

A low-angle, upward-looking photograph of a city street, showing tall buildings on either side that create a sense of height and scale. The image has a blue and teal color cast.

Inequalities in Access to Professional Occupations
Full Report
June 2025

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1. Executive Summary

Motivation

- Professional occupations typically offer better long-term earnings prospects and greater economic security and stability than other occupations (Garcia-Penalosa et al., 2023, Goldthorpe, 2016). They are also crucial to the UK economy, representing almost a third of all jobs (UKCES, 2016), including senior positions of influence in society. Understanding and reducing barriers to professional occupations promotes equality of opportunity for all.
- Understanding diversity in access to *entry-level* roles in professional careers is of vital importance as they represent the first rung on the career ladder. If there are unequal opportunities in labour market entry, this will limit career progression and persist throughout adulthood.
- Beyond motivations based on equity, there are also efficiency reasons for focusing on inequalities in the labour market: evidence shows that countries that are more inclusive have higher levels of productivity, making better use of their available talent (Hsieh et al., 2019). The 'business case' for diversity is therefore growing ever stronger with reported benefits for innovation, decision making, profitability and growth.
- Recognising this, there has been rapid growth in diversity and inclusion legislation from policy makers, including the introduction of gender pay gap reporting; disability and ethnicity pay gap reporting on the horizon along with recognition of intersectional claims for 'dual discrimination'; and the potential enactment of the socio-economic duty in the Equality Act 2010.
- Employers also want to 'do the right thing' while reaping the reported economic benefits of increasing entry-level diversity. However, as recently demonstrated by high profile employers reviewing the future of their EDI strategies, they lack a rigorous independent evidence base to support investment in diversity related recruitment initiatives and assess their impact and whether they represent value for money (Inclusion at Work Panel, 2024)).

- While much of the research focus has been on progression and pay gaps among the existing workforce, diversity in entry-level access to careers is an important stage of the pipeline for broadening representation. However up until now, there has been little evidence on the types of careers that people from underrepresented groups apply to or on the size of the barriers faced by these groups during recruitment processes. To date, we have only been able to observe young people working in given occupations.
- Disentangling whether under-represented groups are a) not applying for roles, or b) applying but not being hired for roles, can give key insights into the action required. This creates a robust evidence base allowing employers and policy makers to refocus diversity initiatives and policies more efficiently where required to allow ‘untapped talent’ from all backgrounds to pursue professional careers.
- Utilising unique individual-level applications data from 17 large employers to entry-level routes (the largest research data resource of its kind to date), this report provides the first evidence on the role of applications and recruitment processes in creating inequalities in access to professional occupations.

Questions

- 1) How do applications to entry-level routes into professional occupations vary by key diversity characteristics, and at which stage of the recruitment process do the biggest differences in success appear by socio-economic background (SEB), gender and ethnicity, and their intersections?
- 2) Why does access to professional occupations vary by key characteristics? What role do subject and qualification choices at school and university, networks, and work experience (internships) play in this process?
- 3) How do inequalities in access to professional occupations change over time?

Approach

- We approached 59 employers who featured in both the Times Top 100 Graduate Employers list, and either the Social Mobility Index, The Times Top 50 Employers for

Women, or the Race at Work Charter Signatories, leading to initial conversations with 27 large employers, and signed data sharing agreements with 21 employers.

- For this report we have received individual-level anonymised recruitment data for over 2.5 million (N=2,501,427) young people from 17 employers across graduate, internship, and school leaver and apprenticeship entry route programmes.
- These include three large employers from the accountancy and professional services sector, three from the legal sector, and 10 from the public sector. In our first spotlight analysis, we present in-depth evidence on question 2 for the accountancy sector where we have more detailed information on applicants.
- The focus of the first part of our analysis is all applicants from the UK, applying for entry for academic year 2023/2024, for an entry-level UK role, with a valid recruitment outcome (N=253,653) at a point in time (typically the 2023 hiring round).
- The focus for the second part of our analysis to answer question 3 is all applicants from the UK, applying for entry from 2022 to 2024, for an entry-level UK role, with a valid recruitment outcome (N=721,863).
- We observe key diversity characteristics across applicants, including parental occupation (used to construct the social class measure), school type attended, parental university attendance, and free school meals (FSM) eligibility, for socio-economic background. We also observe indicators of gender and ethnicity of applicants. We present evidence from the most representative indicators and their intersections in our analysis.
- Alongside key diversity characteristics, we also observe background information on the candidate including their region of origin, visa status, university attended, and undergraduate subject studied (for graduate and internship entry routes), GCSE maths grades, and A level and equivalent subject and grades (for a subset of school leavers and apprenticeships).
- There is also information available on networks and prior work experience (in the form of internships), alongside details of the specific application, including programme applied to, line of service, office location, and intake year.

- Crucially we observe success at each stage of the application process, alongside any decision by the applicant to withdraw from the process.
- To answer question 1, we show the proportion of applicants: applying to each role; making it through the online stages of recruitment; and achieving an offer, by diversity characteristics. We compare these proportions to the relevant national benchmarks using linked administrative data.
- To answer question 2, we show changes in the percentage differences in the chances of applicants from different groups achieving a job offer (or withdrawing from the process), once comparing individuals with similar demographic, education, and application experiences. For example, we show the percentage difference in someone from a working class background receiving an offer (compared to being rejected) relative to someone from a professional background, with otherwise similar observable attributes.
- We are also able to show the relative contributions of various characteristics, such as university attended, subject studied, networks, application readiness, and type of role applied to in accounting for any differences in offer rates between those from different backgrounds.
- We explore the role of previous work experience in this process by analysing the applicant pool and success rates for internship programmes, which typically take place after the second year of undergraduate studies. Evidence shows that over half of internship positions were converted into graduate jobs in the past year (Institute of Student Employers, 2024).
- To answer question 3, we estimate the percentage differences in the chances of applicants from different groups achieving a job offer (or withdrawing), comparing applicants who look the same on paper for each of the 3 years of entry, 2022-2024.

Main findings

Graduate entry routes

- Low socio-economic background (SEB) graduates are well represented among the applicant pool to professional occupations, relative to the national pool of graduates, but are disproportionately less successful at getting offers. They are 32% less likely to get a job offer than applicants from professional backgrounds.
- Applicants from intermediate backgrounds, by contrast, are underrepresented among the applicant pool and in terms of offer rates.
- In the accountancy sector, over 50% of the gap in offer rates between working class and professional background applicants can be accounted for by differences in UCAS tariff points and by the type of university institution attended. There is also an important role for application date in explaining SEB gaps since low SEB applicants apply later and later applicants have less chance of getting an offer. By contrast, networks and subject studied at university play a relatively minor role in accounting for these gaps.
- While applicants are disproportionately from the South and London and Russell Group universities, when we compare applicants with similar attributes, low SEB graduates are 18% less likely to get a job offer than *otherwise similar* professional background applicants.
- Education, measured in terms of the university attended and undergraduate subject studied, does not equalise opportunities for applicants from underrepresented backgrounds. Even if a working class applicant attends the same type of university and studies the same subject as an applicant from a professional background, they are still less likely to get a job offer for a graduate programme.
- Half of the gap emerges due to working class candidates not passing the online application sift and online testing stages, while the other half emerges during the face-to-face stages of the recruitment process.
- Privately educated applicants are 9% more likely to get a job offer than *otherwise similar* state educated applicants.

- Women are underrepresented in the applicant pool but among those who do apply, women have a higher offer rate than otherwise similar men.
- Asian and Black applicants are overrepresented in the applicant pool but are significantly less likely to get offers than white applicants, *even comparing like with like*. Comparing applicants from Black and Asian backgrounds to white applicants, they are 45% and 30% less likely to get a job offer respectively. Black applicants *with similar characteristics* to their white counterparts are 33% less likely to get a job offer, while Asian applicants are 25% less likely to get an offer.
- Inequalities by ethnicity are more pronounced at the online application sift and online testing stages for Black applicants who are 37% less likely to pass the online application sift and online testing stages than their comparable peers of white ethnicity, and only 5% less likely to pass the face-to-face stage. Asian applicants face similar barriers at each stage.
- When considering the intersection between socio-economic background and ethnicity, we observe a double disadvantage for working class ethnic minority groups, who are 45% less likely to get an offer than white applicants from professional backgrounds.
- Applicants from different backgrounds typically withdraw from the recruitment process at similar rates by SEB, gender, and ethnicity, suggesting that inequalities are driven by employer decisions rather than applicant decisions.

Internship entry routes

- Young people applying to internship programmes (typically after the 2nd year of undergraduate programmes) are more likely to be from advantaged backgrounds, London or the South, and attend a Russell Group university.
- Recent evidence suggests that over half of those working in internship roles were offered graduate roles following completion of their degrees (Institute for Student Employers, 2024).
- Independent school pupils are twice as prominent in the application pool for internships as in the population of graduates, but have similar offer and withdrawal

rates as state school pupils, meaning their prominence feeds through into the internship offer pool.

- Women are again underrepresented in the applicant pool but have a greater chance of getting an offer relative to men if they apply.
- Asian and Black applicants are overrepresented in applicant pool, and Black applicants are more likely to get an offer for these programmes than similar white applicants.

School leaver and Apprenticeship entry routes

- Applicants from working class backgrounds are less likely to get offers to school leaver or apprenticeship programmes than otherwise similar applicants from professional backgrounds. Comparing like with like, working class applicants are 15% less likely to get an offer to a school leaver or apprenticeship role, compared to their peers from professional backgrounds.
- Women are again underrepresented in the applicant pool for these routes but have a greater chance of getting an offer, relative to men, if they apply.
- Asian and Black applicants are overrepresented in applicant pool but far less likely to get offers. Black applicants are 43% less likely to receive an offer to a school leaver or apprenticeship role and Asian applicants are 35% less likely. Even comparing similar candidates, Black applicants are 33% less likely to get an offer and Asian applicants 23% less likely to get an offer relative to their comparable white peers.
- While white working class applicants are less likely to get offers than white professional applicants, ethnic minority applicants from any socio-economic background face the largest penalties in terms of offer rates, at over 35% less likely to get an offer than white professional applicants.

Changes over time

- We find that inequalities in access to professional occupations have increased between 2023 and 2024, by SEB, ethnicity, their intersections, and gender, across all entry routes.
- For the graduate entry route, independent school applicants were 20% more likely to receive an offer relative to similar state school applicants in 2024, up from 7% in

2023. This trend of increased inequalities is also consistent for working class applicants relative to professional background applicants. There has also been an increase in offers made to applicants from Russell Group universities although this can not fully explain the increased inequalities by SEB.

- There has also been an increase in inequalities in offer rates by ethnicity for the graduate entry route, with Asian and Mixed and other ethnic groups being increasingly less likely to receive an offer in 2024 compared to White applicants, relative to 2023.
- By contrast, inequalities in offer rates for Black applicants relative to White applicants for the graduate entry route reduced slightly from 38% in 2022 to 31% in 2024, leading to an equalisation of inequalities across minority ethnic groups. This suggests any gains from employers hiring more Black applicants has come at the expense of lower hiring rates for other ethnic minority groups rather than White applicants.
- There is a double disadvantage for state educated ethnic minority applicants to the graduate entry route which has increased over time, with a decline in the gap in offer rates for this group relative to White state educated applicants from 16% to 32% and a corresponding increase in the gap in offer rates for White independent school applicants from 9% to 21%. State educated ethnic minority applicants are therefore losing out on offers relative to White independent school educated applicants with similar characteristics.
- The proportion of females in the applicant pool increased from 2023 to 2024 and their likelihood of receiving an offer, relative to male applicants increased over time from 6% in 2023 to 18% in 2024. This is despite relatively fewer females passing the online screening and testing stage, suggesting that employers are positively selecting females at the face-to-face stage to a larger extent than male applicants.
- Inequalities in offer rates to internships and school leaver and apprenticeship programmes show a similar increase in inequalities by school type from 2023 to 2024. While state and independent school applicants had a similar chance of achieving an offer to an internship and school leaver or apprenticeship programme in 2022 and 2023, independent school applicants were 15% more likely to receive an offer to an internship programme in 2024 relative to state school applicants who were otherwise

similar. They were also 10% more likely to receive an offer to the school leaver and apprenticeship programmes.

- While Black applicants were more likely to get an offer to an internship programme in 2023 relative to similar White applicants, this trend reversed in 2024 where they were 23% less likely to receive an offer relative to otherwise similar Black applicants. This coincided with some employers removing internship schemes with a specific focus on diversity.

Summary

- Most of the socio-economic background and ethnic inequalities observed in entry to professional occupations are driven by employer-side decisions made during the recruitment process.
- The graduate applicant pools are broadly representative of the general talent pool available, in terms of those from lower socio-economic backgrounds, although intermediate socio-economic background groups and women are underrepresented. Ethnic minority groups are overrepresented in the applicant pool, along with applicants from professional backgrounds and male applicants.
- Similarly, there are only small gaps in withdrawal rates among applicants from different socio-economic backgrounds, by ethnicity, and by gender, suggesting underrepresented groups are not choosing to withdraw at higher rates.
- Instead, for graduate and school leaver and apprenticeship routes, employers are disproportionately filtering out candidates from less advantaged backgrounds and ethnic minority groups throughout the application process.
- Around half of the gap in graduate offer rates for those from working class backgrounds occurs when they reach face-to-face assessments with employers, whereas the majority of the gap for ethnic minorities occurs at the online stage of the process.
- Concerningly, these trends appear to have worsened over time as competition for places has increased to record high levels. Inequalities in offer rates have increased by SEB, ethnicity, and gender in 2024 relative to 2023 across all entry routes.

- While internship programmes appear more equal in point in time analysis in terms of offer rates by SEB, gender, and ethnicity, this looks to have worsened over time with independent school applicants more likely to get an offer than state applicants in 2024. Black applicants who were more likely to get an offer to an internship programme relative to otherwise similar White applicants in 2023, were less likely to get an offer in 2024.

Recommendations

Our findings suggest an important role for employers and universities in tackling inequalities in access to professional careers. Below we outline 12 key recommendations for employers and universities. More detail is outlined in Section 6.

Key recommendations for employers:

- Track socio-economic background, gender, and ethnicity data for all applicants to identify and address barriers to entry. Measuring these factors and achieving high response rates enables a deeper understanding of inequalities and supports more inclusive hiring practices.
- Review recruitment processes to ensure candidates are assessed on their potential, rather than on past qualifications or experiences which may be influenced by their social background.
- Consider proactively monitoring and maintaining the diversity of the applicant pool throughout the online testing stages to help ensure a representative talent pool reaches the final assessment stage.
- Design face-to-face assessments with socio-economic and cultural differences in mind to avoid disadvantaging underrepresented candidates. Focusing on essential skills for recruitment while allowing room for development post-onboarding can help create a more inclusive hiring process.
- Employers seeking a diverse workforce should assess whether recruiting predominantly from Russell Group universities is sustainable. While targeted outreach can improve representation, expanding recruitment to high-potential candidates from non-Russell Group universities can widen the talent pool, reduce competition for LSEB candidates and reduce renege rates.
- Employers should work with universities to give more assistance in understanding how to prepare students from underrepresented backgrounds, including the importance of applying early to graduate schemes, and providing guidance on preparing for psychometric tests.

- Expand outreach efforts to attract state-educated applicants to internships, given their high conversion to graduate roles. Broadening spring week eligibility and opening internships to finalists can help level the playing field for underrepresented students balancing university adjustment and work commitments.
- It is important to be particularly vigilant about diversity across the recruitment process when competition for places is higher. Employers should be more proactive in managing the adverse impact for underrepresented groups who are more likely to lose out as competition increase.
- Consider keeping existing / introducing new schemes that have specific focus on hiring diverse candidates. The existence of these schemes for internship positions saw increased diversity while the removal of them coincided with a significant decline in diversity.
- Consider how to contribute to building a robust evidence base of 'what works' to support your colleagues, your sector and policy makers to refocus diversity initiatives and policies more efficiently.

Key recommendations for universities:

- Universities should inform disadvantaged students that applying early to graduate schemes improves success rates. Providing guidance on preparation for psychometric tests and assessments can boost confidence and help students without support networks navigate the recruitment process more effectively.
- Universities and employers should foster stronger connections and collaborate on data sharing to enhance career guidance and recruitment strategies, particularly to support underrepresented students.

2. Introduction

Children from disadvantaged backgrounds face more limited life chances throughout their lives, from early years where upon school entry they are already behind their more advantaged peers in terms of development, and throughout their schooling experiences, where gaps widen, particularly at secondary school (Crawford et al., 2016). But research has also shown that even if young people from disadvantaged backgrounds overcome these barriers within the education system to achieve similar levels of education as young people from more affluent backgrounds, they still face penalties in the labour market, in terms of earnings and the types of occupations that they can access (Macmillan et al., 2015, Friedman and Laurison, 2019, Crawford and Vignoles, 2014). Yet until now we have been unable to disentangle how and why these inequalities persist into the labour market. Are disadvantaged young people less likely to apply to the types of jobs that lead to professional and managerial positions, and steeper career and earnings trajectories? Or do they apply to these roles but face rejection by employers at higher rates than their advantaged counterparts? And what role do subject and qualification choices at school and university, as well as networks play in explaining any differences observed across groups? These are the questions that this research attempts to answer, using a unique new dataset of individual-level recruitment data from 17 large employers.

We have established relationships with several large employers, spanning a range of industries, including both the private and public sector, to securely share individual-level anonymised data on an annual basis for applicants to their entry-level roles. These roles include graduate programmes, internship programmes, and school leaver and apprenticeship entry routes. Entry into these programmes, and in particular the graduate and internship programmes, is the first stage on a career trajectory into professional and managerial occupations, akin to the top two social classes¹. Alongside providing information on the types of roles applied for, and the stage of the process that the applicant makes it through to, these employers also collect information on a range of diversity characteristics, including the socio-economic background (SEB) of the applicant (across a range of metrics), gender, and ethnicity.

¹ For more information on the National Statistics Socio-economic Classification (NS-SEC): <https://www.ons.gov.uk/methodology/classificationsandstandards/otherclassifications/thenationalstatistics-socioeconomicclassificationnssecrebasedonsoc2010>

Many also collect information on the prior attainment of the applicants, and other demographic information including their region of origin. This unique and rich dataset allows us to directly investigate who applies to these entry-level roles, what stage do people from different backgrounds reach, and why we see inequalities in offer rates among those from underrepresented groups. In the last section of findings we also show how these patterns have changed over time.

We find that applicants from lower SEB groups and ethnic minority groups are well represented among the applicant pool to professional occupations across entry routes, but disproportionately do not receive job offers. Applicants from working class backgrounds are over 30% less likely to receive a job offer than an applicant from a professional background. These gaps persist even when considering applicants with similar prior attainment and other demographic characteristics applying to similar roles. Withdrawal rates by contrast are broadly similar across applicants from different groups and are therefore not an important driver of offer rate differences.

Why should it be that equally qualified graduates from different backgrounds have different success rates? For the graduate programmes' intake, this appears to be driven in part by disparities in who makes it through to the face-to-face phase of the recruitment process: around half of the gap between working class and professional background applicants appears during the application sift and online test phase of the process. The other half of the gap in offers, however, emerges once they reach the face-to-face stages. For ethnic minority groups, most of the gap in offer rates emerges at the application sift and online test phase, rather than at the face-to-face stage.

Women are typically underrepresented in the applicant pool across entry routes but are more likely to achieve a job offer than otherwise similar men, among those who do apply. The inverse is true for ethnic minority groups, with Asian and Black applicants overrepresented in the applicant pool across entry routes, but disproportionately less likely to receive an offer (for graduate and school leaver and apprenticeship entry routes). While there are little differences by gender in intersectional analysis, there are double disadvantages in graduate programme entry for low SEB applicants from ethnic minority backgrounds.

These findings highlight that the recruitment processes of large employers are leading to an underrepresentation of some minority groups and this is amplified when there are fewer job opportunities. While young people from low SEB and ethnic minority groups are well represented in the applicant pool to these roles, they are far less likely to receive an offer than their otherwise observably similar high SEB or white counterparts.

