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SUMMARY OF DISCUSSION

**Employer Roundtable**  
Making offers,  
renegees, and  
dropouts

**No. 16**

Wednesday 18th  
August 2021  
10am - 11:30am

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Overview

During the pandemic, youth unemployment hit 14.8%. With countless government incentives to help youngsters find work, it was widely believed there would be a wealth of early careers candidates clamouring for roles. However, since restrictions have lifted, the tables have turned. Low candidate availability and the highest vacancy growth since 1998 has put early careers candidates firmly in the driving seat.

This has impacted employers in numerous ways, including drastically elevated rates of renegees and dropouts in their recruitment process.

In this Roundtable, our attendees discussed their experiences with renegees and dropouts from making offers to their first day, and how they are mitigating risk.

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Attendees of the thirteenth roundtable include:



With many more attending...

Sytner  
Johnson&Johnson  
Police Now

Network Rail  
Renishaw  
AWE Plc  
NG Bailey

TfL  
AQA  
MMC  
Local Government Association

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## Key Points

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While many expected an abundance of early careers candidates in 2021, the exact opposite has occurred. Demand for staff has grown month on month, but the supply of workers has dropped.

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This has meant that most employers in attendance see more significant issues with renegees and dropouts in 2021, with many reporting rates of up to 50% dropping out.

3

Employers are questioning the impact virtual recruitment has had on increasing renegees. There is a belief that the lack of face-to-face contact has meant individuals are not developing strong connections to businesses.

4

Acceptance of an offer is not a guarantee that the candidate will join a business.

5

Employers must be aware of time and keep candidates engaged between their assessment process, job offer, and start date (up to 9 months) to reduce the renege risk.

6

Engaging activities could include setting up peer groups, smaller face-to-face introduction events, engagement events including parents/carers and even security checks to maintain consistent communication and candidate commitment.

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# Making offers



Getting to the offer stage is a massive achievement for candidates and recruitment teams alike. However, in a market where candidates are storing up options to decide on one when they are ready, how are businesses ensuring they hit their early careers intake targets? How can they utilise candidate engagement and reserve lists in the most effective way?

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## The conversation



What employers are currently experiencing around reneges and dropouts at the offer stage isn't a new challenge, but it is heightened as employers are competing for a smaller talent pool. As a result, candidates have the power to accumulate offers and then decide which one is right for them. One attendee likened it to a 'Tinder' approach – they are constantly keeping their options open.

Unfortunately, this is at odds with the rigid processes some employers say they have in place, with strict deadlines for their application close dates, assessment centres, offers and start dates. This means that they can't have backup candidates waiting around in case someone rejects, reneges, or drops out. One attendee recruits on a continuous cycle, with a new graduate intake each month. For them, it's not possible to have back-ups, as the process moves so fast. They must accept the number of individuals they were able to attract and move forward. There is no room for flexibility.

Some attendees who are set on achieving their target number have exhausted their first choice and reserve list and are now reviewing the list of those they declined. They intend to understand how they can support individuals to develop into the roles they need within their business. An attendee from the public sector echoed this approach. While they always over offer to ensure they get the maximum intake possible, they have still ended up under their target this year. They are now considering going back to candidates on the borderline for the role and asking them to redo certain sections of the recruitment process.

So, what approaches can employers take to mitigate the potential risk? Many employers agreed that honesty during the recruitment process, paying careful attention to the timing between offers, acceptance and start dates and being strategic with how you offer could hold the answer.

One business, which had gone late to market for their graduate intake due to a hiring freeze, had to turn their process around quickly. Having less time between assessment and offer has meant they still managed to achieve a good intake despite being late. They did, of course, experience dropouts during the process (some chose not to attend a face-to-face assessment centre), and at offer stage (candidates accepting other offers), which goes to show just how fast the market is moving.

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Others stated that being upfront about working location and arrangements was a crucial factor in the offer process. For example, they had experienced candidates applying for a role in Berkshire, but upon receiving the offer, they request to work in the London office or negotiate working arrangements. At this point, the manager in a specific location is invested, and with working arrangements currently evolving for all employers, it's a tricky situation to navigate, which can result in a renege.

Careful management of the time between offer and acceptance is essential to encouraging commitment from candidates. For example, some employers in attendance give their candidates up to 30 days to accept the offer. But during this time, there is the possibility that they receive another offer they perceive as a better option, take that, and reject the original offer. This has caused problems for several attendees as it means they have rejected potentially suitable candidates and must choose between missing their target or risk damaging the employer reputation by going back to rejected candidates with a late offer.

One employer had a potential solution to this. They inform candidates they will be in touch within four weeks but go to their first-choice candidates within a week of assessment. This builds in a buffer to allow for a 'reserve list' without having to actively create one. Others tell candidates, "We would love to employ you but don't have the headcount", so that if they need to call them later to fill a place, they can say, "we now have headcount", giving employers flexibility without damaging the candidate relationship.

