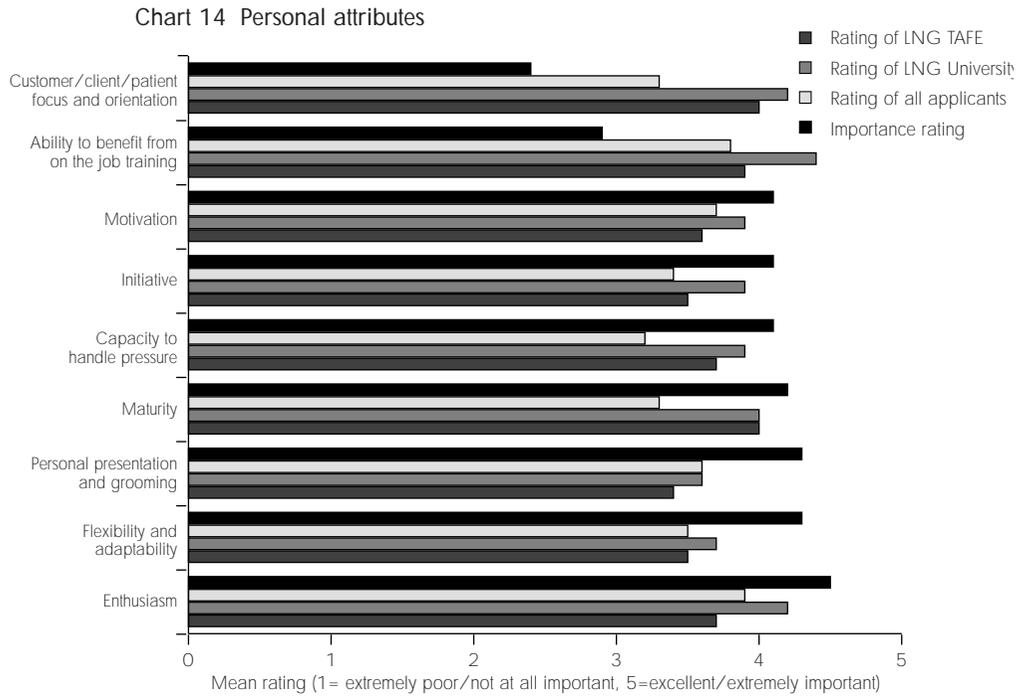
Good *problem solving skills* appear to be relatively scarce given their importance to employers. Even the successful applicants, both from University and from the TAFE sectors, were given an average performance ratings for this skill.

The *ability to think logically and orderly* was also scarce and while the successful applicants performed better than average, the average performance was not as high as the skill's importance would warrant.

Interestingly, the successful TAFE applicants rated lower on *academic learning* than the other candidates, which suggests they were not hired for that skill at all; they were hired despite their lack of academic learning.

It seems employers found what they were looking for in terms of the *project management skills*. The successful applicants possessed these skills to the degree that would be warranted given its importance to the employer (though again University graduates came closer than TAFE graduates). The rest of the applicants did not have particularly good skills in this area.

*Written business communications skills* were also found to the degree that they were needed, and again the other applicants did not fare very well in this area.



#### 4.3.3.3 Personal attributes

Chart 14 shows the personal qualities tested.

*Enthusiasm* was the most important of the personal qualities sought by employers and the candidates received reasonably good ratings, though perhaps not as high as the importance of this skill might warrant. The successful applicants from the University sector were given higher ratings than the rest of the applicants, while the TAFE graduates were given lower ratings for enthusiasm.

*Flexibility and adaptability* was a rarer quality, and while the applicants received reasonable ratings on this measure, the graduates finally employed were not particularly outstanding.

Employers also considered *personal presentation* important. On average the candidates were not particularly impressive in this respect either. The final TAFE graduates selected rated even lower in this respect than the rest, so obviously they were selected on the basis of other skills or qualities. University graduates hired were similar to the rest of the applicants.

The qualities of *maturity*, *capacity to handle pressure* and *initiative* were all reasonably important to employers and while they were available it appears they were relatively hard to find. The final graduates selected outperformed

other candidates quite considerably. Maturity was the only skill in which University and TAFE graduates received the same rating.

*Motivation* is important to employers and they were able to find this quality in the applicants, particularly so in University applicants.

Employers were unlikely to specifically want someone who could *benefit from on-the-job training*, but the applicants did show significant potential in this respect. The graduates selected were considered to have even more potential than the rest of the applicants. (It is a somewhat odd measure in that while it is intended to be a measure of perceived potential, it can also be interpreted as a measure of 'scope for improvement'—getting a good rating probably does not necessarily mean you are considered a high potential employee). This probably indicates that employers are hiring people who need more on-the-job training than was either hoped for or anticipated. Interestingly, the University graduates also rated higher on this skill than TAFE graduates.

*Customer focus* was hardly a quality employers particularly looked for, but the applicants and particularly the applicants finally employed seem to be well equipped with skills in this area.

#### 4.3.3.4 Skill importance versus performance of university and TAFE graduates

Chart 15 summarises the results shown in the last three charts, comparing the importance of the 25 skills with the rating of all applicants and with the performance of both University and TAFE graduates.