We find evidence of increasing inequalities over time for state school applicants, ethnic minorities and the intersection of these groups, as well as for men, across all entry-level programmes. Despite concerted efforts from the employers that we are working with, the picture is worsening over time as competition for places increased to record high levels.² This is in line with the established literature on hiring practices during recessions (Anders and Macmillan, 2020) which shows that when labour markets become more competitive, young people from disadvantaged backgrounds and underrepresented groups are disproportionately impacted, exacerbating inequalities. We also find evidence of a large increase in inequalities for Black applicants to internship programmes, who were previously favoured. This has coincided with a removal of some internship schemes with a specific focus on diversity. This suggests that schemes with explicit diversity goals are likely to increase diversity in offers.

This work contributes to an existing body of literature on intergenerational mobility, which shows that parental background is an important determinant of labour market outcomes including labour market earnings (Gregg et al., 2017, Carneiro et al., 2020), occupation and social class (Macmillan et al., 2024, Stansbury and Rodriguez, 2024), and joblessness (Macmillan, 2014). While much of the literature has focused on the importance of education in driving inequalities across generations, building on theoretical models showing the centrality of education and skills in this process (Kilpi-Jakonen et al., 2024, Becker and Tomes, 1986), there has been a growing interest in the importance of family background beyond accumulated skills and education in the labour market (Friedman and Laurison, 2019, Macmillan et al., 2015). There is also a related literature on gender differences in earnings in the labour market (Bachan and Bryson, 2022) and differences in labour market outcomes by ethnic background (Mirza and Warwick, 2022).

² <https://luminare.prospects.ac.uk/whats-the-state-of-graduate-recruitment-in-2024>

While much of the existing literature has considered mechanisms through which SEB, gender, and ethnicity pay gaps or occupation gaps appear, to our knowledge there is no existing work that can disentangle the role of applications and recruitment processes in this process. This represents a big step forward for the literature in helping us to understand whether people from underrepresented backgrounds are simply not applying for these competitive programmes that set young people on a career trajectory to professional and managerial roles, or if they are applying but not being offered these roles. Further, given the richness of our data, we are able to compare individuals with similar prior attainment, from similar regions, and applying to similar roles. Finally, while it is typical in the literature to focus on one diversity characteristic in isolation, in a similar vein to Friedman and Laurison (2019), we investigate penalties across SEB, gender, and ethnicity, and the intersections of these characteristics, to illustrate double- disadvantages in accessing professional occupations for underrepresented groups.

In the next section of this report we describe the data collection and analytical approach, before describing our main findings across entry routes in section 4. In section 5 we explore how inequalities in applications and offers changed over time, using 3 years of data from our employers from 2022-2024. Section 6 offers some recommendations based on the findings from our analysis, while section 7 presents our conclusions.

3. Approach

Sampling

We drew a sample of employers from those listed in the Times Top 100 Graduate Employers rankings, and featured in either the Social Mobility Index 2020, the Times Top 50 Employers for Women 2020, or the Race at Work Charter Signatories (from December 2020). This gave us a sample of 63 employers across 13 sectors, including accounting and professional services, banking and finance, law, IT and telecoms, and the public sector. Our initial plan was to recruit 12 employers in total. We approached 59 employers, with support through introductions from the Social Mobility Commission and the Careers and Enterprise Company, leading to some form of initial contact (email discussion or initial call) with 27 employers. Employers were offered anonymity and employer-specific reports in return for sharing individual-level anonymised data on all applicants to all entry routes. This outreach led to signed Data Sharing Agreements (DSAs) covering 21 employers. 4 employers were previously not capturing socio-economic background data and so they will feature in future work.

Data

For this analysis we have anonymised individual level data from 17 employers for over 2 million applicants to entry-level graduate, internship (and other forms of work experience), school leaver and apprenticeship programmes across a range of sectors, including accountancy and professional services, law, and the public sector. For these sectors, we have at least three employers in each sector and so can also present sector level analysis where relevant (and in particular for employer-specific report benchmarking).³ The focus of the first part of this research is analysing the extent of inequalities in a given point in time, so we analyse the data from each employer from typically the 2023 hiring round. The second part of this research analyses changes in inequalities over time, typically from hiring rounds from 2022 to 2024. Although we have data from some employers from hiring rounds before 2022, the Covid-19 pandemic makes analysis of the 2020 and 2021 data more problematic. Two of our 17 employers had incomplete data across all three years and so a subset of 15 employers are used for this analysis.

We asked all employers for a common set of measures from their recruitment systems (see Technical Appendix Section 1 for full details). While the nature of the collaboration with

³ See section 5 of our Technical Appendix for further details.

employers means that there are some differences in the final data fields received, our sample is defined based on applications to entry level roles for UK based jobs for applicants from a UK region of origin with a valid recruitment outcome for the latest round of recruitment. This gives us a final point in time sample of 117,043 applicants to graduate programmes, 28,046 applicants to internships, and 108,564 applicants to school leaver and apprenticeship programmes.⁴ For our over time analysis, we have a sample of 350,281 applicants to graduate programmes, 73,525 applicants to internships, and 298,057 applicants to school leaver and apprenticeship programmes.

We received a range of information on applicants to entry-level roles from participating employers including key diversity characteristics such as parental occupation which was used to create measures of the National Statistics Socio-Economic Classification (NS-SEC), school type, eligibility for Free School Meals (FSM), whether at least one parent has a degree education, gender, and ethnicity. These characteristics are asked by participating employers as part of the equal opportunities section of application forms for monitoring and research purposes but are not used in recruitment decisions.⁵

Section 8 of the Technical Appendix illustrates the extent of completeness of the data for the full sample and across sectors where we are able to provide this breakdown. Table A11 illustrates that 16 employers report parental occupation, while all employers report school type, gender, and ethnicity, which are the focus of our over time analysis. FSM eligibility and parental education are less frequently reported by employers, with 8 employers providing information on FSM eligibility and 7 on parental education. This varies across sectors, with full reporting of background characteristics across the majority of accountancy and law employers, but fewer public sector employers providing information on FSM eligibility and parental education. For this reason, our main focus will be on parental occupation and school type metrics (private school attendance vs state school attendance) for our analysis of inequalities by SEB for the graduate route. For our over time analysis, parental occupation was typically collected by employers from 2023 onwards, and so we focus on school type as our measure of SEB for this analysis.

⁴ See section 3 of the Technical Appendix for further details

⁵ See section 2 of the Technical Appendix for full details on how each variable was operationalised.

A sub-set of our employers offer internship routes for undergraduates, with 7 employers providing information on school type, FSM eligibility, parental education, gender, and ethnicity, 6 providing complete information for 2022-2024, and 5 providing information on parental occupations. Our sector breakdown illustrates this is more common across accountancy and law sectors. 14 employers offer school leavers and apprenticeship programmes, with all providing information on school type, gender, and ethnicity, and only a subset providing information on FSM eligibility and parental education. 12 of these employers provide complete information for 2022-2024. There is variation across sectors again with the public sector and accountancy firms more likely to offer school leavers and apprenticeships routes, while this is less common in the legal sector. For this reason, we provide limited sector breakdowns for these routes, and focus on parental occupation and school type for our analysis of inequalities by SEB for the internship and school leavers and apprenticeship routes.

Gender, ethnicity, school type, and parental education typically have response rates of around 90% or above. Parental occupation and FSM eligibility is reported for around 80% of applicants with broadly similar response rates across entry routes (see Table 12 of the Technical Appendix which reports rates of non-response to key diversity questions by entry route, for employers that provide this information).

Our outcomes of interest include whether the applicant was made an offer to their programme of choice, whether they withdrew from the process, and which stage of the application process they reached.⁶ We can observe measures of prior attainment including university attended⁷ and subject studied (for graduate and internship programmes), A level grades and GCSE maths grades (for a subset of school leaver and apprenticeship programmes), and indicators of the region of origin of the applicant. We also have indicators of the application process including how the applicant found out about the role (networks), the region of the office they applied to, and the job role applied to.⁸

To compare applicant pools to the relevant populations of available hires, we utilise linked administrative data of all graduates with a UK degree in 2021, having attended a school in England at age 16 (N=251,380) from the National Pupil Database (NPD) and Higher Education

⁶ Table 11 in the Technical Appendix indicates that one employer did not provide information on the stage of the process the applicant made it to (rather just offer or reject) for the graduate route.

⁷ Technical Appendix Section TA7 illustrates the categories of universities used in our analysis – Boliver clusters

⁸ See Technical Appendix Table 7 for full details of which variables are available for our analysis.

Statistics Authority (HESA), for our graduate and internship entry routes. For our school leaver and apprenticeship routes we use the National Pupil Database for all school and college leavers from Key Stage 5 in 2019, having attended a school in England at age 16 (N=311,350). These years are the latest available that are not affected by Covid-related examination issues such as Centre Assessed Grades in 2020, and Teacher Assessed Grades in 2021.⁹

Analytical approach

To consider our first research question of how applications and routes of entry into professional occupations vary by key diversity characteristics we begin by illustrating the proportion of applicants overall, passing the online stage of recruitment, and getting an offer, by key diversity characteristics, and relative to the relevant benchmarked population from the administrative data. These graphs illustrate the extent to which applicants from different groups (state vs independent school for example) 1) are prevalent in the overall population as a baseline benchmark (of graduates for example), 2) are represented in the overall pool of applicants, 3) make it past the online stages (including sifting and any online testing), and 4) make it through any face-to-face recruitment stages to receive an offer. By tracking the proportion of each group across these stages, we can start to understand whether young people from underrepresented groups are simply not applying to these routes, or if they are applying at a representative rate but are dropping out of the recruitment process at different stages. Note that this simple analysis does not distinguish between people withdrawing from the process (individual action) or being rejected by the employer (employer action), but simply presents a descriptive picture of the relevant populations at each stage.

To move on to further distinguish between employers' rejecting applicants, or individuals' withdrawing from the recruitment process, and to further understand why inequalities in access to professional occupations might arise, we model the likelihood of receiving an offer from employers, and the likelihood of withdrawing from the recruitment process, by key diversity characteristics.¹⁰ We present the percentage difference in offer (withdrawal) rates across key diversity characteristics, calculated as the percentage point difference in offer (withdrawal) between groups from the estimated models, relative to the baseline percentage offer (withdrawal) rate. We also present some conditional non-linear models for passing the

⁹ See Section TA4 of our Technical Appendix for full details of our benchmark analysis.

¹⁰ See section TA6 of the Technical Appendix for further details.

online part of the recruitment process, and passing the face-to-face part of the recruitment process, to build on our findings from the descriptive analysis for research question 1, on which phase of the recruitment process inequalities are particularly exacerbated. We build our conditional models in stages, depending on the data available for each entry route (as outlined in Technical Appendix Table 7).¹¹

As an example, for our graduate entry route findings, we begin by presenting the raw differences in the percentage chance of getting an offer (or withdrawing) comparing individuals from different backgrounds who apply to the same employers. We then add the comparison that the applicants are from different backgrounds but applying to the same employer and come from the same region of origin with the same visa status. This second model takes into account differential access to different entry routes across the country. In our third model we further restrict the comparison to applicants from different backgrounds who apply to the same firm, from the same region of origin, with the same visa status, who attended the same type of university and study the same subject grouping. This third model accounts for prior attainment differences between applicants that could explain why underrepresented groups are less likely to get an offer. Our final specification compares individuals that are otherwise similar as in model 3, but also apply to the same type of job in the organisation, to employers in the same region, and with the same access to networks to find out about jobs.

Note that in the final specification we are comparing, for example, an applicant from a working class background who has come from the same region, has achieved the same education, and is applying to the same role, with the same networks, as an applicant from a professional background. These working class applicants have therefore already overcome multiple hurdles to reach this stage of the process. But our raw models are also informative given that we observe applicants (and withdrawals), since the act of applying (or withdrawing) indicates that these applicants are likely to share a more similar set of unobservable characteristics such as motivation, preferences for jobs, and self-selection of applicants due to search costs or fit (at both the extensive margin of applying and the intensive margin of withdrawing) than if comparing those who apply to those who do not apply. Once taking into

¹¹ It is important to note that the characteristics that we can account for in our models vary across sectors depending on the information provided by employers. It is therefore valid to compare raw gaps across sectors but 'like for like' comparisons from fully conditional models across sectors are not comparable.

account this similar set of unobservable characteristics, and additional observable differences through our models, remaining gaps in offer rates between applicants from different backgrounds are likely telling us that otherwise very similar candidates are receiving differential treatment by employers in the recruitment process.

For our analysis of changes over time, we present the proportions of each group who are in the applicant pool in 2022-2024, and how these proportions compare to the share in the national population from our benchmarking data. We then show the proportion of each group who make it past the screening and online testing stage over the three-year period, and the proportions of each group who receive an offer in each of the three years. To estimate the likelihood of different offer rates across different groups we estimate two models for each year. The first, raw model, compares the offer rate probability of, for example, someone attending a state school compared to an independent (fee paying) school, applying to the same firm, of the same gender and ethnicity. The second, full model, then compares differences in the probability of receiving an offer for a state-educated applicant relative to an independent-school applicant who in addition came from the same region, attended a similar type of university, studied a similar subject, applied to an office in the same place, and applied for the same type of job role. Each of our models is estimated separately for 2022, 2023, and 2024. As with our first analysis, we present percentage changes, adjusting our percentage point estimates for the offer rate for the baseline group *in that year*. We also remove withdrawals from this analysis as in our main analysis to look at employer-side decisions, and separately analyse inequalities in withdrawal rates for each group for each year.

4. Main Findings

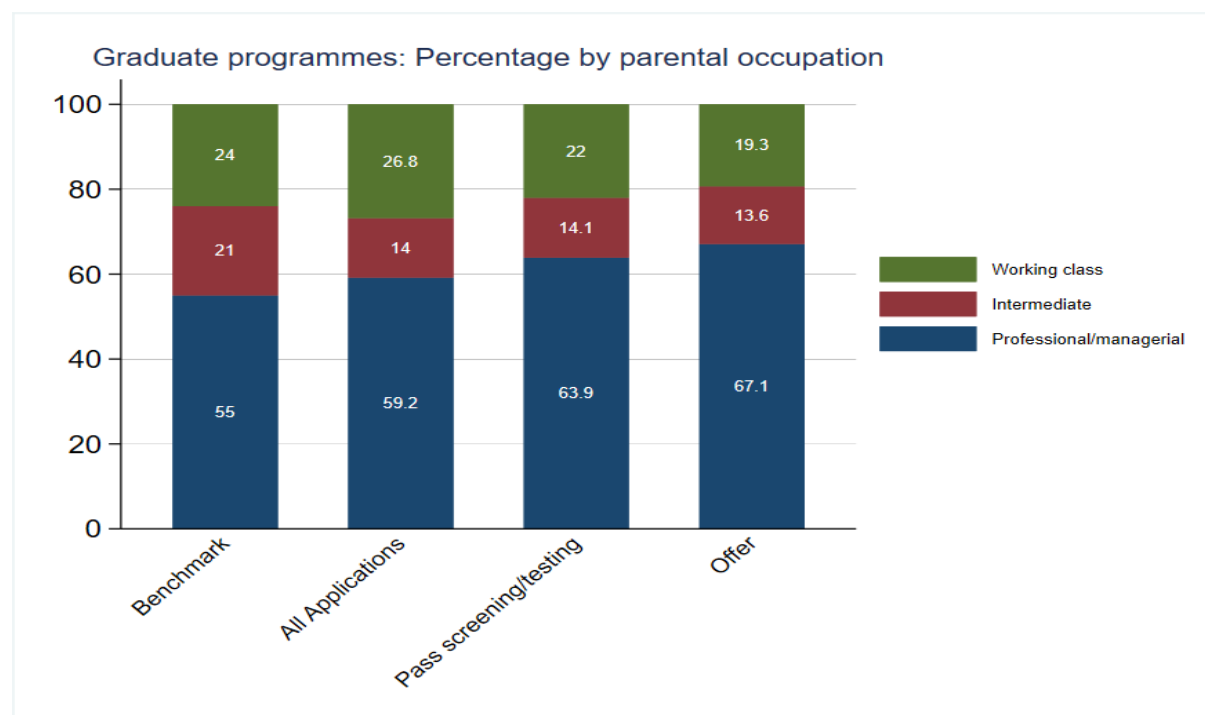
Graduate entry routes

We begin by comparing the proportion of applicants from each group to the national benchmarks of graduates, using linked administrative data records, to illustrate the available talent pool. Figure 1 shows the proportion of applicants applying to graduate programmes; passing the online screening and testing; and achieving an offer (columns 2-4) relative to the national benchmarks (column 1) by parental occupation (NS-SEC). It essentially allows us to understand for the first time, the journey from application to offer of graduates from different backgrounds.

Figure 1 shows that relative to the national benchmark of graduates, working class applicants are broadly well-represented in our sample of all applicants, while those from intermediate backgrounds are underrepresented and those from professional backgrounds are overrepresented. But the proportion of working class applicants declines at each stage of the recruitment process, in favour of applicants from professional backgrounds, from almost 27% of all applicants, to just 19% being made an offer, while the proportion of intermediate applicants remains broadly stable.

These patterns indicate that while working class graduates are applying to these graduate entry roles at a representative rate, they are either withdrawing from the process or being screened out of the recruitment process and are not made offers at the same rate as applicants from professional backgrounds. It is important to distinguish between applicants withdrawing from the process and applicants being rejected by employers as the recommendations for each explanation are different. We therefore consider the likelihood of being made an offer, relative to being rejected by employers, removing withdrawals from our analysis. We also model the likelihood of withdrawing by key diversity characteristics to understand the relative contributions of applications, offers, and withdrawals in explaining why some groups are underrepresented in terms of who is hired.

Figure 1: Proportion of graduates at various stages of the recruitment process, by parental NS-SEC



As discussed in section 3, the fact that these applicants from different backgrounds are applying to similar roles suggests they are likely to have a similar set of unobservable characteristics, such as motivation to apply and preferences for these roles. Yet they could have different observable experiences, such as living in different regions or attending different types of universities before applying to these positions. Figure 2 illustrates that applicants to these programmes are predominantly from the South and London, and these regions are overrepresented at each stage of the application process, relative to all graduates from our benchmarking. Table 8 in the Technical Appendix shows that while working class applicants are more likely to come from London, applicants from professional backgrounds and independent schools are more likely to come from the South.

