

THE PROS and CONS OF RECRUITING EMPLOYEES DIRECTLY FROM UNIVERSITIES

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Abstract:

Recruiting employees directly from universities has become a common practice for organizations looking to infuse fresh talent, energy, and innovation into their workforce. University graduates, equipped with the latest academic knowledge and often eager to make their mark, can offer companies a valuable pool of candidates. However, this recruitment strategy comes with both distinct advantages and considerable drawbacks. This article explores the pros and cons of recruiting employees in this manner, providing a balanced and objective analysis for companies that are considering this recruitment methodology.

Literature Review:

Allen (2004) explores the question of what is referred to as “undergraduate employability, as well as well as the role of internships in university recruitment, considering the pros and cons of hiring directly from academic institutions. The perspective of utilizing this recruitment methodology is presented in an objective manner, and recommends that companies consider using this recruitment method, but in conjunction with others as well, such as headhunters, posting of job openings on websites and social media, referrals from existing employees, and more.

Koc & Bozkurt (2018) examine recruitment strategies for fresh graduates, including the benefits and challenges of direct recruitment from universities. The pros and cons of this approach shows that while there are indeed benefits, there are also drawbacks that must also be considered.

The topic of how direct recruitment from universities can provide employers with fresh talent with a specific focus on the recruitment process, is discussed in Tymon & Stumpf (2010). While they are generally supportive of direct university recruitment of recent graduates, they also recommend that companies should exercise caution in using this approach and suggest that a key factor in its utilization should be what kind of job opening is being filled, and at what level of the organization.

Michaels, Handfield-Jones, & Axelrod, B. (2001) provide a comprehensive perspective on the importance of recruiting top talent directly from universities and the pros and cons of this approach. While they support using colleges and universities as excellent sources of recruiting new talent, they too recognize that this approach should not be used as the only source, but in combination with other means as well.

Levine (2011) offers a somewhat more critical look at the advantages and disadvantages of university-based recruitment for employers. The appeal of using colleges and universities should be tempered by the types of positions which are being filled, the levels of expertise and experience required, and other mitigating factors.

Harvey (2001) discusses employability from the perspective of employers and universities, relevant to the pros and cons of recruiting graduates directly. While some companies prefer not to reach out to the academic world for their recruitment, other companies willingly embrace it.

The advantages of hiring university graduates while also discussing potential drawbacks such as lack of experience, potential lack of job stability demonstrated by some recent grads, as well as their tendency to change jobs too frequently, are among the drawbacks highlighted by Sutton & Sykes (2017).

An overview of labor market trends and recruitment strategies, with insights into university recruitment from an economic perspective, is the main focus of Kaufman (2004). While supportive of utilizing colleges and universities for recruitment, care should be taken not to over-emphasize this particular recruitment approach at the expense of others. A balanced approach is called for.

Cappelli (2001) discusses how companies can maximize the benefits of recruiting directly from universities as well as how they should address the challenges that may arise. While there are “opportunities” to be derived from academic recruitment sources, there are also challenges that must be expected and dealt with in a realistic manner, such as unrealistic expectations of recent graduates, the economic viability of using them within the context of budgetary constraints in an organization, and more.

Employer branding and how direct recruitment from universities might align with company attractiveness and the challenges of competing for top talent, are the primary reasons for using this recruitment methodology, according to Lievens & Highhouse (2003).

ADVANTAGES of RECRUITING FROM UNIVERSITIES:

1. Fresh Knowledge and New Ideas

One of the primary benefits of hiring directly from universities is the infusion of fresh knowledge and innovative thinking. University graduates are typically up to date with the latest trends, technologies, and methodologies in their fields. In industries such as technology, engineering, and finance, where advancements occur rapidly, hiring recent graduates ensures that the organization remains competitive. Moreover, these young professionals bring with them new ideas, and very often, out-of-the-box methods, that can foster creativity and drive innovation within a company.

University curricula are designed to impart not only foundational knowledge but also critical thinking and problem-solving skills. Graduates are often trained in state-of-the-art tools and techniques, enabling them to bring advanced solutions to complex problems. By hiring university graduates, organizations gain access to cutting-edge ideas that may not be as prevalent in more experienced candidates who have already become accustomed to established industry practices.

2. Cost-Effectiveness

Recruiting directly from universities can be a more cost-effective approach compared to hiring experienced professionals. Recent graduates generally command lower starting salaries, as they have limited professional experience. This can be a particularly appealing option for companies with budget constraints or those in industries where profit margins are tighter. In addition to lower salaries, university recruitment often leads to reduced recruitment and training costs. Furthermore, it must also be considered that since these new employees are often eager to learn, employers may find that they can mold them into specific roles with less investment in retraining compared to hiring someone with significant experience but outdated skills.

3. Potential for Long-Term Loyalty

Hiring university graduates can also create an opportunity for long-term employee loyalty and career development. Many young employees, having recently completed their studies, are in the early stages of their professional journeys. Organizations that invest in their development can often cultivate a sense of loyalty and commitment, particularly when they offer opportunities for career growth and professional advancement. By recruiting directly from universities, companies can build relationships with employees from the outset, setting the stage for a potentially long-term relationship, which in turn will have a positive effect upon employee retention, satisfaction, and ultimately, upon the profitability and productivity of the organization itself.