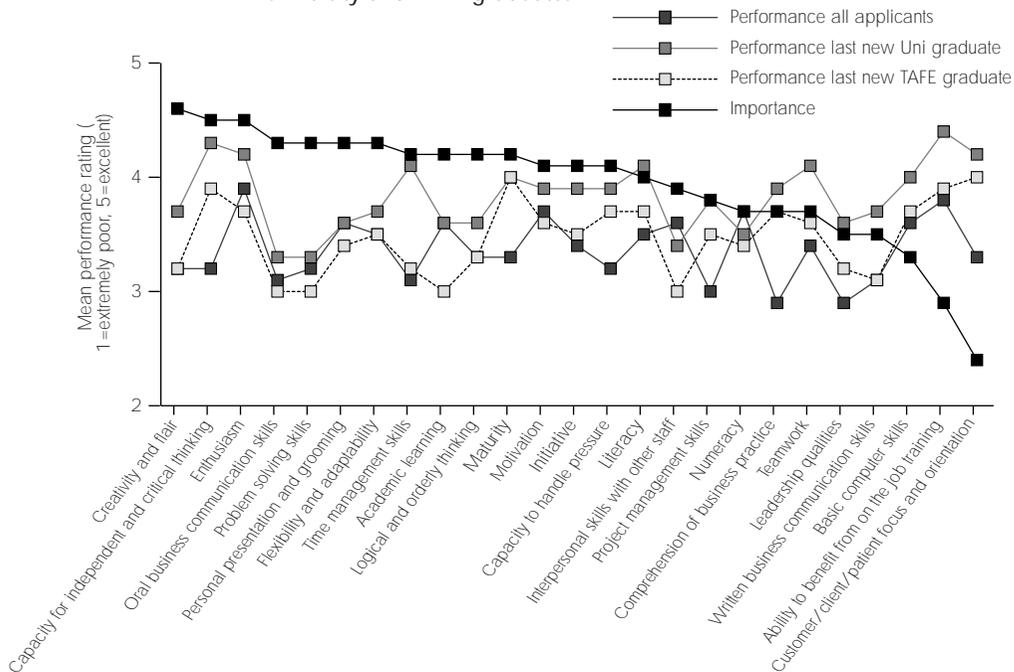
The chart firstly confirms that University graduates obtained higher ratings than TAFE graduates across 24 of the 25 skill areas (the exception being a quality—maturity—for which they received the same rating). Overall, this means the University graduates' performance is consistently closer to the importance ratings than TAFE graduates and even exceeds the importance rating for eight of the skills. The TAFE graduates' performance shows greater shortfalls compared with importance.

Overall, the ratings given to TAFE graduates are closer to those given to all applicants; indicating that overall, the TAFE graduates did not stand out from the remaining applicants as much as the University graduates.

#### 4.3.3.5 Skill deficiencies—the gap between importance and performance

While we have clearly seen that University graduates consistently received higher ratings than TAFE graduates, these need to be compared with the importance attached by employers to those skills. As an additional means of

Chart 15 Skill importance compared with performance of applicants and the last new university and TAFE graduates



helping to pinpoint skill deficiencies and the graduates with such deficiencies, we have compared, for each skill, the mean *importance* rating with the mean *performance* rating of the last new University graduates and the last new TAFE graduates (chart 16). This enables us to examine the *difference* or *gap* between these two measures for both groups. Ideally, both lines would be at or below the zero line, i.e. the performance rating would be meeting or exceeding the importance rating of that skill.

The skills are shown in the order of the difference between the University gap and the TAFE gap—e.g. the skill in which the University and TAFE performance **differ most** from the importance rating is *time management skills*. University graduates came far closer to meeting the importance rating (the red line is near the zero) than did the TAFE graduates (the blue line is much higher, at 1.0). The other skills in which the two groups of graduates differed most from importance are *academic learning* and *written business communication skills*. The *ability to benefit from on-the-job training* is a skill in which both groups of graduates exceed employer needs, as indicated by the sharp drop in the lines.

On the opposite end of the chart, the two groups' performance also greatly exceed employer importance for *customer focus*, but they do not **differ** much in this skill, just as they do not differ much in the areas of *maturity*, *numeracy* and *comprehension of business practice*.

#### 4.3.3.6 Deficiencies as perceived by employers

The employers were also asked to report which skill deficiencies, if any, they perceived in applicants for the last graduate position and their coded responses are shown in Table 7, both in total and by the occupation of the position being filled.

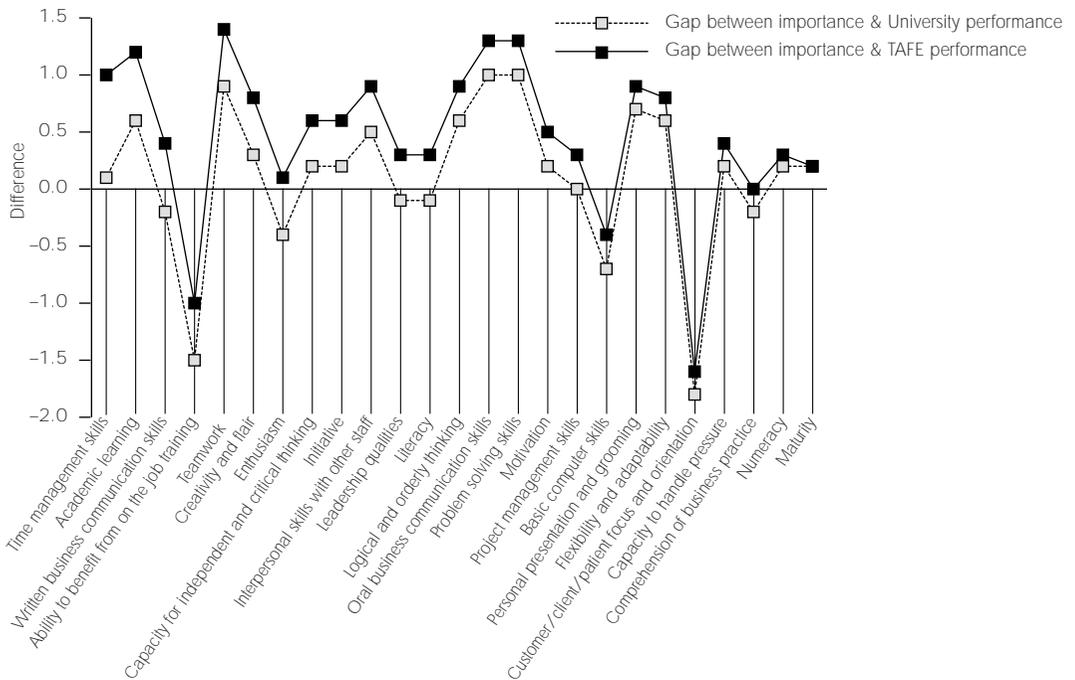
Table 8 Perceived skill deficiencies among applicants for position