Figure 2: Proportion of graduates at various stages of the recruitment process, by region

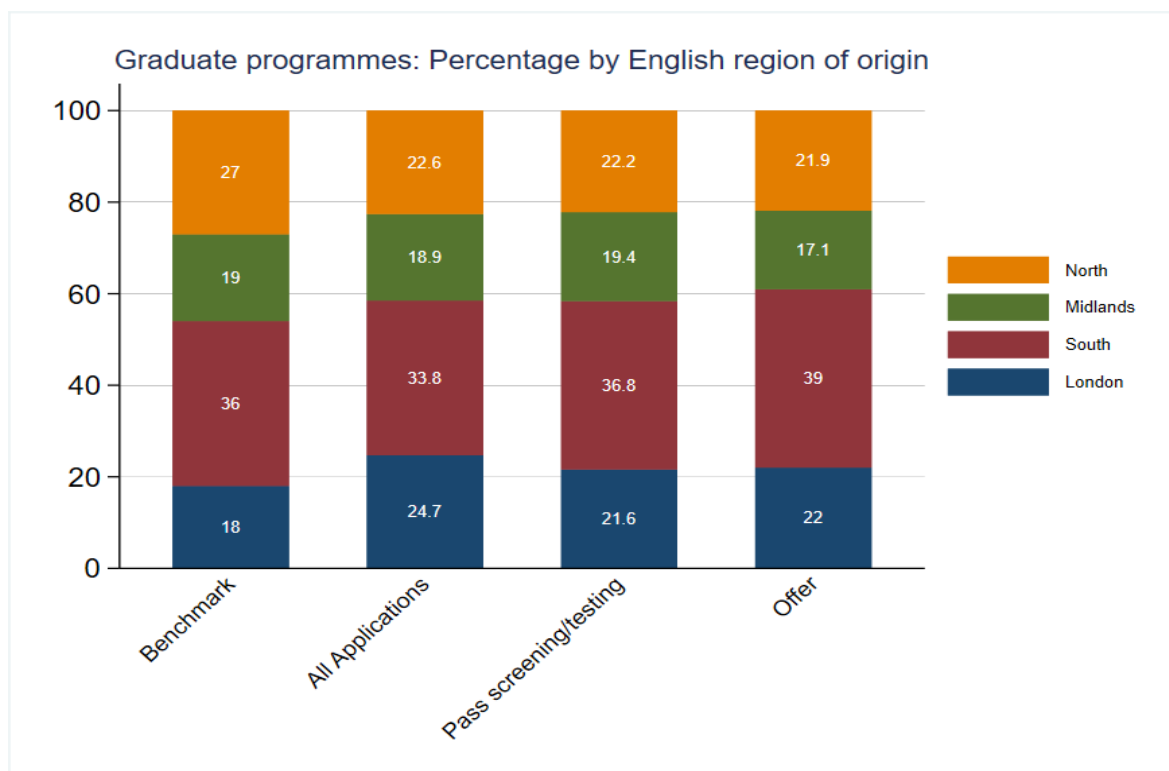
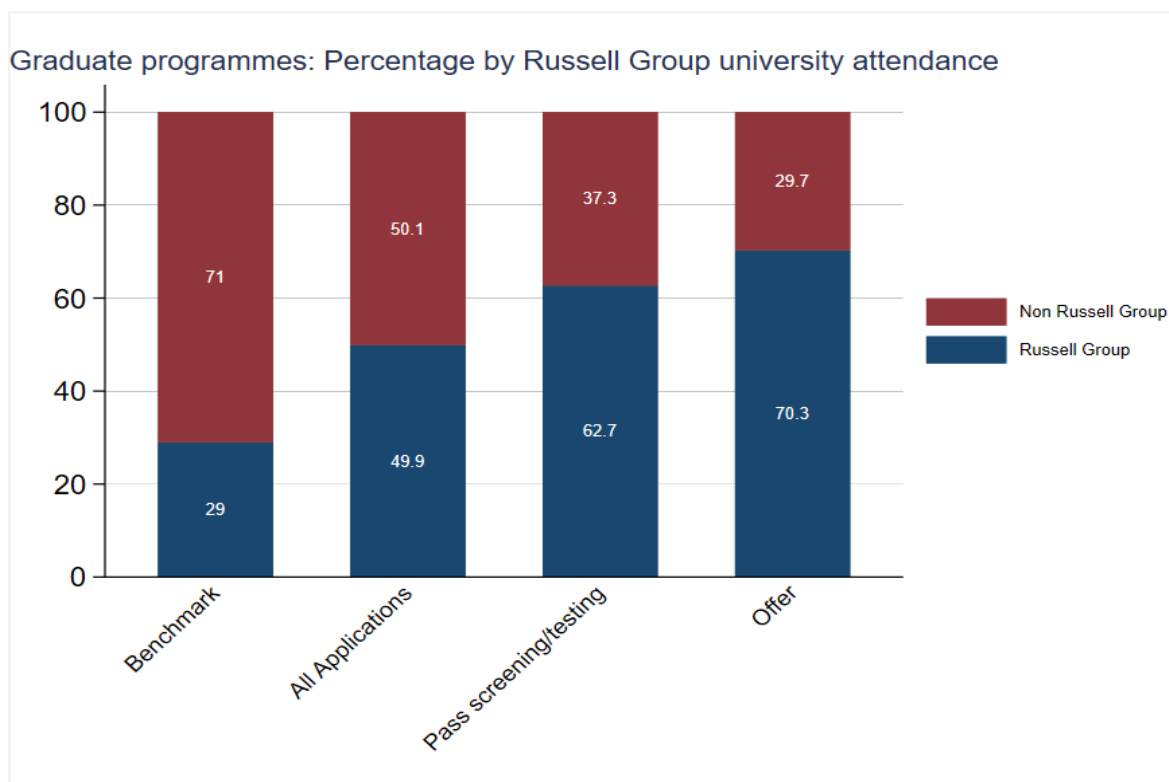


Figure 3: Proportion of graduates at various stages of the recruitment process, by university



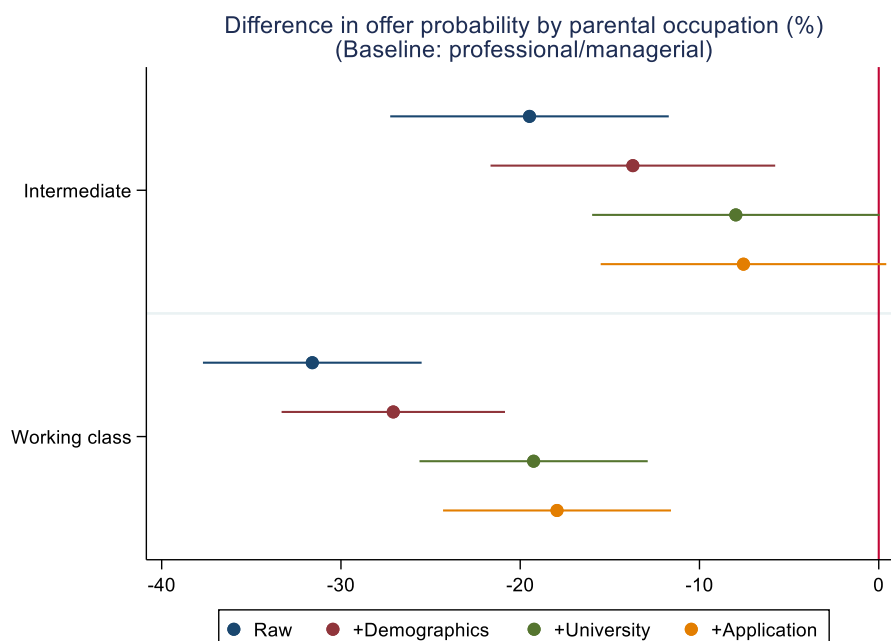
Similarly, Figure 3 shows that applicants to these programmes are more likely to have attended a Russell Group university relative to the national pool of graduates (50% of applicants relative to 30% of graduates) and are far more likely to receive an offer (70% of offer holders). The university attended is observed by employers and may form part of the recruitment decision. The extent to which working class applicants are less likely to attend a Russell Group university compared to a professional applicant (40% compared to 56% - see Technical Appendix Table 8), could therefore be driving these differences in achieving an offer.

In Figure 4, we present the likelihood of receiving an offer for those from intermediate and working class backgrounds, relative to professional backgrounds, focusing on those who do not withdraw from the recruitment process, and taking into account differences in observable characteristics of applicants; first only accounting for the employer they apply to, before then accounting for demographics, education, and information about their applications.

Figure 4 shows that working class applicants are over 30% less likely to get an offer to a graduate programme than their counterparts from professional backgrounds who are applying to the same employer. When we adjust for region of origin, gender, ethnicity, and visa status, this gap reduces slightly to just below 30%, and adjusting for university attended and course studied leaves a gap of just under 20%, reflecting the different locations and education experiences of working class applicants relative to those from professional backgrounds. Yet still, when comparing a working class applicant who has all the same advantages as those from a professional background in terms of location, type of university attended and subject studied, similar networks and applying to the same type of role, they are still 18% less likely to get an offer than an otherwise similar applicant from a professional background.

Despite being underrepresented among the applicant population, applicants from an intermediate background have a slightly smaller disadvantage than working class applicants relative to professional applicants. They are 20% less likely to get an offer to a graduate programme than those from professional backgrounds. Comparing applicants with similar demographics, university experiences and applying to similar roles, this gap is reduced to just below 10%.

Figure 4: Offer rates to graduate programmes, conditional on observable differences across applicants, by parental NS-SEC



Note: Raw models contain employer fixed effects only; + Demographics adds controls for region of origin, and visa status; + University adds controls for university category and subject studies; + Application adds controls for networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

Spotlight on working class disadvantage for the accounting sector

We have shown that working class applicants to graduate schemes are over 30% less likely to receive job offers than applicants from professional backgrounds, on average, across all sectors represented in our sample (Figure 4). This is also the case for highly competitive graduate programmes in the accounting and professional services sector where 7.0% of applicants from professional/managerial backgrounds receive job offers compared to 4.8% of applicants from working class backgrounds (31% less likely). But which specific characteristics explain this SEB gap? We have more information available for applicants in the accounting sector than we do for other sectors, meaning that we can take a more in-depth look at the potential mechanisms driving the difference in offer rates between applicants from working class and professional backgrounds.

Figure S1 decomposes¹² the SEB gap into three elements – unfavourable, favourable and unexplained. Unfavourable characteristics (in orange) reduce the chances of working class applicants obtaining a job offer, whereas favourable ones (in green) increase these chances. Together these two elements explain almost two-thirds (62%) of the SEB gap in entry-level access to the accountancy profession, however over one third (38%) of the SEB gap remains unexplained by the available data.

Unfavourable characteristics

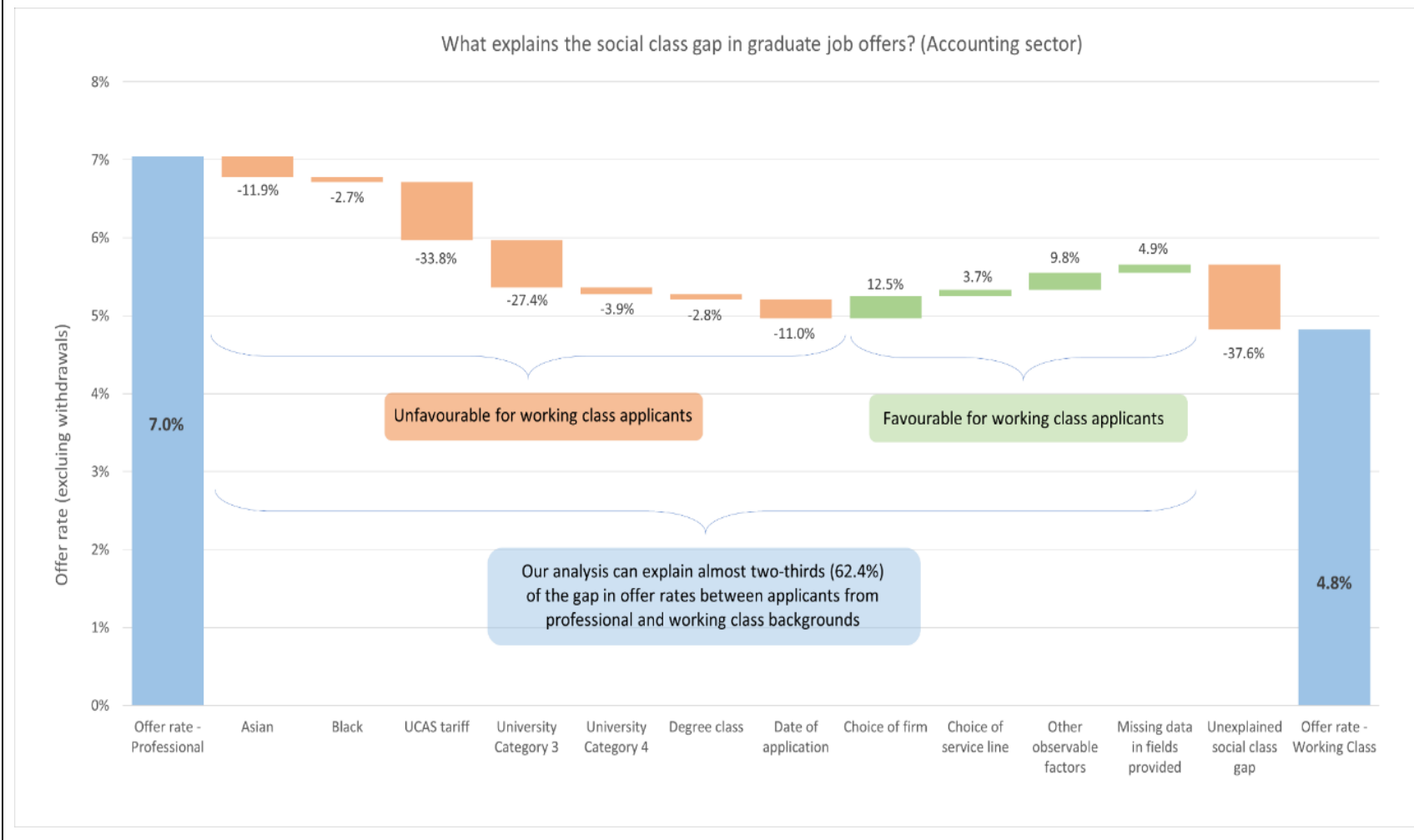
This analysis highlights the extent to which inequalities in prior educational attainment are perpetuated into the labour market. Working class applicants, on average, have lower educational attainment and are more likely to attend lower ranked universities than their peers from professional backgrounds. These factors account for 34% and 27% respectively of the SEB gap in graduate access to accountancy careers. Degree class also makes a small contribution (2.8%) due to small differences in university attainment which are magnified by the importance of educational attainment for these entering careers.

‘Application readiness’ is an important driving factor of the SEB gap as working class applicants apply later, on average, to graduate schemes than their peers from professional backgrounds. This accounts for 11% of the social class gap. By the start of an undergraduate’s final year of study (early October), the accountancy firms in our sample have already received 30% of applications and made 50% of job offers for graduate schemes starting the following September.

Working class applicants are also more likely to be of Asian or Black ethnicity than their peers from professional backgrounds. Barriers for these ethnic minorities, which are not explained by the other characteristics in our data, account for 12% and 3% of the SEB gap respectively. This highlights the importance of intersectional analysis to identify further barriers in the recruitment process for ethnic minorities from working class backgrounds.

¹² These are results from an Oaxaca-Blinder decomposition using a probit specification for binary outcomes (job offer or rejected). See the technical appendix (section TA6) for more detail on this methodology and more explanation of these key drivers of the social class gap in the accounting sector (TA6, Table 9).

Figure S1 *Decomposition of the working class disadvantage in graduate offers in the accounting sector*



Favourable characteristics

In our sample, applicants from working class backgrounds made favourable application decisions relating to their choice of employer and line of service. These applicants were more likely to apply to the 'least competitive' accountancy firm and service line (although all are very competitive) which improved their chances of obtaining a job offer. Along with some 'other observable factors' and 'missing data' effects (all individually small and statistically non-significant), these favourable factors slightly offset the unfavourable effects of educational attainment, application readiness and ethnicity.

Unexplained SEB gap

Over one third (38%) of the SEB gap in entry level access to the accountancy profession remains unexplained by the available data. Our analysis includes a range of factors which are not significant drivers of the SEB gap in our sample and therefore do not account for this unexplained gap. These are university subject choice, networks, postgraduate qualifications, UK region of origin and UK region of office applied to. Other potential unexplained barriers may include performance on online tests (only those uncorrelated with educational attainment as those correlated will already be captured in the above analysis), quality and duration of work experience, commercial awareness, cultural capital and private schooling¹³.

The firms in our sample have proactive social mobility strategies, are strong performers in the Social Mobility Employer Index, and are open and generous with their data for research purposes, yet still barriers for working class applicants remain. We suggest these barriers may be even larger for employers who are at the beginning of their social mobility journey.

Recommendations

Employers from all industries should review the extent to which they are rewarding potential in their recruitment processes and whether prior educational attainment criteria (or tests correlated with these) may be a barrier for high potential working class applicants entering their organisation.

¹³ Private schooling increases the total proportion of the social gap explained to 65.6%, and itself accounts for 7.2% of the social class gap. We have kept this separate here to focus on single measures of social background.

Policy makers should improve the chances of high potential young people from all backgrounds being able to achieve the highest levels of academic success which are required for entry to competitive professional careers.

Greater information, advice and guidance should be provided to working class applicants relating to timelines and requirements of graduate scheme applications to improve their 'application readiness'. This should include improving readiness for internship applications due to their high conversion rates to graduate roles. Guidance about which sectors, employers and roles are most or least competitive may also be useful for working class students to partly offset their educational disadvantage.

Considering these patterns by school type, we can see from Figure 5 that independent (private) school applicants are over-represented in the applicant pool, making up 19% of applications relative to 13% of graduates. This over-representation increases throughout the recruitment process, to 21% passing the online screening and testing phases, and 23% receiving offers.

Figure 5: Proportion of graduates at various stages of the recruitment process, by school type

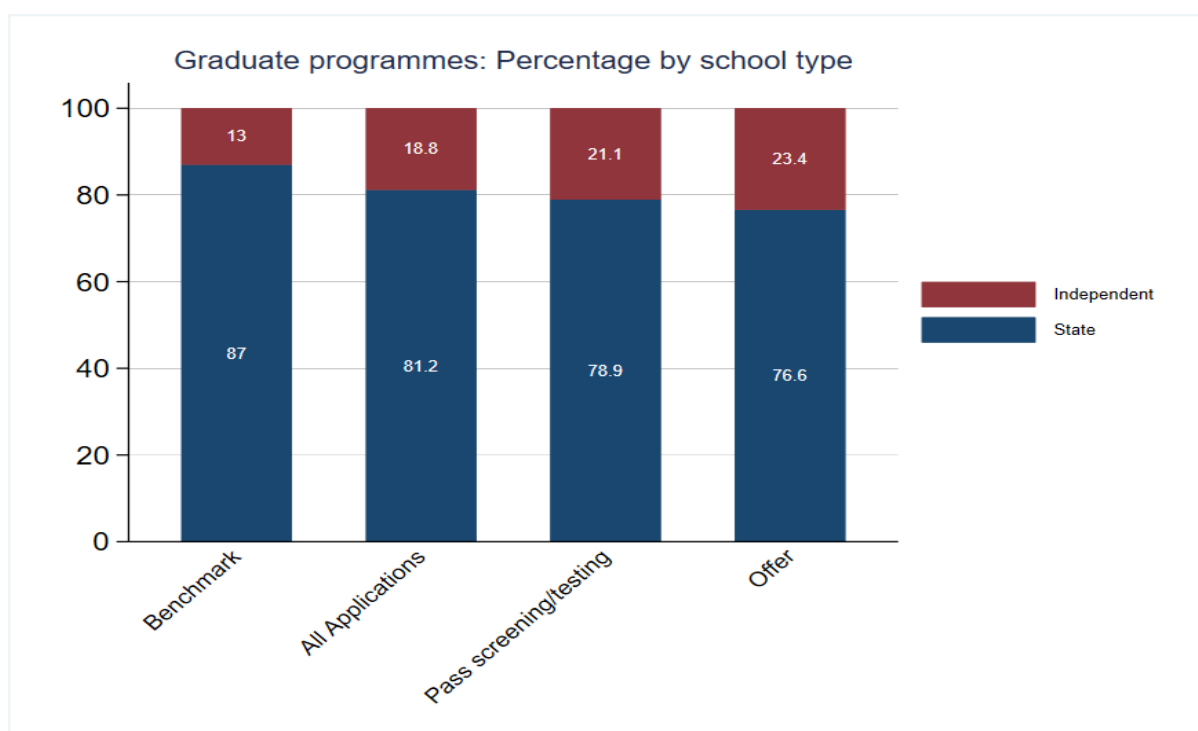
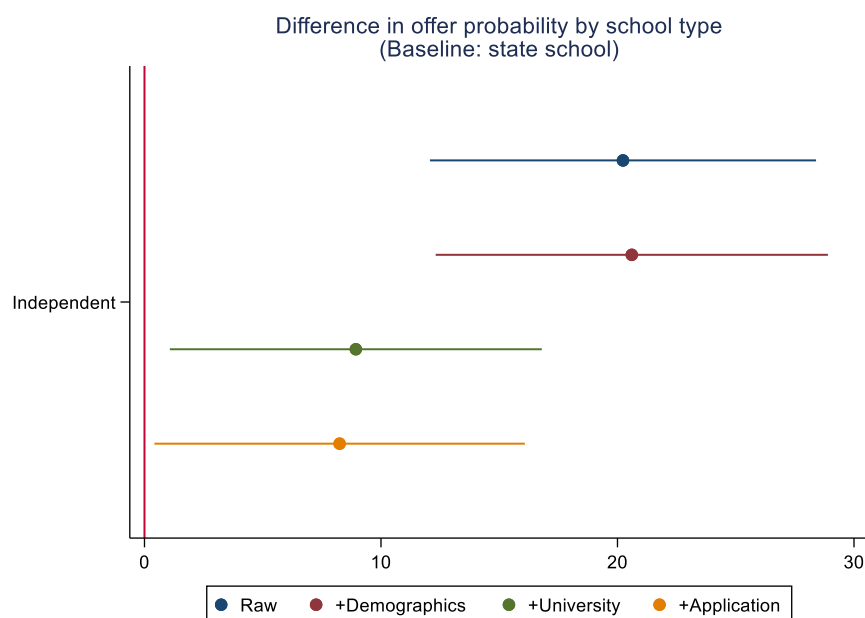


Figure 6 shows that independent school applicants are around 20% more likely to get an offer to a graduate programme than a state school applicant applying to the same employer, and this gap remains stable when accounting for demographic differences such as region of origin, gender and ethnicity. Around half of this independent school advantage is accounted for by independent school pupils being more likely to attend more prestigious universities which have far higher offer rates (see Figure 3). Yet an 8% gap remains when comparing an independent school applicant to a state school applicant with the same observable characteristics, prior attainment, and applying to similar roles for the same employer.