Furthermore, recruiting from universities allows organizations to introduce their values and company culture to new employees early on. Graduates are typically looking for a place to develop their careers, and by offering mentorship, training programs, and clear paths for advancement, companies can cultivate a stable and motivated workforce. Strong alignment between the new employee's ethical belief and values and those of the company, is yet another positive factor to be considered.

4. *Easier to Shape and Train*

One of the significant advantages of recruiting directly from universities is that recent graduates are often more moldable and adaptable. As they are still at the beginning stages of their careers, they are more open to learning the specific skills and practices that an organization requires. This makes these new employees easier to train and integrate into the company's culture compared to more seasoned employees who may have ingrained habits and expectations.

Training university graduates from the ground up allows organizations to shape employees to meet their specific needs, ensuring that they align with the company's objectives, work style, and values. This adaptability also allows for faster transitions as graduates are likely to be more flexible when confronted with new challenges and opportunities.

5. *Building a Strong Employer Brand*

Organizations that recruit directly from universities can also benefit from building a positive reputation as an employer of choice for young professionals. By participating in job fairs, internships, enhancing the company's "brand" on social media, as well as via campus recruitment events, companies can establish themselves as employers who value and invest in the development of new talent. This reputation can be beneficial not only for attracting top graduates but also for enhancing the organization's overall image within the community and industry.

DISADVANTAGES of RECRUITING FROM UNIVERSITIES:

1. *Lack of Practical Experience*

Despite their academic achievements, recent graduates often lack hands-on, practical experience that can be crucial in many roles. While they may possess strong and very recent theoretical knowledge, they may struggle to apply this knowledge in real-world scenarios, where the nuances of the day-to-day work environment, as well as problem-solving, collaboration, and decision-making, become more apparent. Organizations may need to invest significantly in training and mentoring to help bridge this gap between theory and practice, which can be time-consuming and costly.

For companies looking to fill roles that require immediate proficiency or where there is little room for error, hiring recent graduates may not always be the best choice. These candidates may require a longer ramp-up time to become fully effective in their roles, and this lack of experience can pose challenges in high-pressure or fast-paced environments.

2. *Potential for High Turnover*

Another downside of recruiting university graduates is the potential for higher turnover rates. Graduates may be excited to start their careers, but they may not always stay with the company long-term, particularly if they do not feel that they are growing or progressing quickly enough. Many young professionals are eager to explore different opportunities and are often willing to switch jobs after gaining just a few years of experience in search of better pay, more responsibility, or a more fulfilling work environment.

The resulting high turnover rates can be disruptive to an organization's operations and culture, leading to increased costs for recruitment, training, and the potential loss of intellectual capital. Organizations that hire university graduates must be prepared to invest in employee retention strategies, such as career development programs, mentoring, and competitive compensation packages, to mitigate this risk.

3. Limited Soft Skills

While university graduates often excel in technical skills and knowledge, they may not yet possess the soft skills necessary for success in the workplace. Soft skills, such as communication, teamwork, a collaborative mindset, emotional intelligence, and conflict resolution, are often honed through years of professional experience and exposure to various workplace environments. University education may not always place a strong emphasis on these skills, which can result in graduates entering the workforce with gaps in these crucial areas.

Employers must recognize that soft skills are just as important as technical knowledge and be prepared to invest time and resources into developing skills such as these in new hires. Failure to do so could result in issues such as poor collaboration, ineffective communication, or a lack of adaptability in high-pressure situations.

4. Cultural Fit and Work Ethic

University graduates may not always be a good fit for the company culture or may have different expectations of work-life balance and workplace dynamics. Fresh graduates, especially those entering their first professional environment, may struggle to navigate the corporate world's more formal and structured atmosphere. Some may not yet possess the work ethic or self-discipline required to succeed in a demanding job.

Moreover, recent graduates may have unrealistic expectations regarding job responsibilities and career growth. They may expect to rapidly ascend the corporate ladder and/or be disappointed if the work does not immediately align with their passions or goals. Managing these expectations and ensuring that new hires understand the realities of their roles and the company's culture is essential for fostering a positive working environment.

SUMMARY:

Recruiting employees directly from universities offers both advantages and disadvantages. On the positive side, university graduates bring fresh ideas, a hunger to learn, and new skills that can benefit an organization. They are often more adaptable, cost-effective, and have the potential for long-term loyalty. However, the lack of practical experience, limited soft skills, and potential for high turnover present significant challenges that organizations must address.

Companies considering this recruitment strategy should weigh the pros and cons carefully and implement appropriate measures, such as structured training programs, mentorship opportunities, and clear career progression paths, to maximize the benefits while mitigating the drawbacks. By doing so, organizations can make the most of the opportunities that come with recruiting directly from universities and build a workforce that is both capable and committed to long-term success.

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