Perceived skill deficiencies	Total	By occupation of position					
		Mgrs/ Admins	Profs	Assoc Profs	Trades/ Related	Clerical Service (Adv'd)	Labourers
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Communication skills	21.1	22.8	18.1	16.8	25.8	56.1	11.1
Comprehension of business practice/business acumen	15.3	15.6	14.8	10.5	12.9	34.5	14.0
Interpersonal skills/presentation	12.7	18.3	11.1	21.6	0.8	1.3	7.4
Motivation	8.8	6.9	14.7	0.4	0.5	11.9	7.2
Experience in work environment	6.4	7.4	7.4	6.1	1.0	0.5	6.9
Practical applications/knowledge	5.3	5.0	5.5	10.9	0.9	0.7	4.2
Computer literacy	3.3	2.2	4.8	0.0	0.0	11.8	3.5
Customer focus/understanding customer service	2.7	0.2	0.2	10.5	0.1	0.1	6.8
Organisation/time management /management	2.4	0.4	7.3	0.5	1.2	0.6	0.4
Teamwork/interactive with other staff/cooperative	2.2	0.4	5.0	0.2	0.5	0.3	3.4
Numeracy	2.1	2.4	0.2	5.4	0.0	11.4	0.1
Capacity to handle pressure	2.0	2.2	2.6	0.1	0.0	0.0	3.5
Expect management position immediately/attitude	1.5	0.3	2.6	0.4	0.0	0.2	3.4
Technical ability	1.4	4.4	0.1	0.0	0.1	0.0	0.1
Problem solving	0.8	2.3	0.3	0.3	0.0	0.0	0.1
Adaptability/creativity	0.7	0.1	2.3	0.1	0.1	0.0	0.0
Leadership	0.7	0.1	2.5	0.0	0.0	0.0	0.0
(Base: All respondents n=)	(1105)	(376)	(356)	(112)	(52)	(63)	(138)

The main deficiencies perceived by employers overall were a lack of communication and interpersonal skills and a lack of understanding of business practice.

The main deficiencies perceived among applicants for positions as *managers/administrators* were that they lacked interpersonal skills, technical ability and problem solving skills.

Chart 16 The gap between importance and University/TAFE graduates' performance



The applicants for *professional* positions were perceived to be weak in a number of different areas, including time management, teamwork, flexibility, leadership, and motivation, yet they were often perceived as unwilling to put in the time required before climbing the 'corporate ladder' or had other such attitude problems.

Applicants for *associate professional* positions were seen to lack interpersonal/presentation skills, practical knowledge and customer focus and they were also considered to lack numeracy skills.

Those applying for positions in the *trades* did not have any distinctive deficiencies and were generally unlikely to be perceived to have any deficiencies, although they were a little more likely to be seen as lacking communication skills.

*Labourers* too had few distinctive deficiencies, they were just perceived to have insufficient customer focus and to be unable to handle the pressure. They were also more likely to be seen to have attitude problems.

## 4.4 Employers who were unsuccessful in recruiting graduates

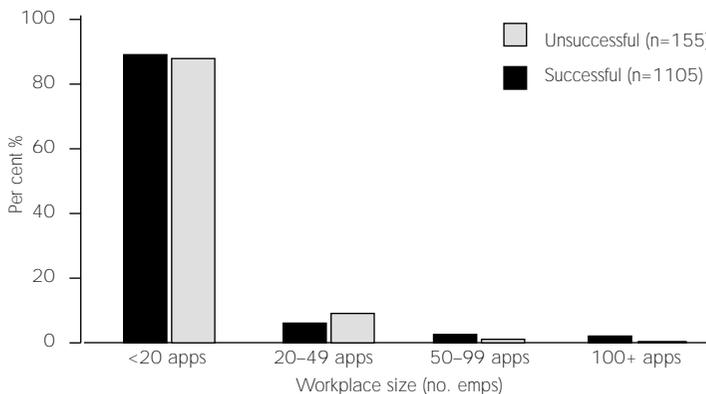
Data was also collected from the employers who were unsuccessful in their attempt to recruit a new graduate in the past two years. Data is available for a total of 155 of these employers and this data was also weighted to better reflect the true population of employers. The following section compares this group of employers and their responses with the 1105 employers who were successful in recruiting a new graduate.

### 4.4.1 Size of business

Chart 17 compares the two groups of employers in terms of the size of their businesses to determine if the unsuccessful employers are more likely to be from smaller or larger businesses.

The chart shows that both groups of employers were equally likely to have come from the small business sector. The differences that do exist are not significant statistically.