Figure 6: Offer rates to graduate programmes, conditional on observable differences across applicants, by school type

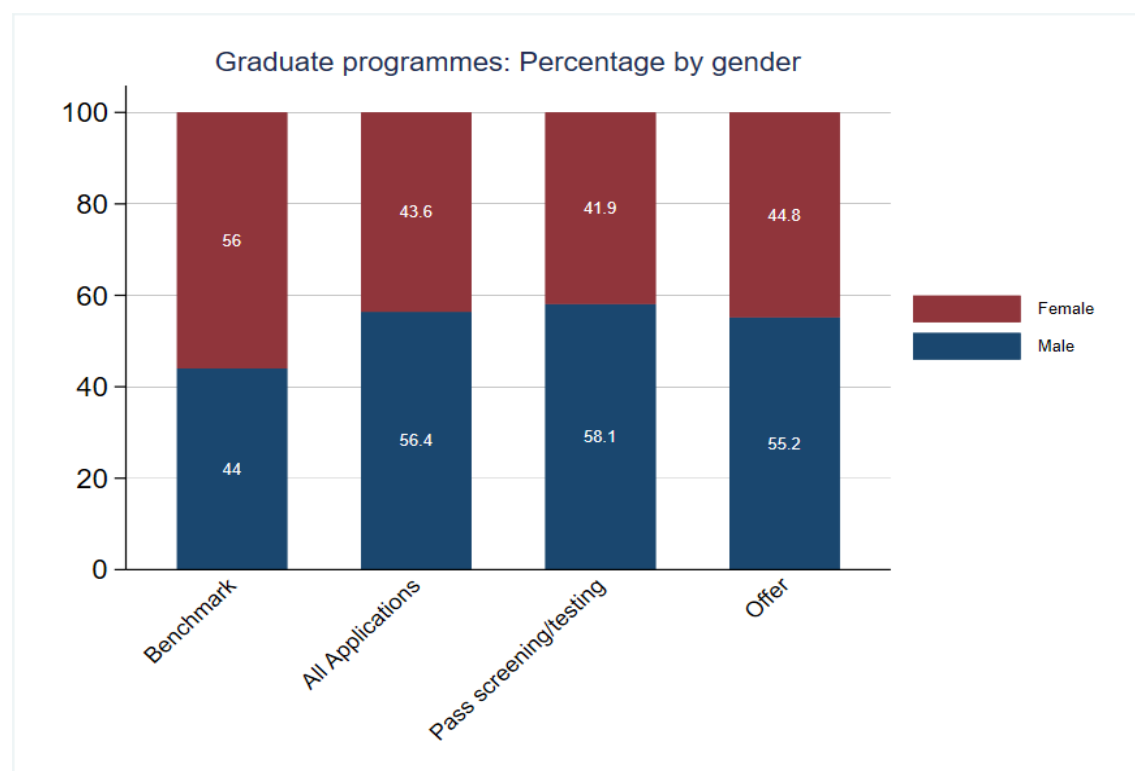


Note: Raw models contain employer fixed effects only; + Demographics adds controls for region of origin, and visa status; + University adds controls for university category and subject studies; + Application adds controls for networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

While we control for gender in our models for SEB, we can also consider differences in applications and offer rates for women compared to men. Figure 7 shows that while women are overrepresented among the pool of graduates from our national benchmarks, they are underrepresented in the pool of applicants to these graduate programmes, comprising 56% of the overall pool of graduates and only 46% of the pool of applicants. There is some drop

off in the proportion of women passing the online screening and testing phase, but then women are more represented among the proportion who receive a final offer. This suggests some positive selection of women at the face-to-face stage of recruitment.

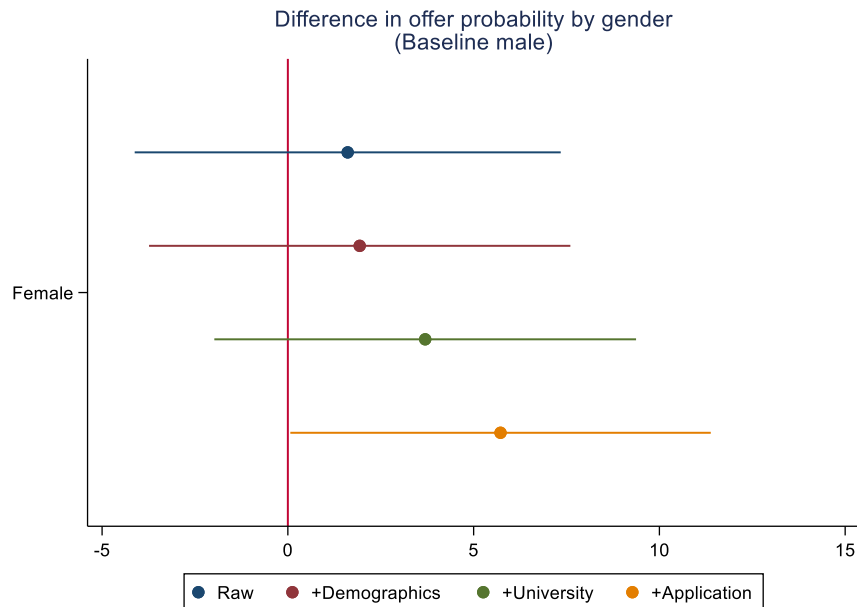
Figure 7: Proportion of graduates at various stages of the recruitment process, by gender



Our models in Figure 8 confirm that while there is no significant gender gap in the chances of being made an offer, when we consider the range of characteristics that we can observe about applicants, we can see that women are just over 5% more likely to receive an offer than men with otherwise similar demographics, prior attainment, applying to similar roles.

Our demographic controls for our SEB and gender models also take into account the ethnicity of applicants. Figure 9 shows that Black and Asian minority ethnic groups are overrepresented in the applicant pool, relative to the national graduate benchmark population, with 33% of applicants coming from an Asian background relative to 15% of all graduates, and 9% of applicants coming from a Black background relative to 6% of all graduates. While Asian applicants remain overrepresented in terms of final offers, their proportion decreases across the recruitment process. Similarly, the proportion of Black candidates decreases across the process so that they make up a slightly lower proportion than those seen in the graduate talent pool in terms of offer rates.

Figure 8: Offer rates to graduate programmes, conditional on observable differences across applicants, by gender



Note: Raw models contain employer fixed effects only; + Demographics adds controls for region of origin, and visa status; + University adds controls for university category and subject studies; + Application adds controls for networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

Figure 9: Proportion of graduates at various stages of the recruitment process, by ethnicity

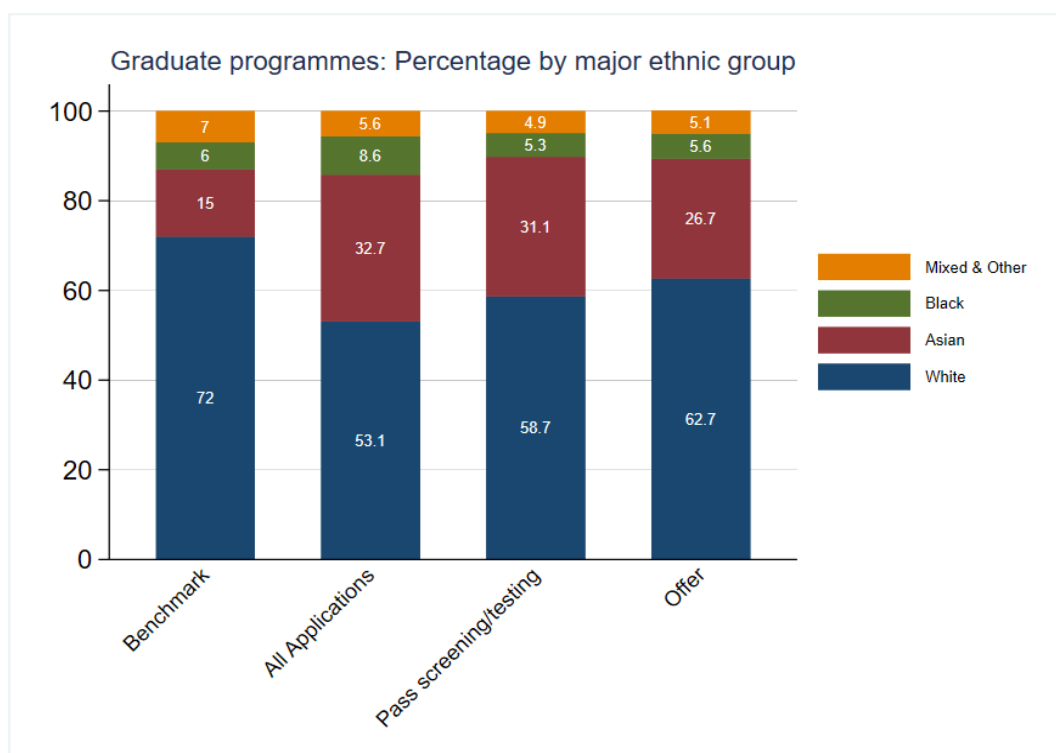
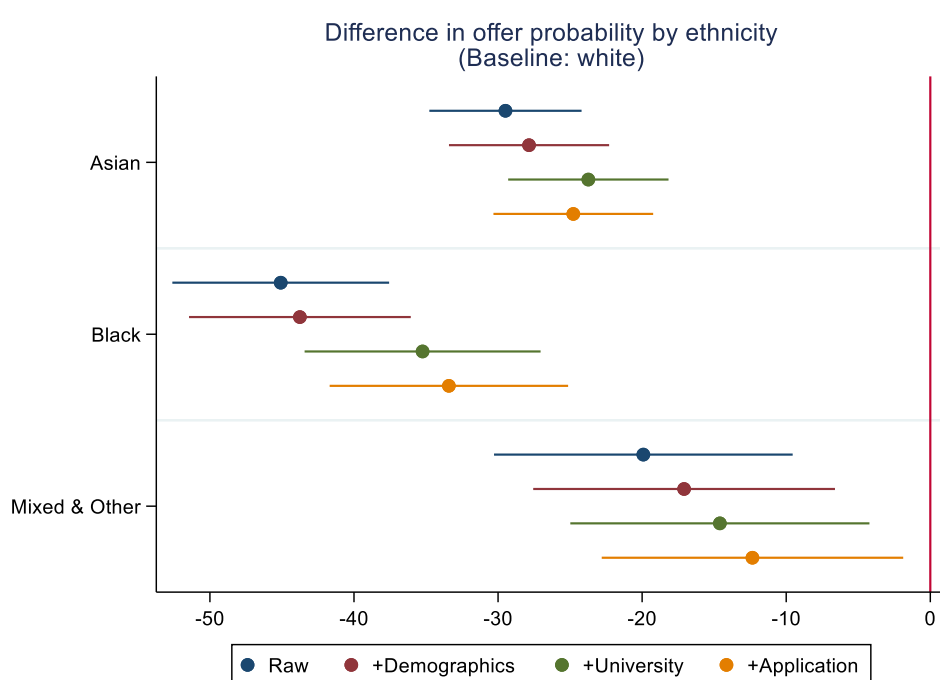


Figure 10 shows that while these minority ethnic groups are overrepresented in terms of the overall applicant pool, they are far less likely to get an offer from an employer relative to white applicants, even comparing like with like. The raw gaps between offer rates for Black (Asian) applicants relative to white applicants applying to the same employer are 45% (30%). While prior attainment accounts for some of this gap, particularly for Black applicants, the ethnic gaps in offer rates when comparing Black (Asian) applicants with the same demographics, prior attainment, and applying to similar roles are still 33% (25%). These findings mirror those from university applications and offers, where ethnic inequalities in offer rates are large, and particularly so for courses where they form a larger proportion of applicants (Boliver, 2015).

Figure 10: Offer rates to graduate programmes, conditional on observable differences across applicants, by ethnicity



Note: Raw models contain employer fixed effects only; + Demographics adds controls for region of origin, and visa status; + University adds controls for university category and subject studies; + Application adds controls for networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

Given that the biggest gaps in offer rates are by SEB and ethnicity, we can look to see if there are any additional penalties to being from both a working class background and an ethnic

minority group combined¹⁴. Considering first applicant breakdowns by these characteristics, Figure 11 shows that the majority of the overrepresentation among ethnic minority group applicants comes from those from professional backgrounds (22% in applicant pool compared to 13% in graduate pool). While working class ethnic minorities are also overrepresented in the applicant pool, this is to a lesser extent than those from professional backgrounds.

Figure 11: Proportion of graduates at various stages of the recruitment process, by ethnicity and parental NS-SEC

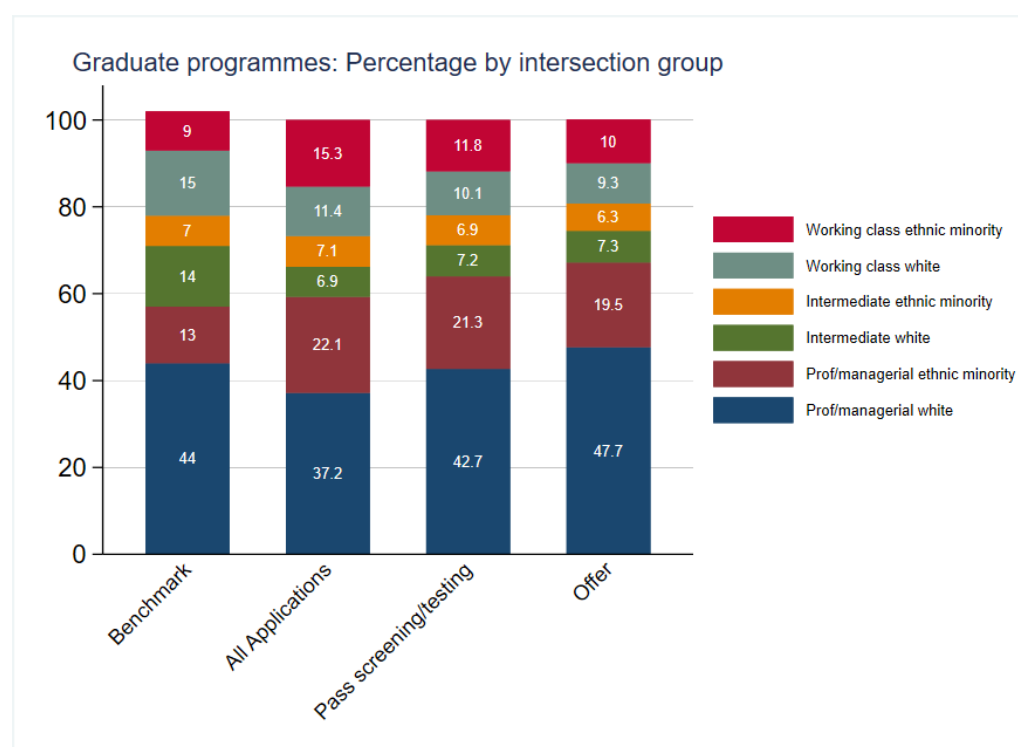
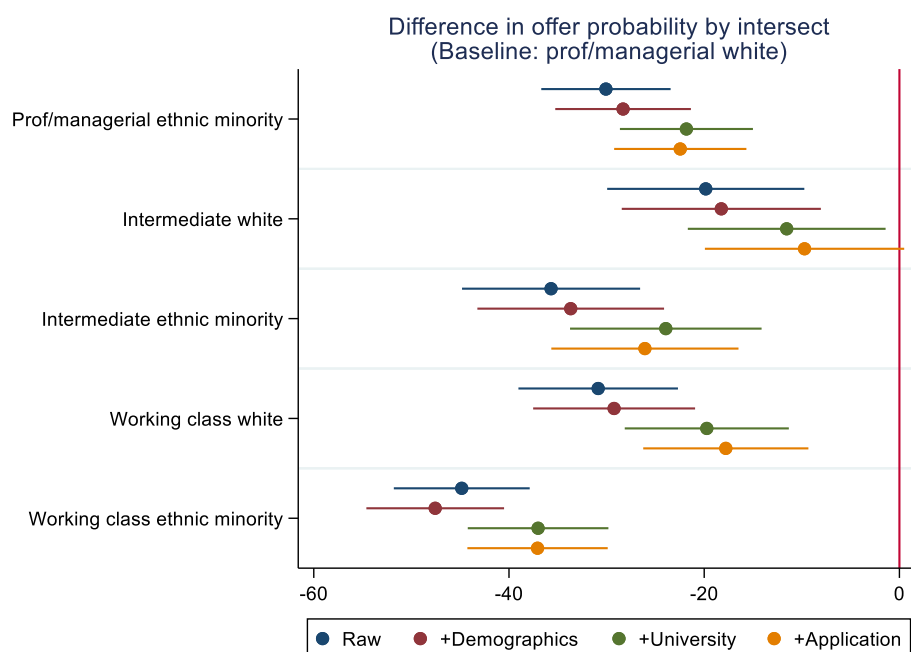


Figure 12 plots differences in offer rates of combinations of parental background and ethnicity relative to being a professional white applicant. All groups have a lower probability of being hired than a professional white applicant, even comparing those with similar characteristics. While professional ethnic minority applicants and working class white applicants are both around 20% less likely to get an offer than professional white applicants, working class ethnic minority applicants face a double disadvantage, at almost 40% less likely to get an offer than professional white applicants.

¹⁴ Note intersections by gender, ethnicity, and SEB are available on request, but the findings are very similar across genders

Figure 12: Offer rates to graduate programmes, conditional on observable differences across applicants, by ethnicity and parental NS-SEC



Note: Raw models contain employer fixed effects only; + Demographics adds controls for region of origin, and visa status; + University adds controls for university category and subject studies; + Application adds controls for networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

Table 1: Inequalities in applying, receiving an offer, and withdrawing from the graduate recruitment process, by diversity characteristics

	Applying	Receiving an offer (raw)	Receiving an offer (like for like)	Withdrawing (raw)	Withdrawing (like for like)
Working class	4%	-32%	-18%	3%	3%
Independent	55%	20%	8%	-2%	-1%
Female	-39%	2%	6%	-3%	-4%
Asian	195%	-29%	-25%	0%	-4%
Black	95%	-45%	-33%	6%	2%
Mixed/other	9%	-20%	-12%	5%	2%
Prof/managerial ethnic minority	100%	-30%	-22%	3%	3%
Intermediate white	-41%	-20%	-10%	4%	3%
Intermediate ethnic minority	19%	-36%	-26%	0%	-1%
Working class white	-10%	-31%	-18%	6%	5%
Working class ethnic minority	126%	-45%	-37%	3%	1%

Notes: The baseline categories are professional for SEB, male for gender, and white for ethnicity. For the intersectional analysis the baseline is white professionals. There are very small differences by gender for the intersectional analysis so males and females are considered together to simplify the discussion.

Table 1 pulls together the findings across graduate entry routes by key diversity characteristics discussed in this section to show the extent to which applications and withdrawing from the process (both decisions of the applicants) are driving hiring rate differences compared to offer rates (which are decisions made by the employer).

While working class applicants are well represented among the applicant pool for example, the largest gaps for working class applicants relative to professional applicants comes from employer-led decisions in offers, where we see raw gaps of 32% and gaps of 18% even when comparing applicants from different backgrounds with similar characteristics. Withdrawals by contrast are much more equal across working class and professional applicants. Why are graduates from working class backgrounds less likely to receive a job offer than those from better-off backgrounds? Around half of this drop off occurs at the online screening and testing phase, where applicants who are not qualified for the roles are rejected, while the other half occurs during the face-to-face stage of the recruitment process (see ‘Spotlight on recruitment stages for graduate programmes’ box below).

