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Small firm employment offers a ray of hope to 2010 graduates

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Prospects for new graduates entering the job market appear more "doom and gloom" than ever

Navigating the job market can be a difficult process for those newly graduated. Expectations can quickly become replaced by a sense of disillusionment as settling for a seemingly less prestigious, and in some cases a "non graduate" role appears the only option.

As the effects of the economic crisis continue to ripple through the UK, the prospects for new graduates entering the job market appear more "doom and gloom" than ever before. On July 6th the Association of Graduate Recruiters released news that for every graduate job there are now 69 applicants; a frightening statistic for those graduating. The survey was however based on the views of 199 employers, including the likes of Cadbury's, Marks and Spencer and JP Morgan. To what extent can such a survey truly reveal the intentions of all employers, particularly in the small firm sector?

Research at Birmingham University, funded by AWM and the ESRC, offers an insight into such a sector which continues to be overlooked by similar large scale surveys. The work addresses concerns over the persistent lack of awareness amongst graduates about small firm employment opportunities. Students can be deterred from engaging in this sector as career prospects, salaries and training opportunities are believed to be limited in comparison to the more visible brand name alternatives. Whilst graduate expectations may be set at the level of larger companies, small firms can offer a rewarding alternative.

Importantly, given the current concern about graduate prospects many of the small firm managers interviewed in 2009 were continuing to recruit. A number of respondents were in fact dismayed that whilst they had continued to recruit the quality and number of applications had, ironically, dropped; a possible repercussion of the medias portrayal of a hopeless graduate marketplace? Whilst some of the positions within the firms that the graduates filled were admittedly not meant for them per se, the students had taken the opportunity to grow the role and make it their own; highlighting how positions considered non-graduate are not necessarily a fixed condition.

Graduates interviewed in the study admitted that whilst there were high demands to "hit the ground running" such requirements were compensated by numerous benefits, such as being given a high level of responsibility from day one or opportunities to engage in all areas of the business offering a more general all round experience rather than having to specialise early on. Because they were employed by small firms the graduates also commonly enjoyed more frequent contact with managers who, despite often being pressed for time, made concerted efforts to give frequent feedback and support to their proteges. Whilst graduates may not in all cases experience the same level of structured training available in larger firms, this does not mean that it is not a priority for small firms. Because of time and resource constraints formalised and on the job training tended to be more targeted towards individual needs and role requirements.

Whilst opportunities do exist in small firms, graduates should not be naive about the effort required to search for and secure work at this time. Supply does exceed demand so there is a definite need for graduates to be proactive if they are to succeed, particularly if they have to compete with the jobless cohort of 2009. However, degrees are of definite value to small firm managers and, if graduates are to be granted the opportunity to prove their worth they must take time to reflect on the attributes and competencies, both academic and extra circular that make them marketable to employers. Beyond Careers Services, graduates can also find help and support via initiatives such as **Graduate Advantage (http://www.graduateadvantage.co.uk)** , that act as an invaluable gatekeeper for graduates considering a placement in a small to medium sized enterprise in the West Midlands. The power of a placement cannot be underestimated; as the study shows, work experience provides a fantastic opportunity to not only try out a potential career but to also develop those essential "employability" skills demanded by recruiters in addition to a degree.

Unquestionably for this year's graduates, looking for a job will be tough. This research shows that if they shift their horizons beyond the usual list of large "milk round" employers there are lots of small and medium sized firms keen to recruit them and provide them with opportunities for career advancement that are just as rewarding

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Georgina Henricksen, currently a 3rd Year PhD student at the University of Birmingham, is completing a thesis on graduate employment in small business and professional service firms. The research is funded by an Economic and Social Research Council (ESRC) CASE Studentship with additional support from Advantage West Midlands (AWM).

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