Chart 17 Comparison of employers successful and unsuccessful in recruiting a new graduate: size of business

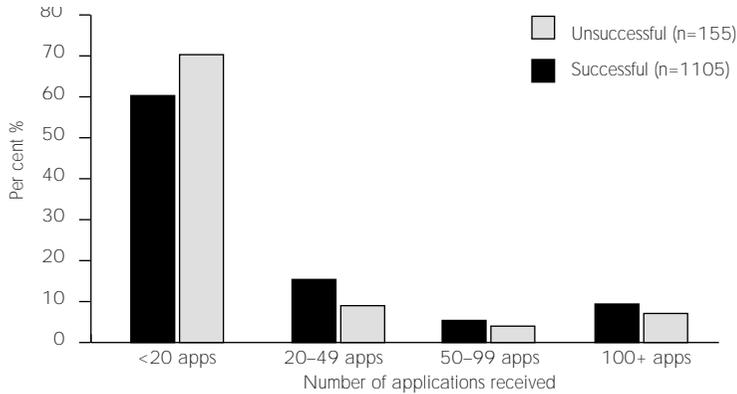


### 4.4.2 Number of applications received

Chart 18 compares the number of applications received in the last two years from graduates by the two groups of employers.

This shows that the unsuccessful employers received fewer applications than the successful employers. The differences displayed here are significant statistically.

Chart 18 Comparison of employers successful and unsuccessful in recruiting a new graduate: number of applications received



#### 4.4.3 Sector of applicants

The sector of the tertiary study of the applicants is shown in Table 8.

Table 9 Sector of applicants

Sector	Successful employers (%)	Unsuccessful employers (%)
Mostly University	51.3	25.3
Mostly TAFE	36.6	42.0
Half Uni/TAFE	8.0	8.2
Don't know	4.1	24.6

It appears from this table that the unsuccessful employers were significantly less likely to have received applications from University graduates and that they were more (though not significantly) likely to have received applicants from the TAFE sector. However, the lack of awareness of the applicants' sector of study (which is high among the unsuccessful employers) means that it is possible that the actual TAFE and University applicant figures were more similar than this data suggests.

If we were to assume that the employers who were unaware of the applicants' sector of study are equally likely to have seen University and TAFE graduates (thus raising the University figure to 37.6 per cent and the TAFE figure to 54.3 per cent), then the data would certainly indicate that the applicants' success is strongly correlated with the sector of their study.

#### 4.4.4 Proportion of unsuitable applicants

All employers were asked how many of their applicants would have been suitable for a position in the organisation, regardless of whether a position

was available and the results have been recalculated to show the proportion of unsuitable applicants.

#### 4.4.4.1 Overall

Overall the level of unsuitable applicants among the *unsuccessful* employers was 66.5 per cent, so two out of every three applicants for a position with these employers were considered unsuitable for that or any other position in the organisation.

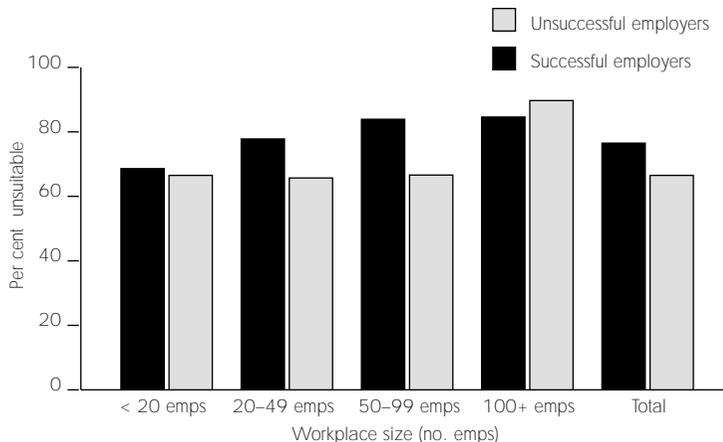
The comparable proportion among employers who were successful in recruiting a graduate was 76.5 per cent so this is a somewhat surprising result; the unsuccessful employers were more likely to have considered their applicants suitable. This may indicate that, among these employers, there were obstacles other than the quality or skills of the applicants that prevented them from hiring the graduates (e.g. their willingness or ability to pay the salaries demanded).

#### 4.4.4.2 By workplace size

Chart 19 shows the level of unsuitable applicants for the two groups of employers by workplace size.

This shows that while the overall level of unsuitability is lower among the unsuccessful employers, this is not true for the largest businesses with more than 100 employees. These employers were more likely to find the applicants unsuitable than successful employers (which is the pattern we might have anticipated).

Chart 19 Comparison of employers successful and unsuccessful in recruiting a new graduate: proportion of unsuitable applicants by workplace size