For women the story is reversed – while offer rates are relatively equal compared to men, they are underrepresented in the applicant pool, which will lead to fewer women being employed overall. Again, withdrawal rates are similar across men and women.

Ethnic minority groups are overrepresented in the applicant pool but face the largest penalties to being made an offer relative to white applicants, in terms of both the raw differences in applicants, and when comparing applicants from different ethnicities with the same characteristics. The vast majority of this gap between white and ethnic minority applicants is being driven by ethnic minorities being screened out of the online stages of the recruitment process (see ‘Spotlight on recruitment stages for graduate programmes’ box below).

When we look at the intersection between background and ethnicity, we see a double disadvantage for working class ethnic minority groups who are again over-represented in the applicant pool but far more likely to be rejected than white professional applicants, even with the same characteristics. Yet again, withdrawal rates are very similar across groups here, pointing to the importance of employer decisions in driving these inequalities.

Spotlight on recruitment stages for graduate programmes

We have shown that once a young person has applied for a graduate scheme, the largest barriers they will face are due to their ethnicity and social background (rather than gender).

The charts below show that while overall working class inequalities occur relatively evenly across screening/test and face to face stages (Figure S2 and Figure S3), the ethnicity inequalities are much more pronounced at the screening/test stage, especially for black and mixed/other ethnicity applicants (Figure S4 and Figure S5).

Figure S2 – Relative likelihood of passing screening and online tests for the graduate programmes, conditional on observable differences across applicants, by parental NS-SEC

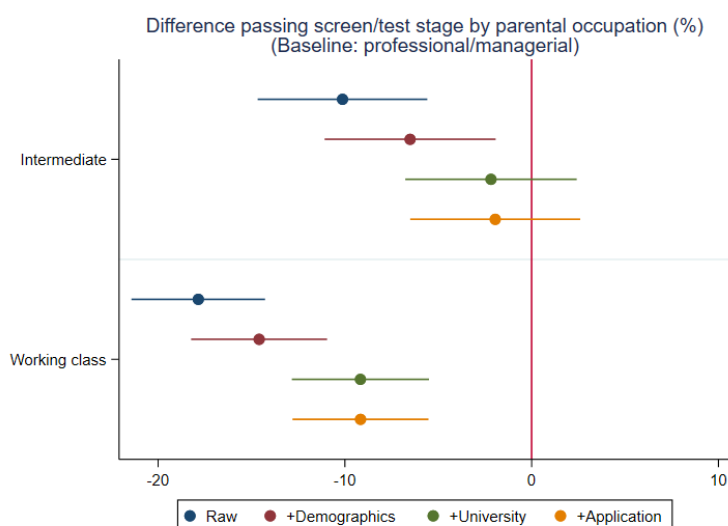
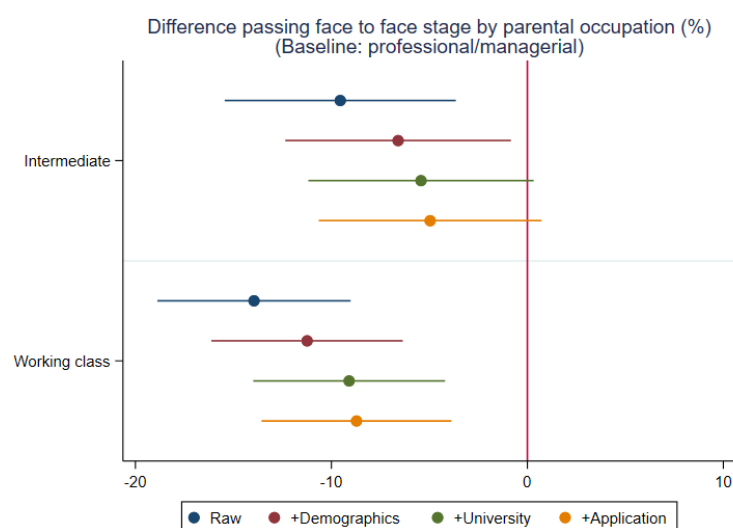


Figure S3 – Relative likelihood of passing face to face stages for the graduate programmes, conditional on observable differences across applicants, by parental NS-SEC



For example, working class applicants are 9% less likely to pass the screening/test stage than their comparable peers from a professional background, and 9% less likely to pass the face-to-face stage. For ethnicity, Black applicants are 37% less likely to pass the screening/test stage than their comparable peers of white ethnicity, and 5% less likely to pass the face-to-face stage.

Figures S4 – Relative likelihood of passing screening and online tests for the graduate programmes, conditional on observable differences across applicants, by ethnicity

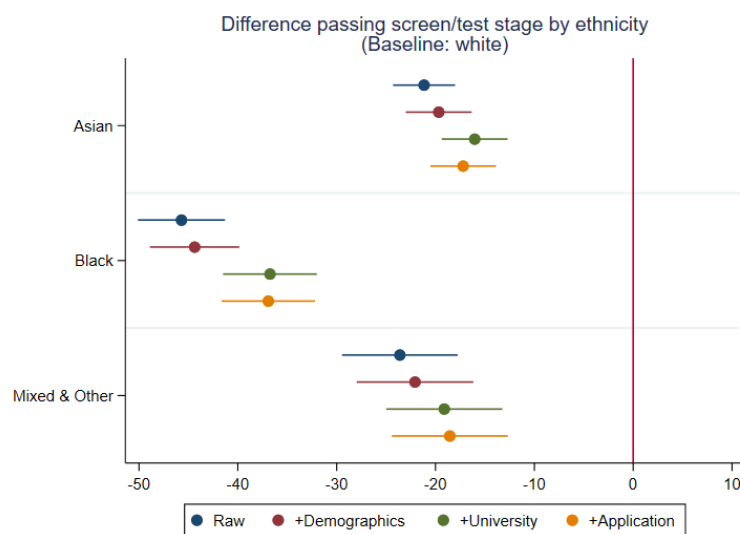
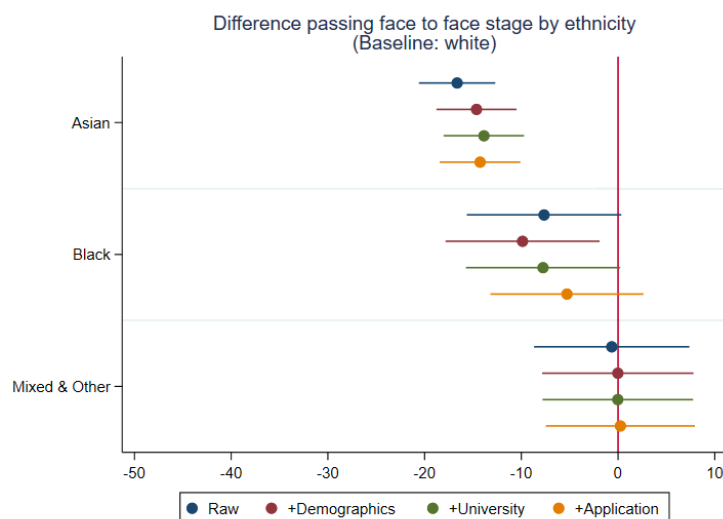


Figure S5 – Relative likelihood of passing face to face stages for the graduate programmes, conditional on observable differences across applicants, by ethnicity



This extent to which ethnic minorities, and to a lesser extent working class applicant's penalties are driven by online screening and testing indicates that inequalities in entry-level access to 'elite' careers may be less related to notions of 'cultural fit' during face to face

interactions and more related to formalised recruitment systems mirroring patterns of prior education inequality and perpetuating these inequalities into the labour market.

Even when applicants of Black, Mixed and Other ethnicities report the same educational attainment as White applicants, large inequalities remain at the early screening and testing stage. These inequalities may relate to inequalities in other cognitive skills assessed via online tests such as numerical and verbal reasoning, situational judgement and critical thinking. They may also relate to lack of preparation for such tests if these applicants are less likely to have parents or networks with experience of these tests.

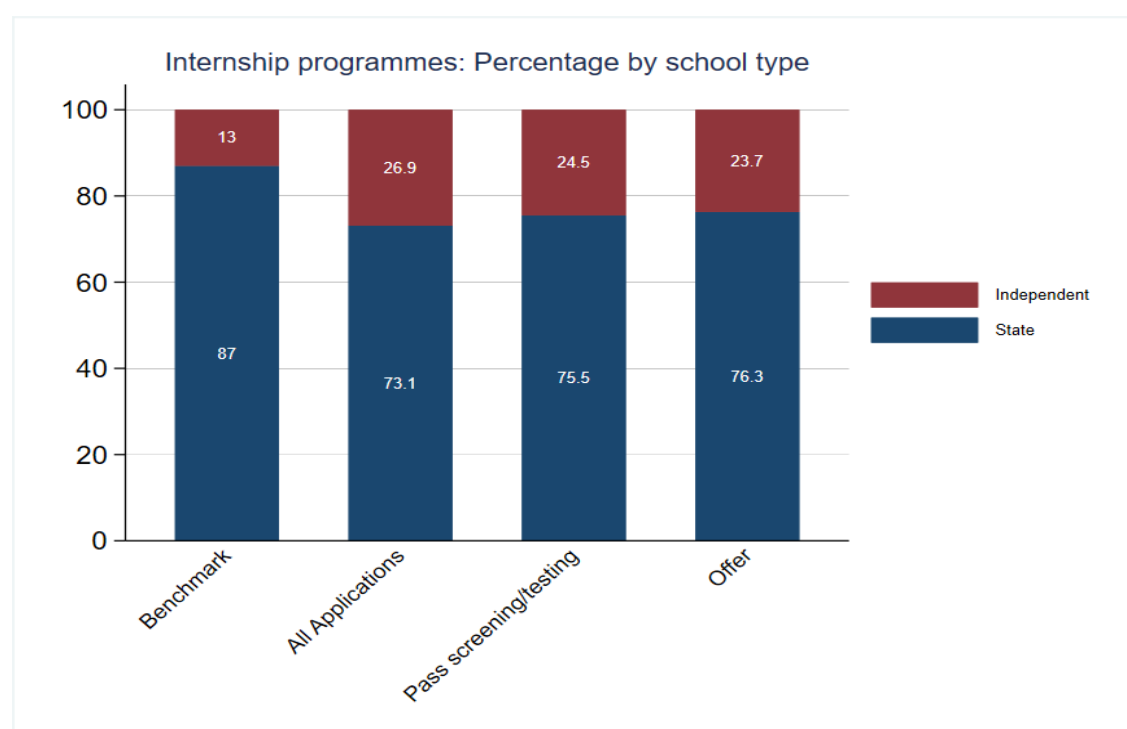
Employers should prioritise exploring inequalities for each of their screening criteria and online tests (for example, academic entry criteria and scores for psychometric, situational judgement, numerical reasoning and verbal reasoning tests) to identify which element could be driving these inequalities. Employers are starting to move towards rewarding potential rather than prior attainment, however this data shows there is much still to be done.

Internship entry routes

One way in which young people access graduate training programmes after graduation is through gaining work experience by applying for an internship programme in the summer before their final year at university. There is a high transfer rate between internship programmes and graduate training programmes – for example for one employer in our data where we could link across internship and graduate programmes, 80% of their interns were offered a place on their graduate training programme once they had graduated. A recent survey by the Institute for Student Employers found that over half of those working on internship programmes were eventually recruited onto graduate programmes (Institute for Student Employers, 2024). We can therefore explore access to internship entry routes as one source from which inequalities in access to professional occupations might originate.

Given that there are more limited internship routes in our data (7 employers offer these, 2 of which do not collect parental occupation information), we focus on school type as our measure of SEB here.

Figure 13: Proportion of interns at various stages of the recruitment process, by school type



Applicants to internship routes from independent schools are hugely overrepresented relative to the proportion of graduates from our national benchmarks attending these types of schools, with double the proportion applying to internship routes (27% compared to 13% nationally – see Figure 13). While this proportion declines across the stages of recruitment, with the majority who do drop out being screened out at the online screening and testing phase, they are still overrepresented in the proportions receiving an offer (24% compared to 13% nationally). This is comparable to the proportion receiving an offer from the graduate entry route (see Figure 5).

As with graduate entry routes, it could be the case that internships are predominately based in London and so maybe be more accessible to young people who live in those locations. Figure 14 shows that applicants to internship programmes from London and the South are overrepresented relative to the national benchmark of graduates (69% vs 54% nationally) and this overrepresentation remains prominent throughout the recruitment process. Technical Appendix Table 8 confirms that independent school applicants are predominately from the South or London compared to any other region. This could be contributing to part of the picture for their overrepresentation among applicants.

Figure 14: Proportion of interns at various stages of the recruitment process, by region

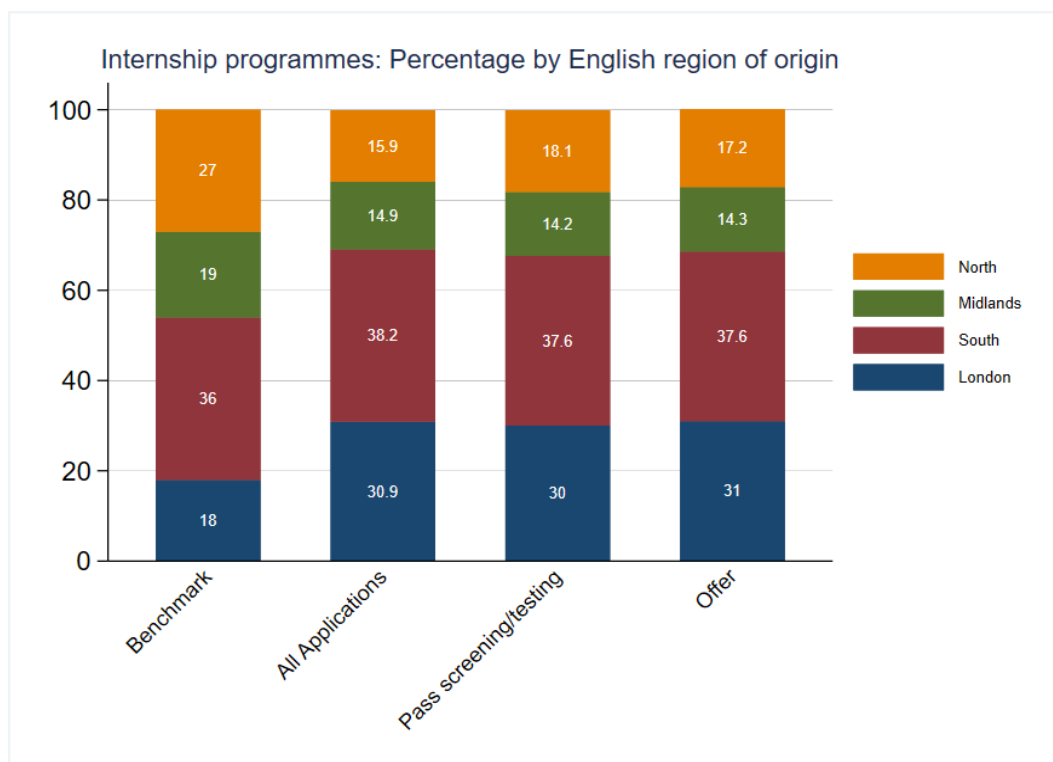
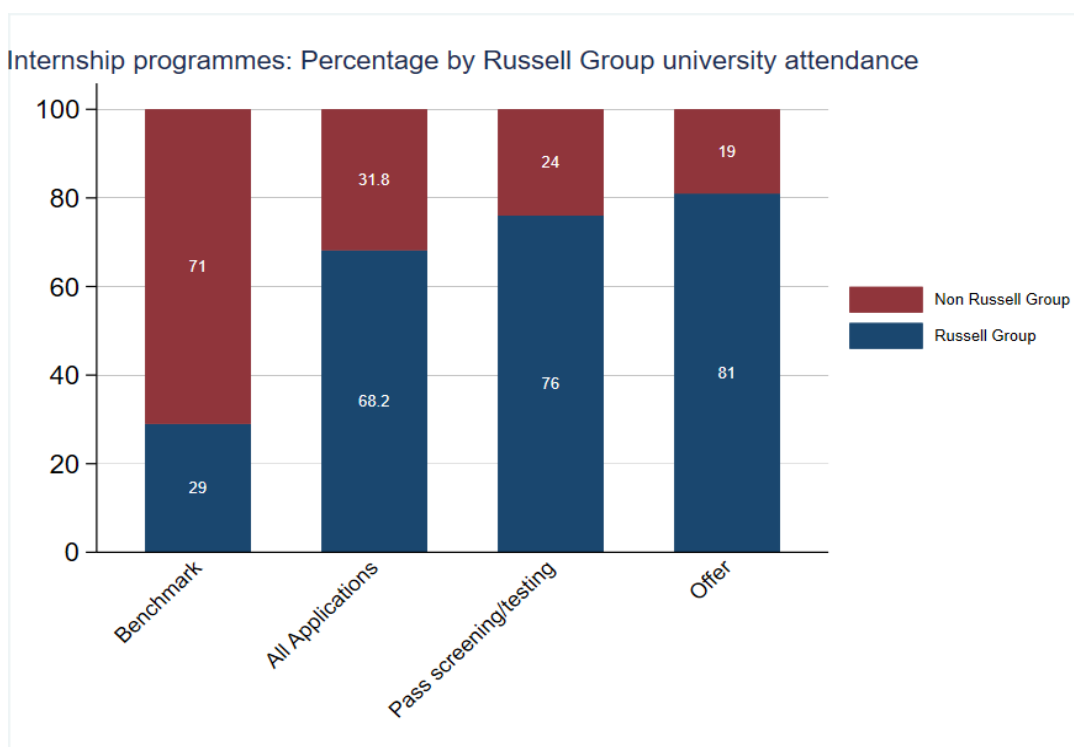


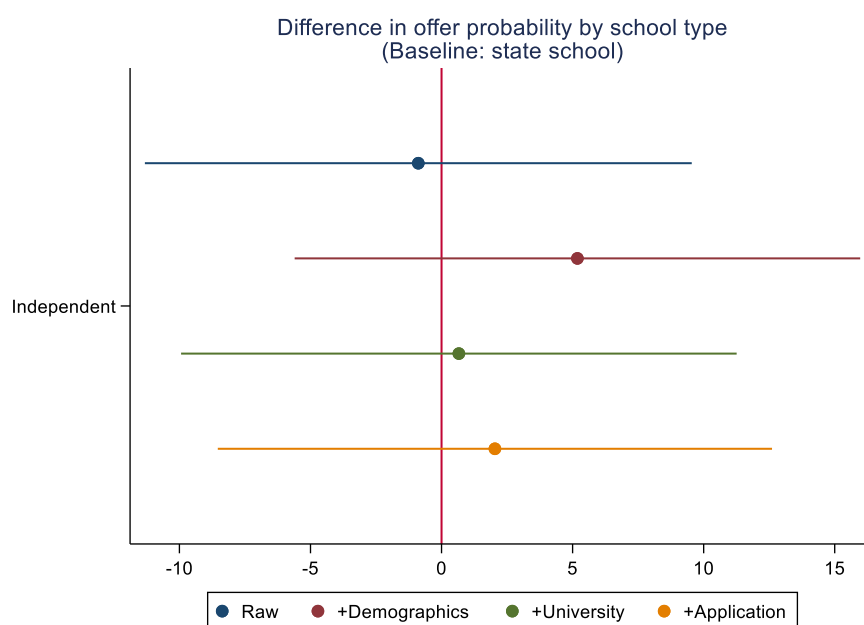
Figure 15: Proportion of interns at various stages of the recruitment process, by university



Internship applicants are also far more likely to be from Russell Group institutions (see Figure 15) with 68% of applicants to these routes coming from a Russell Group university compared to 29% among all graduates in the population from our benchmarking. The proportion of Russell Group applicants making it through the recruitment process increases at each stage, so that 4 out of 5 internship offers go to Russell Group educated applicants, compared to just short of 1 in 3 in the population. Technical Appendix Table 8 shows that a far larger proportion of independent school internship applicants study at Russell Group universities than state school students (80% compared to 64%) illustrating that this selection by university type could further drive inequalities in access to these internship positions.