# Managing renegees and dropouts



You have offered all the places, and the candidates have accepted. You're ready for them to start in a few months, right? Unfortunately, nothing is guaranteed, and post-offer renegees, and dropouts have increased dramatically in 2021. Some employers report this has increased up to 50% for some early careers' candidates. Our attendees discussed what has caused this, the impact it has had on their business and the active measures they are taking to combat it.

## The conversation



Despite their many virtues, virtual recruitment processes were cited as a potential cause of increased renegees and dropouts. Many employers felt that the whole process being virtual during the pandemic, coupled with candidate panic about securing a role, led to candidates taking a scattergun approach to applications. Candidates just needed to secure one placement, so they were less invested in a specific employer. Other employers argued that virtual assessments were better, making it more accessible for those who couldn't afford the upfront costs of attending assessment centres (even if they were reimbursed later).

**18% > 30%**

Graduate renege rate has risen for some employers

Many attendees could see the benefits of both, but there was wide agreement that many businesses will now be taking a hybrid approach to their recruitment process, building in face-to-face aspects where appropriate and safe to do so.

**50%**

Up to 50% renegees on industrial placements

Many external factors also do not help with the dropout rates, which the employer does not have any control over. This is particularly prevalent in the public sector, which is often the topic of the news, dramas and exposé documentaries which tend not to put their businesses in a good light.

**9%**

Reneges rate 9%, up from 5% during some quick recruitment processes

The topic of 'year in industry' placement students also generated some debate. Attendees agreed that it had been a difficult year recruiting for typical internship roles as due to all the uncertainty in the market, many university students have opted to stay on and complete the third year of their degree. University careers teams have also been advising students to take the first placement offer they receive, which continues to add to the problem of low candidate availability and increased renegees with one attendee reporting 50% renegees from this group!

**40%**

Late candidate withdrawals up to 40%

The general sentiment is that the more personal touchpoints an employer has with a candidate, the more engaged and committed they are to the process. So how will employers ensure they keep candidates engaged post-offer acceptance? Well, it's about using multiple layers of engagement to retain candidates or at least identify those at risk of dropping out or renegeing.

**47%**

Up to 47% early careers renegees this year

Many employers are evaluating the use of face-to-face events, especially for final assessments and those who have accepted an offer, including induction events. For example, one employer surveyed candidates and found they were not comfortable being in a room with 100 others during the pandemic. However, as restrictions lift, others are using rooms that hold three or four times the capacity of the number of attendees to aid social distancing, which has boosted engagement with the candidates who are excited to get into the office and meet their team and peers.

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Sometimes engagement is as simple as having a chat with the candidate to find out more about them, and particularly to find out what other roles they are applying for. One attendee has found this an effective way to identify those who may drop out, so they can prepare in case this happens. Several attendees shared their policy that every offer holder has a recruitment officer who helps the candidate through every step of the process, which keeps them engaged.

Others use written communication to ensure buy-in at the start of the process. For example, one employer has a mandatory requirement for a cover letter at application, which helps determine who really wants the role from the start. Some use pre-enrolment forms to help candidates feel that they have been onboarded before joining; others include new candidates in newsletters to educate and inspire them. While security checks aren't particularly exciting aspects of a candidate journey, several employers stated they find them incredibly effective for understanding candidate commitment. There is a lot that the candidate needs to do during this process to gain access to employer systems and sites, so this step can be "make or break".

Several employers run peer groups, introduce candidates to existing graduates/apprentices or those joining at the same time, set up WhatsApp groups and run polls and quizzes to keep individuals interested before they join. However, some employers have struggled to get particularly passive or introverted individuals involved in these groups. They are tackling this by pairing these young people with other more enthusiastic or extroverted candidates, who will help them feel included and get them involved. Others run 'Buddy schemes' with those who are one or two years into their scheme to get candidates ingrained in the culture before joining. Late or no shows to meetings with mentors, buddies, or social events helps catch reneges sooner rather than later.

One employer has found that the apprentices who joined during the pandemic feel they have missed out on the face-to-face induction process and office culture, so they will be invited to the next events to include them in the full experience.

As part of a keep warm activity, one employer invites the candidates' parents/carers to meet their manager and team. As parents/carers influence their dependents decisions, this employer has noticed that those who have no representation at the events tend to be the ones who drop out. Another marker to help identify those who may not make it to day one.

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### More from the roundtable...

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You can also catch up on our previous discussions via our [resource hub](#).

If you're looking for more in-depth insights into candidate behaviour, we're pleased to be able to offer you our own research into the world of early talent – read more [here](#).