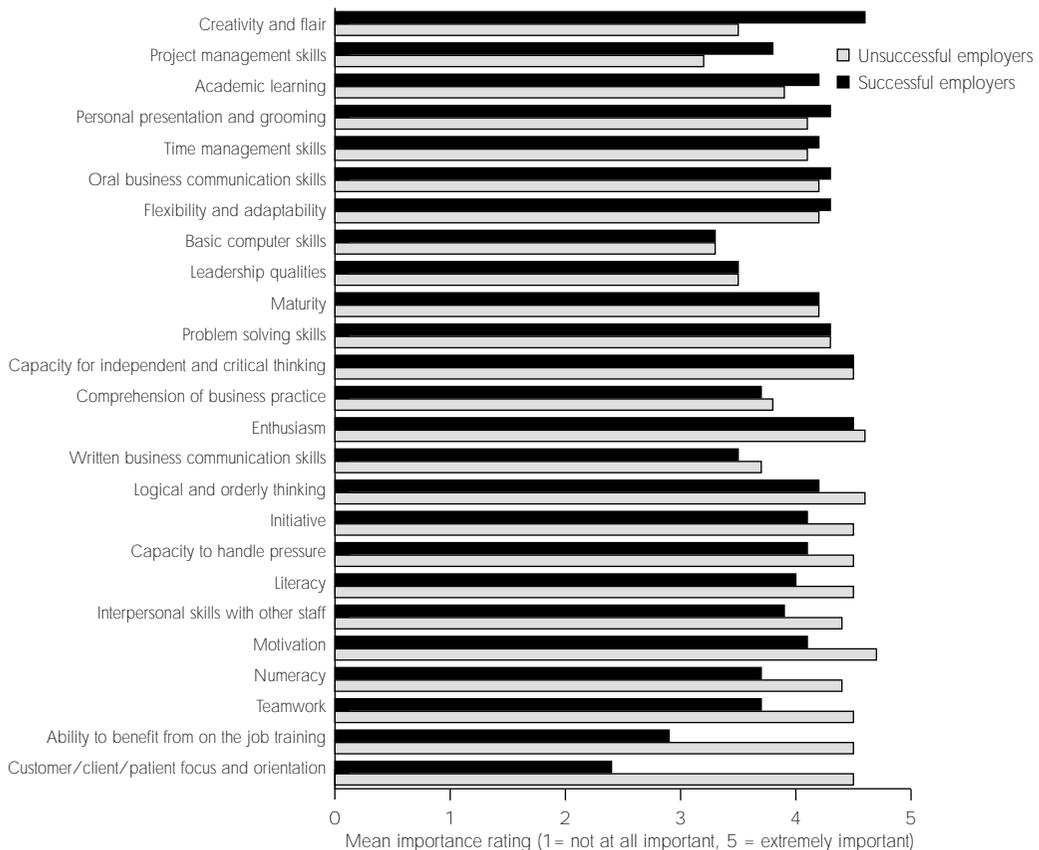


The greatest differences between the views of the successful and unsuccessful employers exist among mid-sized businesses, i.e. those with more than 20 employees but fewer than 100. Here the unsuccessful employers were much less likely (than successful employers) to have considered the applicants unsuitable, indicating that other barriers to hiring them may have been greatest among businesses of this size.

#### 4.4.5 Importance of skills and competencies

Chart 20 shows the importance the two groups of employers attached to the different skills tested. Note the chart shows the skills considered more important by unsuccessful employers at the top and those considered more important by successful employers at the bottom. The skills considered equally or similarly important are therefore between the two nearer the centre of the chart.

Chart 20 Comparison of employers successful and unsuccessful in recruiting a new graduate: importance of skills and competencies



Unsuccessful employers appear to attach *more* importance, than the successful employers, to (from top of chart):

- customer focus;
- the ability to benefit from on-the-job training;
- teamwork;
- numeracy; and
- motivation.

The unsuccessful employers considered a number of skills to be important that the successful employers did not think were particularly important, or even considered to be quite unimportant. Customer focus and the ability to benefit from on-the-job training are the strongest example of this observation, with large differences between their importance as perceived by the two groups. This suggests that perceived deficiencies in these skill areas among applicants might have contributed to the lack of success of finding and hiring a graduate.

There are only two skills which were considered more important to any considerable degree by successful employers and these are (from bottom of chart):

- creativity and flair; and
- project management skills.

The unsuccessful employers gave these skills only medium importance ratings while the first, especially, was considered to be very important to successful employers, warranting 4.6 out of 5.0.



# **Appendix 1**

## **Screening questionnaire**

**EMPLOYER SATISFACTION WITH GRADUATES  
SCREENING QUESTIONNAIRE**

Phone No.	(03) xxx xxxxx	No of employees	Y
Company Name	ABC Consulting		
Street Address	MELBOURNE 3000	Industry type	Z
		Workplace ID	001

**INTRODUCTION**

Good ... My name is ... from ACNielsen, Research Services calling on behalf of DEETYA (the federal Department of Education, Employment, Training and Youth Affairs). I'd like to speak to the person at your workplace responsible for staff recruitment, particularly for graduate staff. What is his/her name?  
(If receptionist is unsure who to direct call to) Do you have a human resources or personnel section?  
(If staff recruited at another location, eg head office, get a contact there)

Record name .....

**WHEN SPEAKING TO THE STAFF RECRUITER**

**RE-INTRODUCE YOURSELF AS BEING FROM ACNIELSEN ON BEHALF OF ....**

We are currently conducting a major research study on employer satisfaction with new graduates recruited into Australian companies.

Can I just check a few details about your organisation at the (read out above address) address with you?

(If organisation does not recruit staff, circle this line and ask Q1 to Q3 only)

**Q1** How many people are currently employed by your organisation at that address, and by that I mean, people on a full-time, part-time, permanent or temporary basis working at that address? Is it ... (READ OUT)

(If necessary) If your organisation operates from more than one location, include employees only at that location.

Employees are defined as those employed on a full-time, part-time, permanent, casual or temporary basis, but exclude self employed people (such as contractors) and volunteers

Less than 20	1	
20-49	2	
50-99	3	
100+	4	
DK	5	Thank and close

**Q2** Please describe the activity from which this business derives its main income?

For example, research, primary school, hospital, nursing home, child care.

.....  
.....

**Q3** Have any new staff been recruited by your organisation at that address in the last 2 years, or finished their apprenticeship/traineeship, with the last 2 years, that is, since September 1996?