Yet when we look at offer rates for internships by school type in Figure 16, we see that in both the raw and conditional models (comparing like for like), independent school applicants have the same chance of getting made an offer as state school applicants, conditional on applying. As with the graduate programme, there is again very little difference between withdrawal rates between independent and state school applicants, suggesting that the main reason for the overrepresentation of independent school pupils in internship roles is that they are far more likely to be in the applicant pool, relative to the national population of graduates.

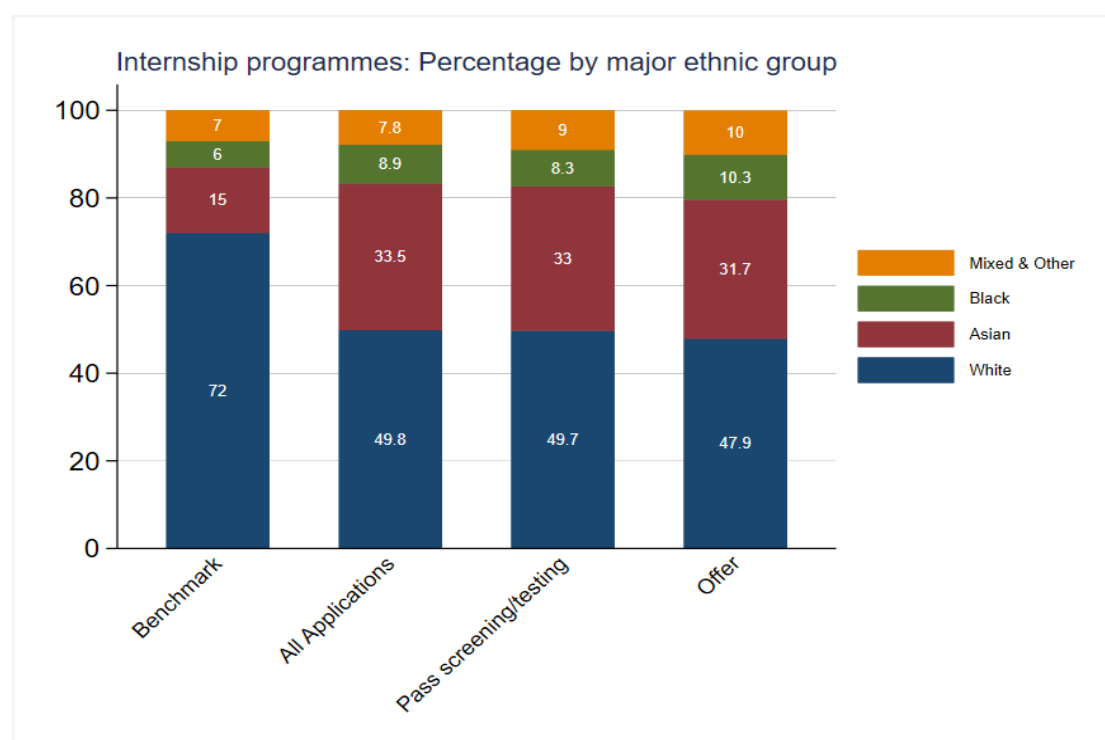
Figure 16: Offer rates to internship programmes, conditional on observable differences across applicants, by school type



Note: Raw models contain employer fixed effects only; + Demographics adds controls for region of origin, and visa status; + University adds controls for university category and subject studies; + Application adds controls for networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

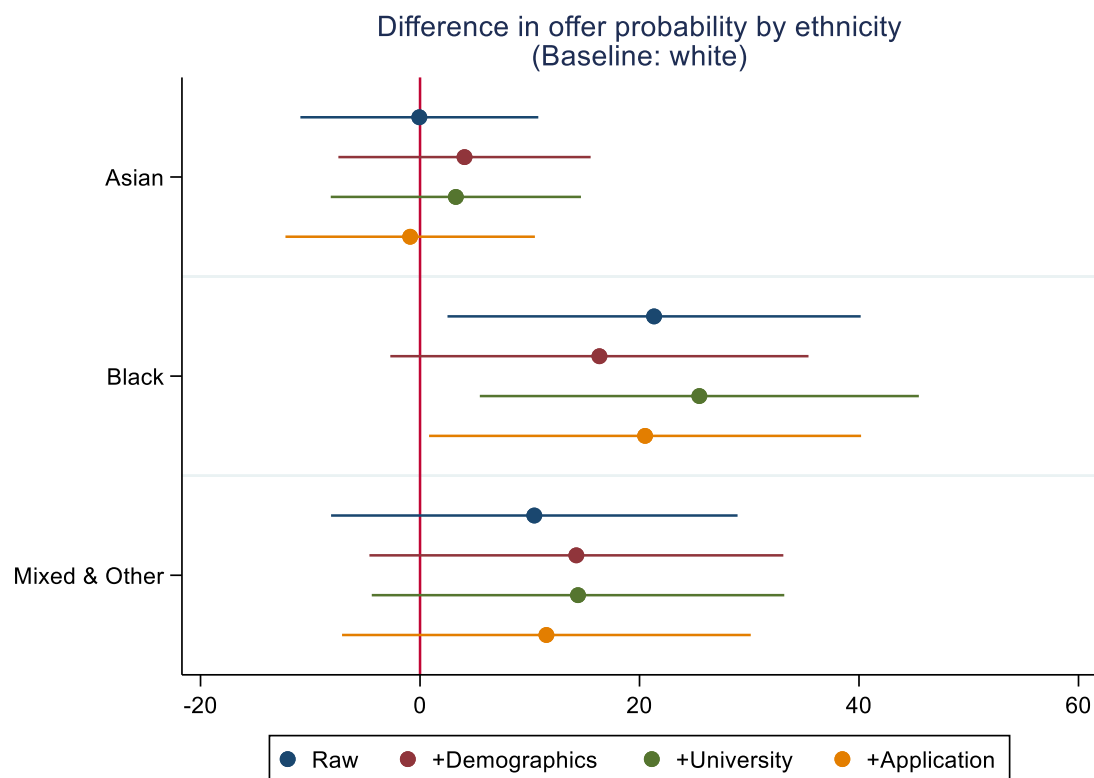
The picture for entry to internship routes by gender looks very similar to the graduate entry routes – women are underrepresented in the applicant pool relative to men, but conditional on applying, are more likely to be hired to an internship programme. This could be driven by unobservable differences in characteristics between men and women. But the picture by ethnicity looks slightly more positive for applicants from ethnic minority groups compared to the graduate programmes (See Figure 16). Again, applicants from ethnic minority backgrounds are overrepresented in the sample of applicants, but instead of their representation falling through the recruitment process, Black applicants remain overrepresented in terms of offers, while the proportion of Asian applicants getting an offer is only slightly below the applicant pool proportion. This could be related to regional availability to these positions – Figure 14 shows the overrepresentation of London in terms of location of applicants and Technical Appendix Table 8 shows that Asian and Black applicants predominately come from London.

Figure 17: Proportion of interns at various stages of the recruitment process, by ethnicity



When we compare offer rates, in terms of raw differences between ethnic minority applicants and white applicants, and then comparing like with like, taking into account differences in demographics, prior attainment, and types of applications made, we see that Asian applicants are as likely to get an offer to an internship programme as white applicants, while Black applicants are 20% more likely to get an offer to an internship programme compared to similar white applicants. This may be due to the specific targeting of internship schemes to particular groups. Figure 18 shows that this gap remains stable whether comparing raw or like for like gaps between Black and white applicants.

Figure 18: Offer rates to internship programmes, conditional on observable differences across applicants, by ethnicity



Note: Raw models contain employer fixed effects only; + Demographics adds controls for region of origin, and visa status; + University adds controls for university category and subject studies; + Application adds controls for networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

School leavers and Apprenticeship entry routes

A number of employers also offer entry routes to professional occupations to non-graduates – i.e. school leavers and apprenticeships. These are typically for young people who have completed some form of level 3 education (post-16 qualifications), but not gone on to study to level 6 for a degree. These entry routes are offered across accountancy, law and the public sector in our data (see Technical Appendix Table 11 for number of employers by sector), yet we should be mindful that the vast majority of roles in this route are through the public sector (83% of roles) and so this sample is less representative than our graduate analysis in terms of balance across employers and sectors. We are also constrained in terms of providing specific national benchmarks for certain characteristics for this entry route, as a) we can only include

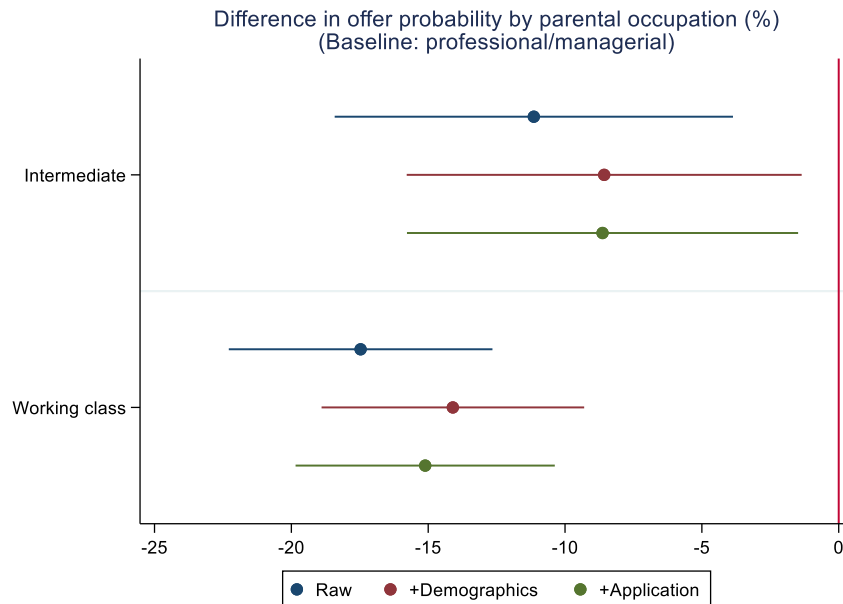
level 3 qualifications that are included on DfE's list of those counting in school performance tables (see Technical Appendix section A.4 for full details) and b) our parental occupation benchmarks come from linked university data.

The top panel of Figure 19 illustrates that working class applicants are 17% less likely to get offers to school leaver and apprenticeship programmes than professional applicants. When we compare applicants with the same demographic characteristics (gender, ethnicity, visa status), applying to the same region, and same type of role, these gaps remain wide at 15%. As with graduate and internship programmes, withdrawal rates are very similar across applicants from different socio-economic backgrounds. A further drawback of this part of the analysis is that typically we do not have measures of prior attainment for applicants to these routes, making like for like comparisons more difficult. But we can observe level 3 attainment for the accountancy sector, and so we can compare the picture in terms of SEB gaps in offer rates to these programmes overall to those in the accountancy sector, where we can make this more detailed comparison across applicants.

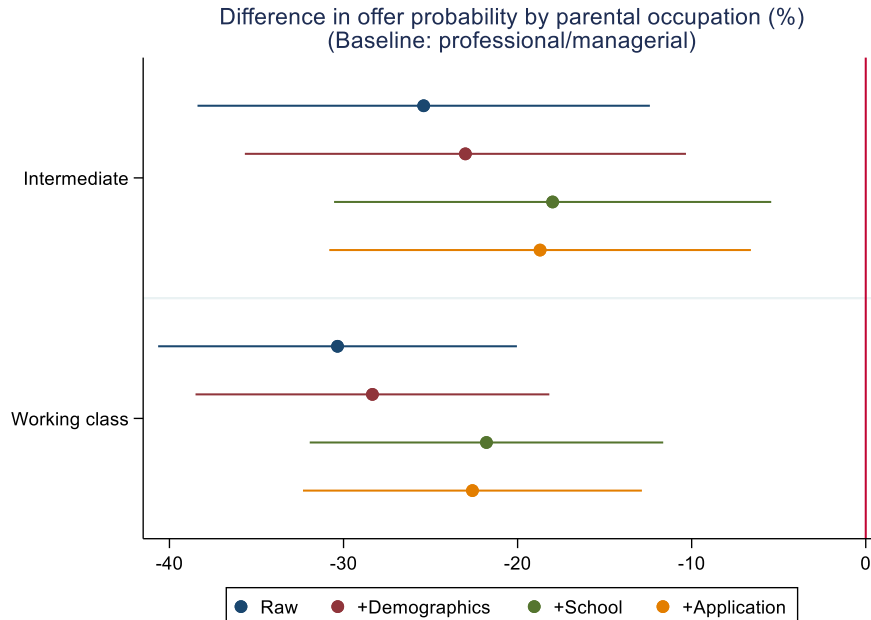
The lower panel of Figure 19 therefore shows greater inequality in offer rates for the accountancy sector. This sector is more unequal than the broader sample population (dominated by the public sector) with working class applicants to accountancy school leaver and apprenticeship programmes 30% less likely to get an offer than applicants from professional backgrounds. When we take into account the prior attainment of applicants (grade at maths GCSE and A-level grades – see Technical Appendix Table 7), working class applicants are still 23% less likely to get an offer to these programmes than applicants from professional backgrounds. This is indicating that the gaps that we see between applicants from working class and professional backgrounds are unlikely to all be driven by differences in prior attainment among these applicants.

Figure 19: Offer rates to school leaver programmes, conditional on observable differences across applicants, by parental NS-SEC for all and accountancy only

School Leavers (All)



School leavers (Accountancy only)

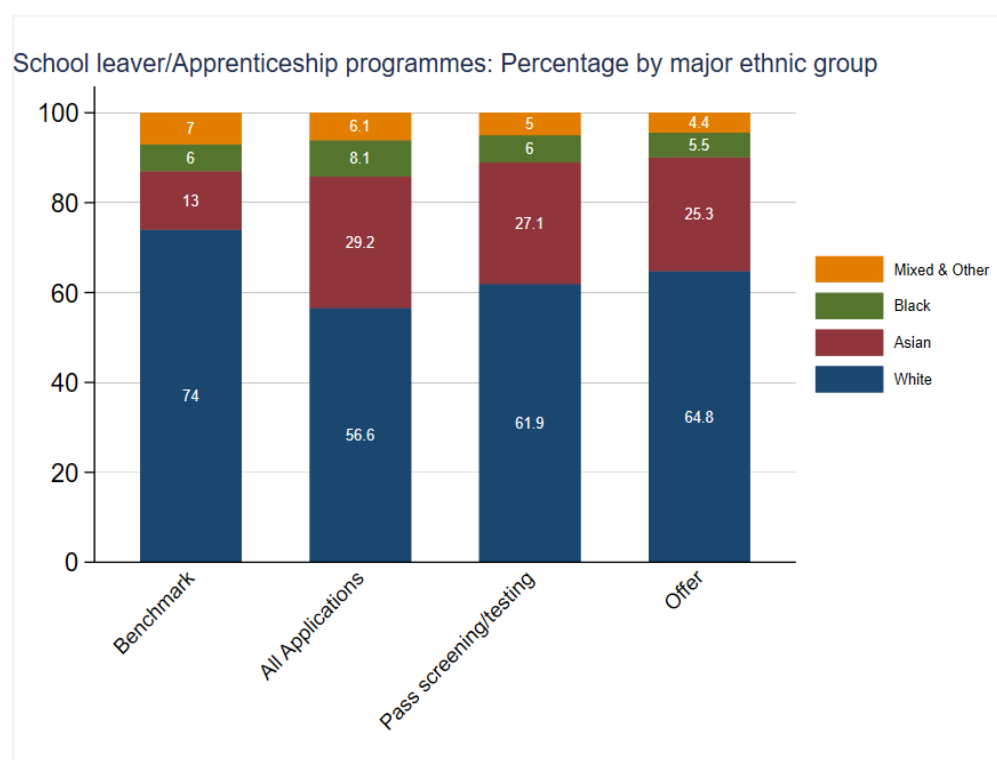


Note: Raw models contain employer fixed effects only; + Demographics adds controls for visa status; + School adds controls for GCSE maths grade and A-level grades; + Application adds controls for region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

The picture for gender differences in access to school leaver and apprenticeship routes mirrors those of graduate and internship routes, with women once more being underrepresented among the applicant pool relative to all school leavers (49% of applicants vs 55% of school leavers), but conditional on applying, being more likely to get an offer than men (21% more likely in simple comparisons and 19% more likely comparing to men with otherwise similar observable characteristics).

Ethnicity differences also closely mirror those of graduate programmes. Figure 20 shows that applicants are more likely to be from Asian and Black backgrounds relative to the national benchmark of school leavers (29% compared to 13% of school leavers for Asian applicants and 8% relative to 6% of school leavers for Black applicants). The proportion of both Asian applicants and Black applicants falls across each stage of recruitment, with Asian applicants remaining overrepresented among offers and Black applicants underrepresented relative to national benchmarks.

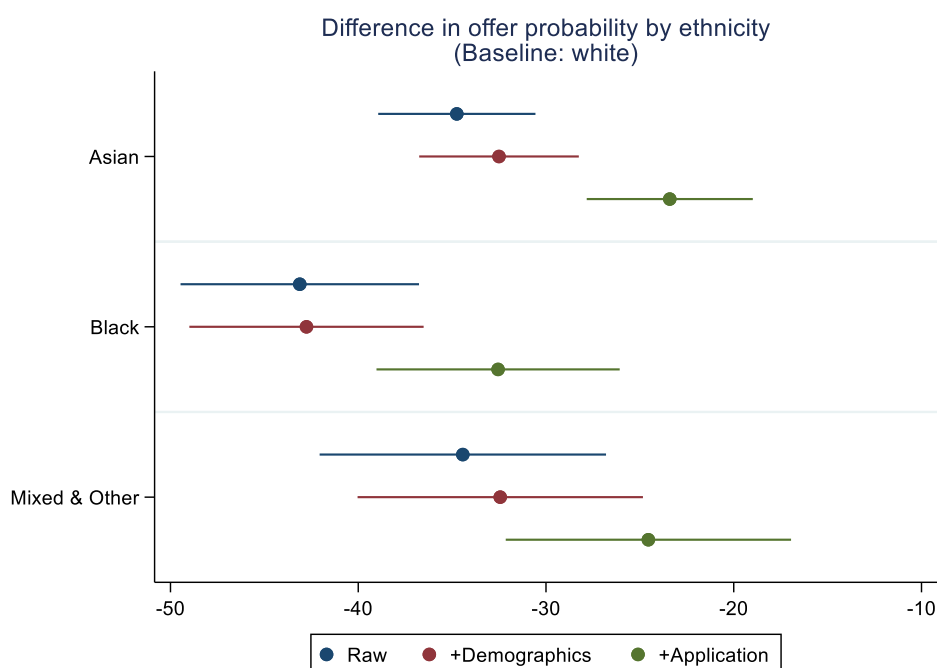
Figure 20: Proportion of school leavers at various stages of the recruitment process, by ethnicity



When we compare offer rates among applicants from Asian and Black backgrounds, relative to white applicants, Asian applicants are 35% less likely to be offered positions, and Black

applicants 43% less likely to be offered position, relative to white applicants (see Figure 21). Taking into account demographics and details of the application (including region of office applying to), these raw gaps reduce to 23% for Asian applicants and 33% for Black applicants.