Yes	1	
No	2	Thank and close
DK	3	Thank and close

**Q4** And in that time (since September 1996), has your workplace employed any new graduates? By new graduates, we mean people who have completed tertiary studies at a University or TAFE in the last 2 years and are starting their first full-time, paid employment in a field relevant to their study.

(If necessary) By workplace, we mean your organisation at that address.

(If necessary) By tertiary studies we mean qualifications that require at least one semester or 200 hours of training or study.

Yes	1	
No	2	Go to Q9
DK	3	Thank and close

**Q5** Thinking about those new graduates employed at your workplace since September 1996, were they mostly TAFE graduates or university graduates?

Mostly TAFE	1
Mostly university	2
About half & half	3

DK 4

Q6 We would like to send you a short questionnaire about your organisation's experiences with recruiting and employing new graduates. Are you the most appropriate person for us to direct that to?

OBTAIN NAME AND TITLE OF CORRECT PERSON .....CHECK SPELLING WITH RESPONDENT

Name ..... Title.....

Q7 What is the best address for me to send that to?

RECORD MAILING ADDRESS

Street or PO Box address .....

Suburb/City..... State..... Postcode .....

Thank you, we will send the questionnaire with a covering letter. It should only take about 15 minutes to complete and it will have a reply paid envelope. CLOSE SUITABLY

Q8 INTERVIEWER - Is the person named at Q6, the person you actually spoke to?

Yes 1  
No 2

INTERVIEWER - go to END

Q9 In the last 2 years has your workplace attempted to employ any new graduates?

Yes 1  
No 2 Thank and close  
DK 3 Thank and close

Q10 Since you have not employed any new graduates at that workplace in the last two years, I just have a few questions about your opinions of graduates. The questions will take less than ten minutes. Can we continue now?

Yes 1 ENTER WORKPLACEID NUMBER OVERLEAF INTO SMS AND RECORD CAT/CASE NUMBER HERE  
No 2 MAKE APPT. TO CALL BACK AND RECORD APPOINTMENT TIME

END

I Interview	N No eligible respondent	A Away
S Terminate/incomplete	K No knowledge	D Duplicate number
R Refusal	O No answer	X Not eligible number
F Foreign	E Engaged	Y Not useable number
U Unreliable	B Too busy	= Fax No.
T Temporarily absent		

"I certify that this is a correct record of the interview which has been completed in accordance with my interviewing guidelines and conducted according to the ICC/ESOMAR international code of marketing and social research practice."

Interviewer signature: .....

Date: .....

#### QUOTA COUNT

If you obtained a name and address at Q6 and Q7, OR completed a telephone interview, tick the box in the following table.

Number of employees at Q1	Q4= Yes (has employed new grads)	Q4 = No or DK and Q9=Yes (not employed new grads but attempted to)
<20		
20-49		
50-99		
100+		

Pass this completed sheet to your supervisor who will keep track of quotas.



# **Appendix 2**

## **Mail questionnaire**



DEPARTMENT OF EMPLOYMENT, EDUCATION,  
TRAINING AND YOUTH AFFAIRS  
16-18 Mait Street,  
GPO Box 9880  
Canberra ACT 2601

## Employer Satisfaction With Graduates Survey QUESTIONNAIRE

Who should complete this questionnaire?

The person with primary responsibility for the recruitment of new graduate staff at the above workplace address.

- 1 Please describe the activity from which this business derives its main income?

For example, research, primary school, hospital, nursing home, child care.  
Please describe fully.

.....  
.....  
.....

- 2 How many people are currently employed at your workplace?

The workplace is located at the address on the label above. Employees are defined as those employed on a full-time, part-time, permanent, casual or temporary basis, but excludes self-employed people (such as contractors) and volunteers.

		Number

- 3 In the last two years, that is, since September 1996, approximately how many applications from new graduates have been received at your workplace in response to advertisements or through staff recruitment agencies?

A 'new graduate' is defined as a person who has completed tertiary studies at a university, TAFE or the equivalent outside the last 2 years and is starting their first professional job (that is, their first full-time, paid employment in a field relevant to their study or training).

		Number

- 4 In the last two years, how many new graduates were recruited at your workplace?

		Number

5 Of those new graduates recruited in the last two years, what were their main fields of (recent) study (ie the study they completed in the last two years)? Tick all that apply

Land and Marine Resources, Animal Husbandry, Agriculture .....	<input type="checkbox"/>	1
Architecture, building .....	<input type="checkbox"/>	2
Arts, humanities and social sciences .....	<input type="checkbox"/>	3
Business, administration, economics .....	<input type="checkbox"/>	4
Education .....	<input type="checkbox"/>	5
Engineering, surveying .....	<input type="checkbox"/>	6
Health, community services .....	<input type="checkbox"/>	7
Law, legal studies .....	<input type="checkbox"/>	8
Science (not Computer Science) .....	<input type="checkbox"/>	9
Computer Science .....	<input type="checkbox"/>	10
Veterinary science, animal care .....	<input type="checkbox"/>	11
Services, hospitality, transportation .....	<input type="checkbox"/>	12
Other (please specify) .....	<input type="checkbox"/>	13
.....		
.....		
.....		

6 Of those new graduates recruited in the last two years, did most of them complete their tertiary studies at a university or at TAFE?

Mostly university .....	<input type="checkbox"/>	1
Mostly TAFE .....	<input type="checkbox"/>	2
About half at university and half at TAFE .....	<input type="checkbox"/>	3
Don't know .....	<input type="checkbox"/>	4

7 Of the applications received at your workplace from new graduates in the last two years (as reported in Q3), how many would, in your view, have been suitable for a position in your organisation, regardless of whether a position was available?

	Number

8 Thinking about the last time a new graduate was recruited at your workplace, how would you rate, on average, all the new graduates who applied for that position?

For each sentence below, please circle the appropriate number, where 1 is extremely poor and 5 is excellent. If you don't know or feel that sentence is not applicable, circle either DK or NA accordingly.

	1	2	3	4	5	DK	NA
<b>Basic Competencies</b>							
Literacy .....	1	2	3	4	5	DK	NA
Numeracy .....	1	2	3	4	5	DK	NA
Time management skills .....	1	2	3	4	5	DK	NA
Basic computer skills .....	1	2	3	4	5	DK	NA
<b>Basic Skills</b>							
Inter-personal skills with other staff .....	1	2	3	4	5	DK	NA
Leadership qualities .....	1	2	3	4	5	DK	NA
Oral business communication skills .....	1	2	3	4	5	DK	NA
Comprehension of business practice .....	1	2	3	4	5	DK	NA
Teamwork .....	1	2	3	4	5	DK	NA
<b>Academic skills</b>							
Academic learning .....	1	2	3	4	5	DK	NA
Written business communication skills .....	1	2	3	4	5	DK	NA
Problem solving skills .....	1	2	3	4	5	DK	NA
Project management skills .....	1	2	3	4	5	DK	NA
Logical and orderly thinking .....	1	2	3	4	5	DK	NA
Creativity and flair .....	1	2	3	4	5	DK	NA
Capacity for independent and critical thinking .....	1	2	3	4	5	DK	NA
<b>Other attributes</b>							
Enthusiasm .....	1	2	3	4	5	DK	NA
Motivation .....	1	2	3	4	5	DK	NA
Initiative .....	1	2	3	4	5	DK	NA
Maturity .....	1	2	3	4	5	DK	NA
Personal presentation & grooming .....	1	2	3	4	5	DK	NA
Capacity to handle pressure .....	1	2	3	4	5	DK	NA
Flexibility and adaptability .....	1	2	3	4	5	DK	NA
Customer/client/patient focus and orientation .....	1	2	3	4	5	DK	NA
Ability to benefit from on-the-job training .....	1	2	3	4	5	DK	NA

9 Now thinking about the new graduate your organisation recruited to that position (that is, the last new graduate recruited at your workplace), what was their main field of (recent) study?  
Tick one box only

Land and Marine Resources, Animal Husbandry, Agriculture .....	<input type="checkbox"/>	1
Architecture, building .....	<input type="checkbox"/>	2
Arts, humanities and social sciences .....	<input type="checkbox"/>	3
Business, administration, economics .....	<input type="checkbox"/>	4
Education .....	<input type="checkbox"/>	5
Engineering, surveying .....	<input type="checkbox"/>	6
Health, community services .....	<input type="checkbox"/>	7
Law, legal studies .....	<input type="checkbox"/>	8
Science (not Computer Science) .....	<input type="checkbox"/>	9
Computer Science .....	<input type="checkbox"/>	10
Veterinary science, animal care .....	<input type="checkbox"/>	11
Services, hospitality, transportation .....	<input type="checkbox"/>	12
Other (please specify) .....	<input type="checkbox"/>	13
.....		
.....		
.....		

10 Did that last new graduate recruited by your organisation complete their tertiary studies at a university or at a TAFE?

University .....	<input type="checkbox"/>	1
TAFE .....	<input type="checkbox"/>	2
Don't know .....	<input type="checkbox"/>	3

11 Again, thinking of that last new graduate recruited, when they started with your organisation, what was their occupation and what were the main tasks they usually performed?

Examples

- Apprentice chef - prepare/grooming food
- Accountant - doing audits

.....  
 .....  
 .....

12 How would you rate the standard of the last new graduate recruited when they first started in your organisation?

For each item below, please circle the appropriate number, where 1 is extremely poor and 5 is excellent. If you don't know or feel that option is not applicable, circle either DK or NA accordingly.

If the last base your organisation recruited a graduate, two or more were recruited at the same base, please answer this question thinking of the graduate whose family name comes first alphabetically.

	1	2	3	4	5	DK	NA
<b>Basic Competencies</b>							
Literacy .....	1	2	3	4	5	DK	NA
Numeracy .....	1	2	3	4	5	DK	NA
Time management skills .....	1	2	3	4	5	DK	NA
Basic computer skills .....	1	2	3	4	5	DK	NA
<b>Basic Skills</b>							
Inter-personal skills with other staff .....	1	2	3	4	5	DK	NA
Leadership qualities .....	1	2	3	4	5	DK	NA
Oral business communication skills .....	1	2	3	4	5	DK	NA
Comprehension of business practice .....	1	2	3	4	5	DK	NA
Teamwork .....	1	2	3	4	5	DK	NA
<b>Academic skills</b>							
Academic learning .....	1	2	3	4	5	DK	NA
Written business communication skills .....	1	2	3	4	5	DK	NA
Problem solving skills .....	1	2	3	4	5	DK	NA
Project management skills .....	1	2	3	4	5	DK	NA
Logical and orderly thinking .....	1	2	3	4	5	DK	NA
Creativity and flair .....	1	2	3	4	5	DK	NA
Capacity for independent and critical thinking .....	1	2	3	4	5	DK	NA
<b>Other attributes</b>							
Enthusiasm .....	1	2	3	4	5	DK	NA
Motivation .....	1	2	3	4	5	DK	NA
Initiative .....	1	2	3	4	5	DK	NA
Maturity .....	1	2	3	4	5	DK	NA
Personal presentation & grooming .....	1	2	3	4	5	DK	NA
Capacity to handle pressure .....	1	2	3	4	5	DK	NA
Flexibility and adaptability .....	1	2	3	4	5	DK	NA
Customer/client/patient focus and orientation .....	1	2	3	4	5	DK	NA
Ability to benefit from on-the-job training .....	1	2	3	4	5	DK	NA

13 When your organisation was recruiting for this position, how important was it that the graduate had each of the following skills?  
Please circle the appropriate number, where 1 is not at all important and 5 is extremely important. If you don't know, circle DK.