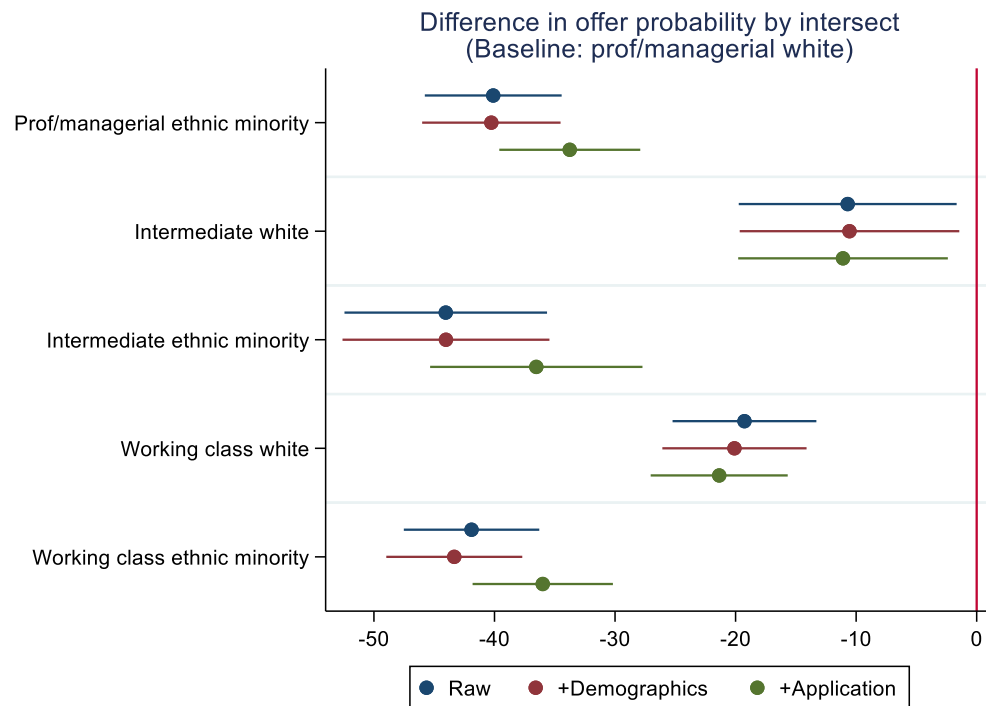
Figure 21: Offer rates to school leaver programmes, conditional on observable differences across applicants, by ethnicity



Note: Raw models contain employer fixed effects only; + Demographics adds controls for visa status; + Application adds controls for region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

Given these large differences by socio-economic background and ethnicity that we see in offer rates to school leaver and apprenticeship programmes, we also consider the intersection of these characteristics, to see if there is a double disadvantage to being both working class and an ethnic minority when applying to this route. Figure 22 illustrates that while white applicants from working class backgrounds are 20% less likely to receive an offer relative to white applicants from professional backgrounds, ethnic minority applicants *from any socio-economic background*, are around 35% less likely to get an offer to a school leaver or apprenticeship programme than a white applicant from a professional background, with similar characteristics.

Figure 22: Offer rates to school leaver programmes, conditional on observable differences across applicants, by ethnicity and parental NS-SEC



Note: Raw models contain employer fixed effects only; + Demographics adds controls for visa status; + Application adds controls for region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

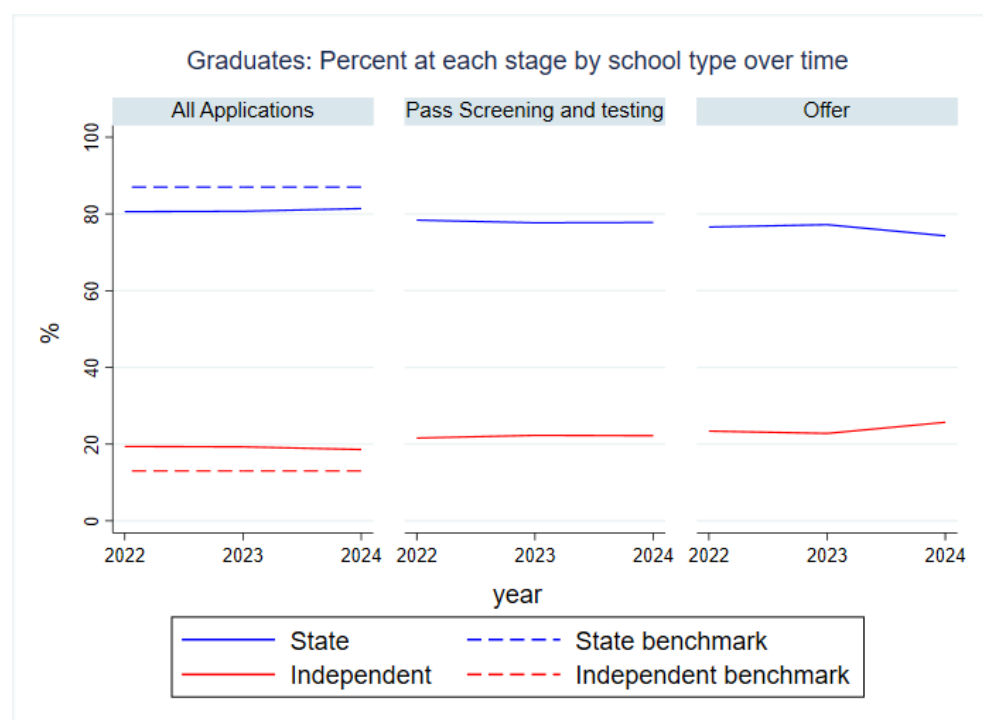
5. Changes over time

Graduate entry routes

In this section we focus on whether the inequalities that we see in our analysis in the previous section, which focused on 2023, have changed over time, using data from 2022 to 2024. Given that the collection of information on parental NS-SEC was incomplete in 2022, we focus our SEB analysis on the type of school attended over this period, before considering parental NS-SEC trends for the shorter window of 2023-2024.

Figure 23 considers the proportion of applicants applying to graduate programmes (panel 1); passing the online screening and testing stage (panel 2); and achieving an offer (panel 3) over the time period for state and independent school applicants. The dashed lines in panel 1 represent the proportion of each group in the national pool of graduates from our benchmarking analysis from the previous section. There was a slight increase in applicants from state schools in 2024 relative to independent school applicants, although the proportion of each group passing the screening and testing stage remained stable over time.

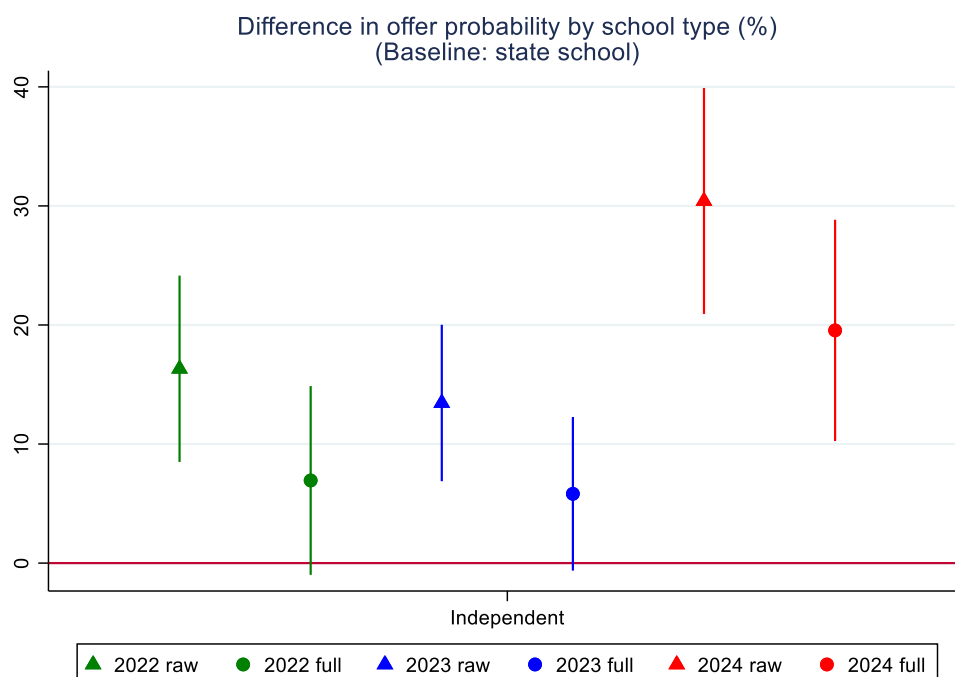
Figure 23 Proportion of applicants at various stages of the recruitment process over time, by school type



The proportion of state school applicants is still below the proportion found in the graduate population, with independent school applicants slightly overrepresented in the applicant pool. In the final panel, we can see that the proportion of applicants from state schools receiving an offer in 2024 looks to have declined, relative to independent school applicants. These patterns then suggest that we might expect to see a change in relative offer rates by school type in 2024 relative to 2023, where we found a small advantage for independent school applicants relative to state school applicants.

Figure 24 looks at the relative chances of receiving an offer for those who attended an independent school compared to those who attended a state school, focusing only on those who do not withdraw from the recruitment process. We present two models from each year, first taking into account only the employer they apply to, and their SEB, gender, and ethnicity (raw model), and then comparing applicants who look the same on paper, with similar demographics, education experiences, and application profiles (full model).

Figure 24 Offer rates to graduate programmes, conditional on observable differences across applicants over time, by school type

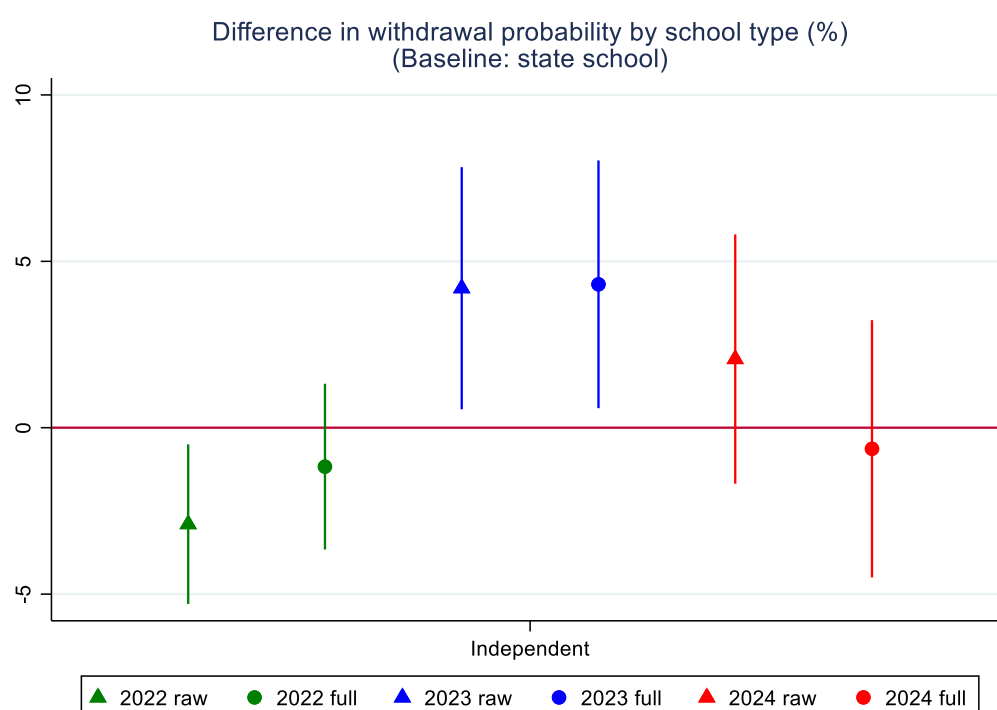


Note: Raw models contain employer fixed effects, gender, SEB, and ethnicity; Full models adds controls for region of origin, visa status, university category, subject studied, networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

While the gap in offer rates by school type was stable between 2022 and 2023, there has been an increase in the independent school advantage in terms of offer rates in 2024, with the difference in offer rate advantage more than doubling from 2023 from 15% to 30% in the raw models, and 7% to 20% when comparing candidates who look the same on paper.

Figure 25 shows the same analysis but considers differences in the likelihood of withdrawing from the process rather than receiving an offer by the type of school attended. This indicates that this increase in inequalities seen in Figure 24 is not driven by state school applicants being more likely to withdraw from the process over time – while independent school applicants were marginally more likely to withdraw than state school applicants in 2023, there are only very small differences between the withdrawal rates between the two groups over time. This suggests that the increased probability of independent school educated applicants receiving an offer in 2024 is driven by employer-side decisions about state relative to independent school applicants, even if they look otherwise the same on paper.

Figure 25 Withdrawal rates to graduate programmes, conditional on observable differences across applicants over time, by school type



Note: Raw models contain employer fixed effects, gender, SEB, and ethnicity; Full models adds controls for region of origin, visa status, university category, subject studied, networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

While the collection of parental NS-SEC information was incomplete in 2022, we can look at the key period of change for our school type analysis, 2023-2024, to see if this trend in increasing inequalities over this period is observed in our other main measure of SEB from the previous section. Figure 26 illustrates the trends in applications, passing the online screening and testing stage, and those receiving an offer, by parental NS-SEC in 2023 and 2024. We can see that the applicant pool remains broadly representative of the national pool of graduates from our benchmark data, and increasingly so in 2024 as the proportion of applicants from professional and managerial backgrounds drops slightly and the proportion from intermediate backgrounds increases slightly. The trends in passing the online screening and testing stage mirror the applicant trends, but the offer rate trends look broadly stable over time. This implies there may be a slight increase in inequalities in the likelihood of getting an offer over time for those from working class relative to professional backgrounds.

Figure 26 Proportion of applicants at various stages of the recruitment process over time, by parental NS-SEC

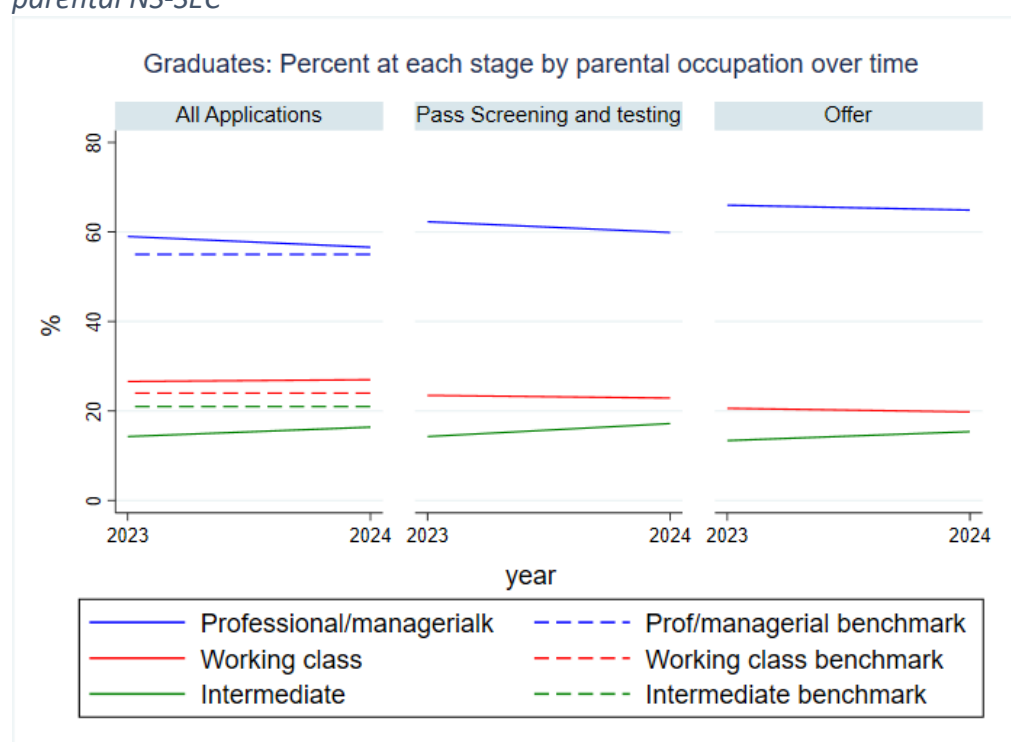
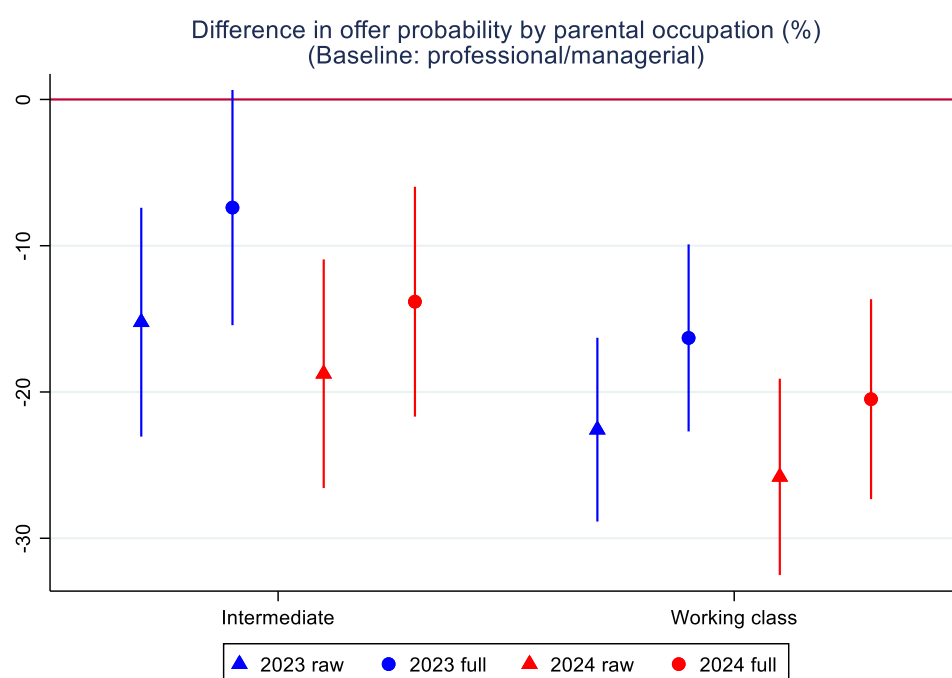


Figure 27 confirms that the relative chances of receiving an offer for those from working class and intermediate backgrounds are slightly lower in 2024 compared to those from professional background, for our straight comparison of applicants (raw models) and comparing applicants who look similar on paper (full models). Comparing similar applicants, those from working

class backgrounds were 21% less likely to get offers than similar professional background applicants in 2024, up 5 percentage points from the 16% penalty in 2023.¹⁵ For intermediate applicants, the penalty is now 14%, up from 7% in 2023. This is consistent with our findings by school type that inequalities by SEB in offers to graduate programmes increased for the latest year of recruitment.

Figure 27 Offer rates to graduate programmes, conditional on observable differences across applicants over time, by parental NS-SEC



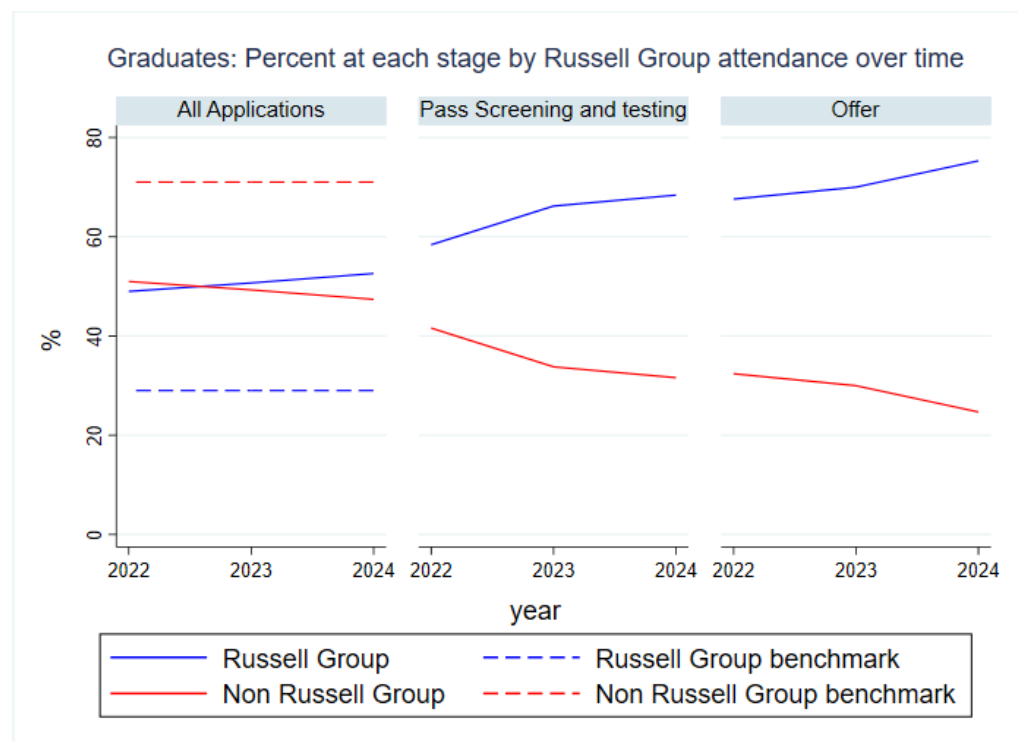
Note: Raw models contain employer fixed effects, gender, SEB, and ethnicity; Full models adds controls for region of origin, visa status, university category, subject studied, networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

We saw in the previous section that applicants from more advantaged backgrounds were more likely to attend higher-ranked universities, and employers were far more likely to hire applicants from these institutions, explaining at least part of the reason why we see lower offer rates for working class and state school applicants relative to professional background and independent school applicants. Figure 28 shows that the proportion of applicants from Russell Group universities has increased over time, while the proportion passing the online screening and testing stage and receiving an offer has increased even more starkly, relative

¹⁵ Note that the 2023 sample for this analysis is more restricted than the sample used in the previous section due to the additional requirement of having complete data over time.

to applicants from non-Russell Group universities. This suggests that employers appear to be increasingly selective based on educational background over time, despite only 25% of our sample explicitly sifting on this information. While this cannot explain the increasing inequality by SEB in our full models, which compare applicants who attend similar universities, it can partly explain why the raw gaps between independent and state school applicants are even larger in 2024 compared to earlier years.