	Not at all important	1	2	3	4	5	DK
<b>Basic Competencies</b>							
Literacy .....		1	2	3	4	5	DK
Numeracy .....		1	2	3	4	5	DK
Time management skills .....		1	2	3	4	5	DK
Basic computer skills .....		1	2	3	4	5	DK
<b>Basic Skills</b>							
Interpersonal skills with other staff .....		1	2	3	4	5	DK
Leadership qualities .....		1	2	3	4	5	DK
Oral business communication skills .....		1	2	3	4	5	DK
Comprehension of business practice .....		1	2	3	4	5	DK
Teamwork .....		1	2	3	4	5	DK
<b>Academic skills</b>							
Academic learning .....		1	2	3	4	5	DK
Written business communication skills .....		1	2	3	4	5	DK
Problem solving skills .....		1	2	3	4	5	DK
Project management skills .....		1	2	3	4	5	DK
Logical and orderly thinking .....		1	2	3	4	5	DK
Creativity and flair .....		1	2	3	4	5	DK
Capacity for independent and critical thinking .....		1	2	3	4	5	DK
<b>Other attributes</b>							
Enthusiasm .....		1	2	3	4	5	DK
Motivation .....		1	2	3	4	5	DK
Initiative .....		1	2	3	4	5	DK
Maturity .....		1	2	3	4	5	DK
Personal presentation & grooming .....		1	2	3	4	5	DK
Capacity to handle pressure .....		1	2	3	4	5	DK
Flexibility and adaptability .....		1	2	3	4	5	DK
Customer/client/patient focus and orientation .....		1	2	3	4	5	DK
Ability to benefit from on-the-job training .....		1	2	3	4	5	DK

14 Why did your organisation recruit a new graduate to this particular position, as opposed to a non-graduate or a graduate with relevant work experience?

.....  
 .....  
 .....  
 .....

15 Overall, do you think the new graduates who applied for that particular position were deficient in any skills, and if so, which skills?

.....  
 .....  
 .....  
 .....

16 Please record your name and contact telephone number in case we have any queries regarding this questionnaire.

Name:  
 .....

Contact phone number:  
 (    ) .....

Please return this questionnaire in the enclosed reply paid envelope.  
 (Reply Paid AAAS104, PO Box 393, SOUTH YARRA, VIC 3141)

Should you have any queries regarding this survey, please phone Anne O'Connell at AC Nielsen Research on (03) 9207 3800.

THANK YOU FOR YOUR ASSISTANCE



# **Appendix 3**

## **Cover letter**



DEPARTMENT OF EMPLOYMENT, EDUCATION,  
TRAINING AND YOUTH AFFAIRS  
16-18 Mort Street,  
GPO Box 9880  
Canberra ACT 2601

(name)  
(title)  
(company)  
(street)  
(suburb, state, postcode)

Dear .....

**Employer Satisfaction with Graduates Survey**

Thank you for agreeing to complete this questionnaire about the employment of new graduates in your organisation.

ACNielsen Research have been commissioned by the Commonwealth Department of Education, Employment, Training and Youth Affairs (DEETYA) to conduct the above survey. The objective of the survey is to identify employers' attitudes to graduates and perceived skill deficiencies, where they occur, with the intention of developing policies to address these deficiencies. Graduates of both University and TAFE institutions are to be included in the analysis.

A reply paid envelope has been included for you to return the questionnaire. We request that you return it by (insert date). We will call you shortly (if we haven't received your questionnaire) to answer any queries you may have.

Be assured that your responses will be treated in complete confidence. No details relating to any individual or organisation will be available to any other party including DEETYA.

Your organisation may have been approached to participate in the 1997 *Employer Satisfaction with Vocational Education and Training Survey* towards the end of last year. However, we ask that you also agree to participate in this current study as it goes into more detail regarding the skill requirements of graduates from the vocational education and training and higher education sectors.

If you require any further information or have questions about the survey, please call Anne O'Connell at ACNielsen Research on (03) 9207 3800.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Mike Gallagher'.

Mike Gallagher  
First Assistant Secretary  
Higher Education Division



DEPARTMENT OF EMPLOYMENT, EDUCATION,  
TRAINING AND YOUTH AFFAIRS  
16-18 Mort Street,  
GPO Box 9890  
Canberra ACT 2601

(name)  
(title)  
(company)  
(street)  
(suburb, state, postcode)

Dear .....

**Employer Satisfaction with Graduates Survey**

In a recent telephone conversation, one of your colleagues suggested that you were the person best equipped to answer this questionnaire about the employment of new graduates in your organisation.

ACNielsen Research have been commissioned by the Commonwealth Department of Education, Employment, Training and Youth Affairs (DEETYA) to conduct the above survey. The objective of the survey is to identify employers' attitudes to graduates and perceived skill deficiencies, when they occur, with the intention of developing policies to address these deficiencies. Graduates of both University and TAFE institutions are to be included in the analysis.

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Mike Gallagher  
First Assistant Secretary  
Higher Education Division