Figure 28 Proportion of graduates at various stages of the recruitment process over time, by university



Turning to trends in ethnic diversity over time, we have seen from the previous section that there are large gaps in offer rates with applicants from Asian and Black ethnic groups significantly less likely to get an offer than White applicants, despite being well or even over-represented in the pool of applicants. Figure 29 presents trends in the proportion applying, passing the online screening and testing stage, and receiving an offer by ethnicity from 2022 to 2024. We can see that while the representation of White applicants declined from 2022 to 2023, it remained broadly stable from 2023 to 2024, although still significantly lower than the proportion of White graduates in the national population. There appears to have been a

decline in the proportion of White applicants passing the screening and testing stage in 2024 relative to 2023, and a slight increase in the proportion of Asian and Black applicants passing this stage, although this does not look like it has translated into higher offer rates for these groups in the latest year available. On average White applicants look more likely to get an offer relative to their share in the applicant pool (the blue line in the third panel is higher than in the first or second panel) while Asian and Black applicants look less likely to get an offer relative to their share in the applicant pool (the red and green lines are lower in the third panel relative to the first and second), although changes over time are less clear.

Figure 29 Proportion of applicants at various stages of the recruitment process over time, by ethnicity

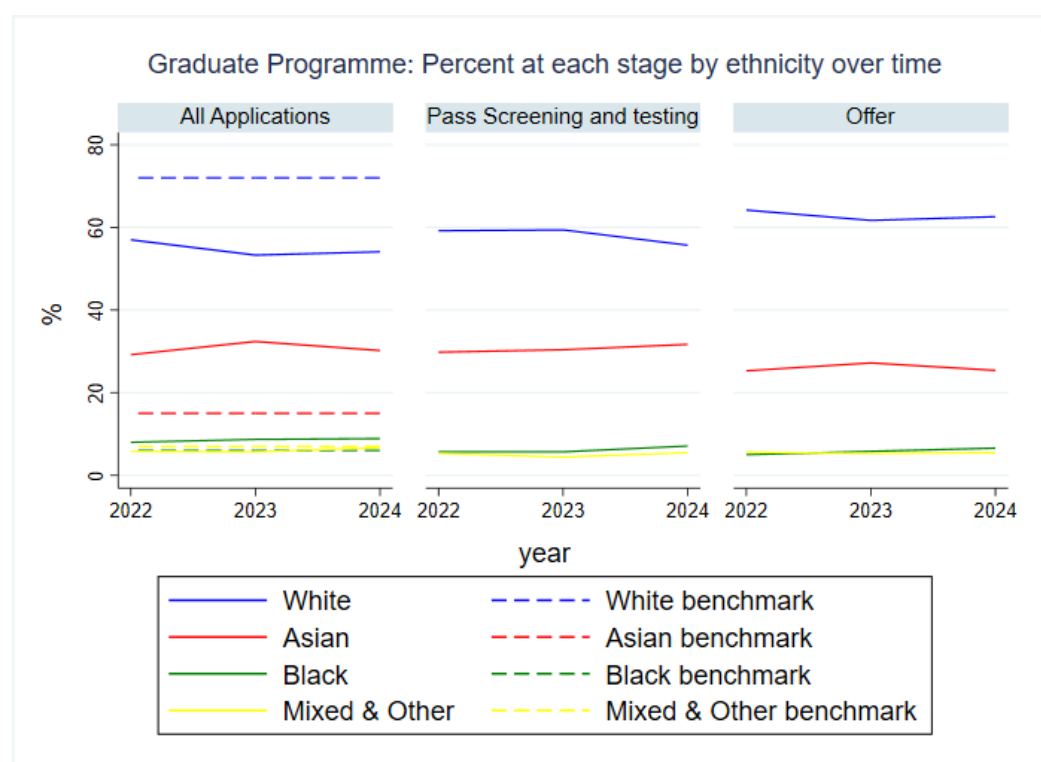
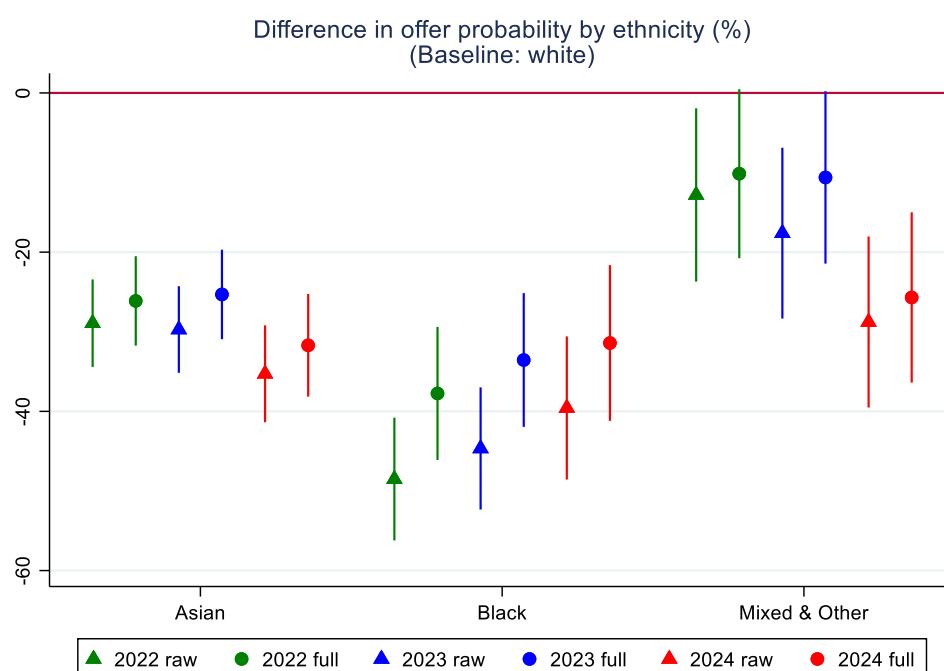


Figure 30 presents differences in offer rates for Asian, Black, and Mixed and other applicants relative to White applicants for the three years from 2022 to 2024. While there was not much difference in offer rate inequalities for Asian applicants from 2022 to 2023, this increased in 2024. Comparing similar candidates, Asian applicants were 25% less likely to get an offer than White applicants in 2022 and 2023, and this increased to 32% less likely to get an offer in 2024. By contrast, inequalities in offer rates for Black applicants slightly improved over the period from 38% less likely to get an offer to a similar White candidate in 2022, to 34% in 2023 and 31% in 2024. The trend for Mixed and Other ethnicities is more similar to Asian applicants,

with a 10% lower offer rate compared to similar White applicants in 2022 and 2023 increasing to a 25% lower offer rate in 2024. This equalisation across ethnic groups means that any gain for Black applicants from employers reducing inequalities for this group seem to be outweighed by losses for other ethnic minority groups. All non-White applicants are now 25-32% less likely to get an offer compared to a White applicant in the latest available data.

Figure 30 Offer rates to graduate programmes, conditional on observable differences across applicants over time, by ethnicity

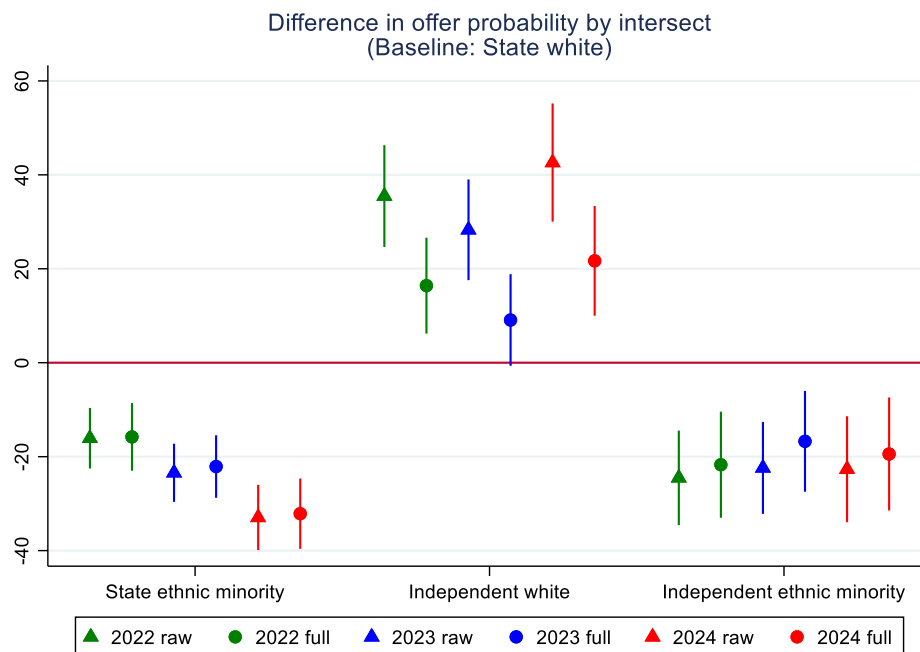


Note: Raw models contain employer fixed effects, gender, SEB, and ethnicity; Full models adds controls for region of origin, visa status, university category, subject studied, networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

How do the worsening inequalities in terms of SEB and ethnic minorities look when combined? State educated ethnic minority applicants were 16% less likely to get an offer relative to similar state educated white applicants in 2022. They are now 32% less likely to get an offer in the 2024 recruitment round. Ethnic minority independent school applicants have experienced a relatively stable penalty over time of around 20% compared to state educated White applicants. White applicants from an independent school have a significant advantage over their state educated counterparts, which decreased from 16% to 9% from 2022 to 2023, and increased from 9% to 21% from 2023 to 2024. There is therefore a double disadvantage of being state educated and from an ethnic minority group which has increased over time,

and a double advantage of being educated in an independent school and from a White background which has increased over time.

Figure 31 Offer rates to graduate programmes, conditional on observable differences across applicants, by ethnicity and school type



Note: Raw models contain employer fixed effects, gender, SEB, and ethnicity; Full models adds controls for region of origin, visa status, university category, subject studied, networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

While females were less likely to apply to these graduate training roles in the previous section, they were slightly more likely to get an offer than male applicants, conditional on applying. Figure 32 shows that the proportion of females applying, passing the online screening and testing stage, and receiving an offer increases between 2023 and 2024, returning to a level seen previously in 2022, although still significantly lower than the proportion of females found in the national pool of graduates.

Figure 32 Proportion of applicants at various stages of the recruitment process over time, by gender

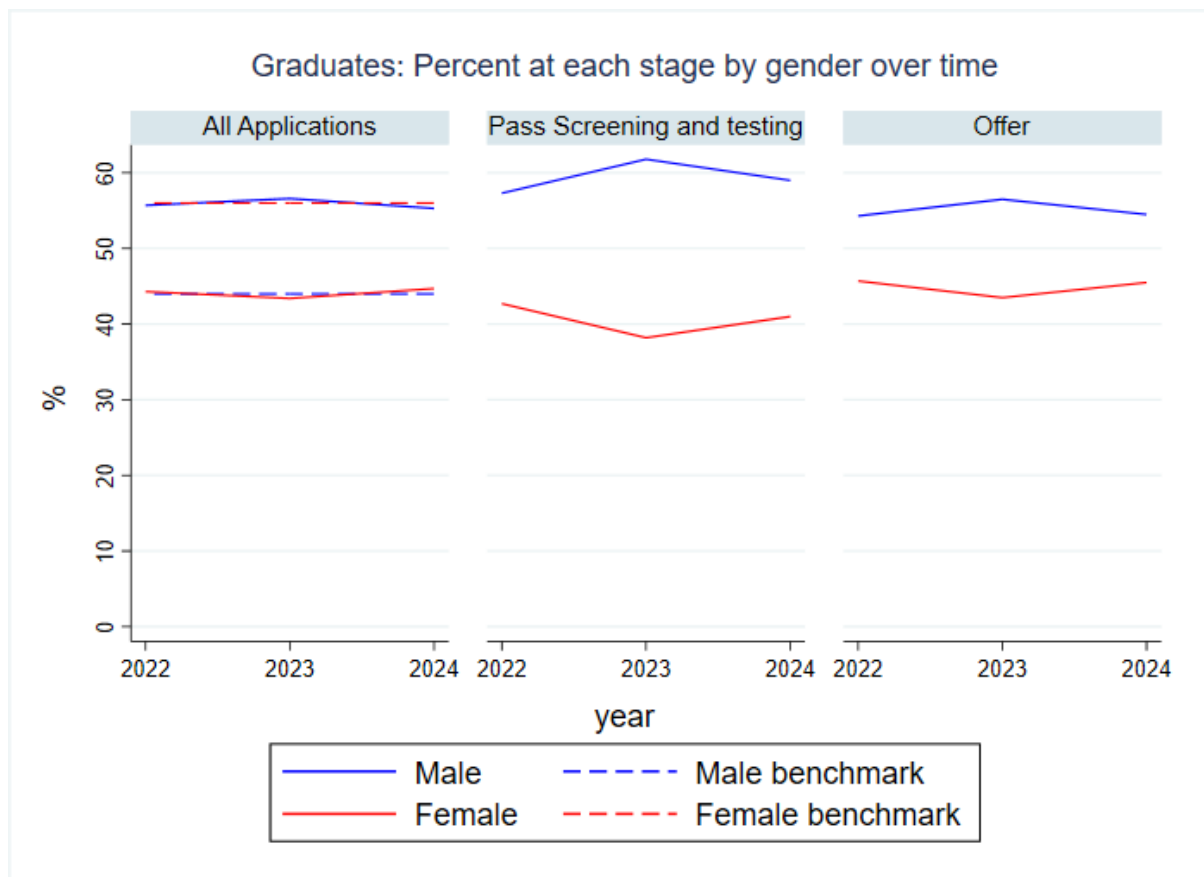
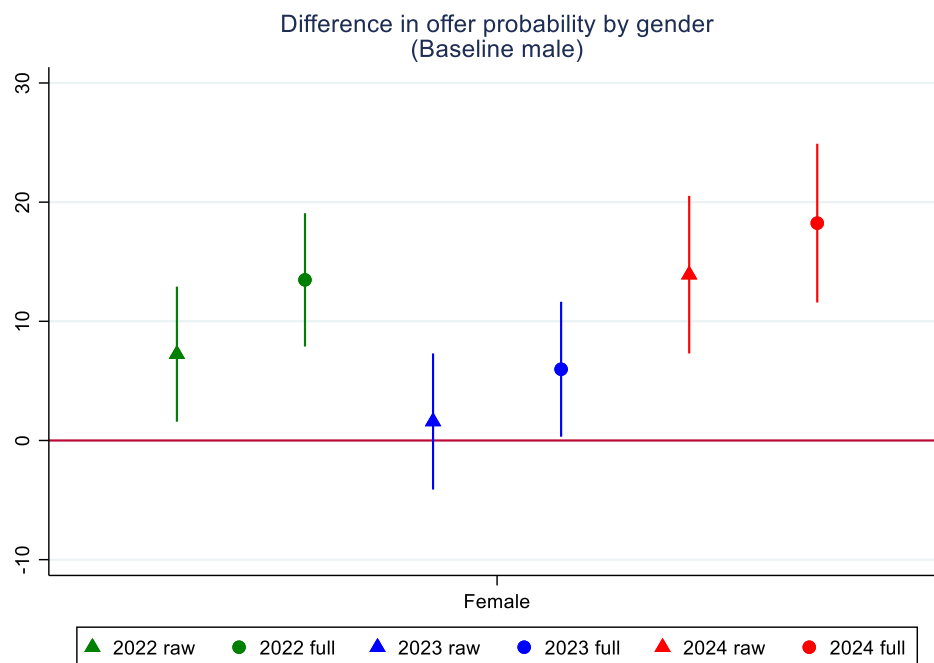


Figure 33 shows that this increase in applicants coincides with an increase in the female offer rate advantage – females are significantly more likely to get an offer than males in 2022 and 2024 when their representation in the applicant pool increases. In 2022 females are 14% more likely to get an offer than males, comparing like with like, decreasing to 6% in 2023 when they made up a lower proportion of applicants, and back up to 18% in 2024. This is despite relatively fewer females passing the online screening and testing stage as illustrated by the lower (higher) red (blue) line in this stage compared to the share of applicants and offers made. Employers appear to be positively selecting on females at the face-to-face stage, to a larger extent than males, even who look the same on paper.

Figure 33 Offer rates to graduate programmes, conditional on observable differences across applicants, by gender



Note: Raw models contain employer fixed effects, gender, SEB, and ethnicity; Full models adds controls for region of origin, visa status, university category, subject studied, networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

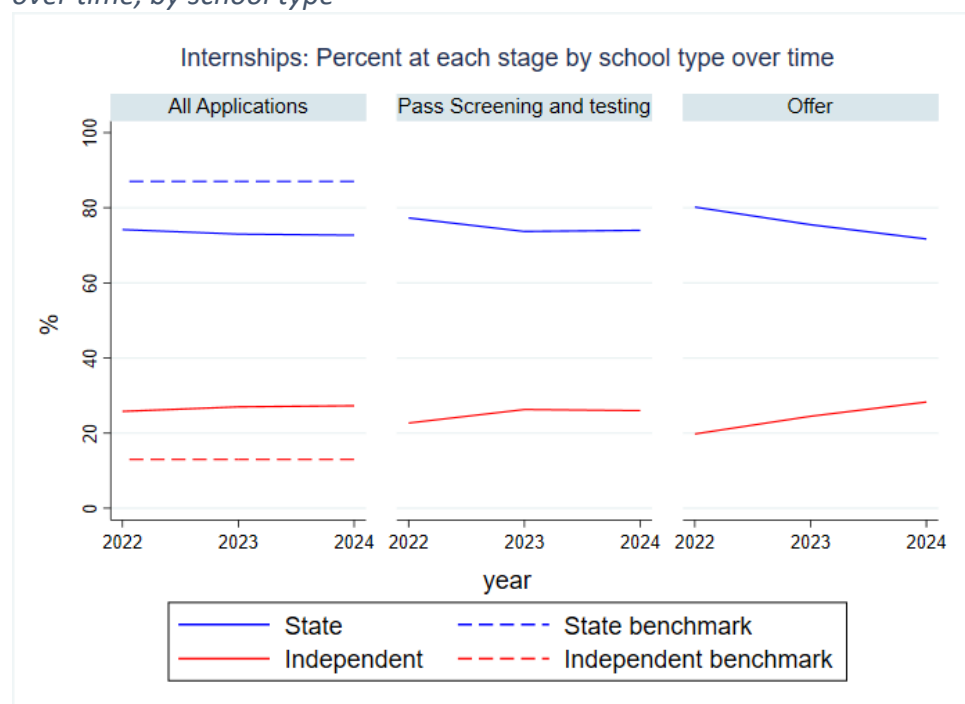
Internship entry routes

We saw from the previous section that one way in which young people can gain entry to graduate training routes is through participating in internship programmes during their undergraduate studies. While applications to these programmes were skewed in favour of independent school applicants, ethnic minority applicants were overrepresented and entry to these programmes was more equal than in the larger graduate intakes. In this section we consider whether this picture is consistent over time.

Figure 34 illustrates that state school applicants are consistently underrepresented in applications to internships and this has remained broadly stable from 2022 to 2024. The proportion passing online screening and testing from state education looks to have declined slightly since 2022 and the proportion receiving an offer has declined more starkly, with the

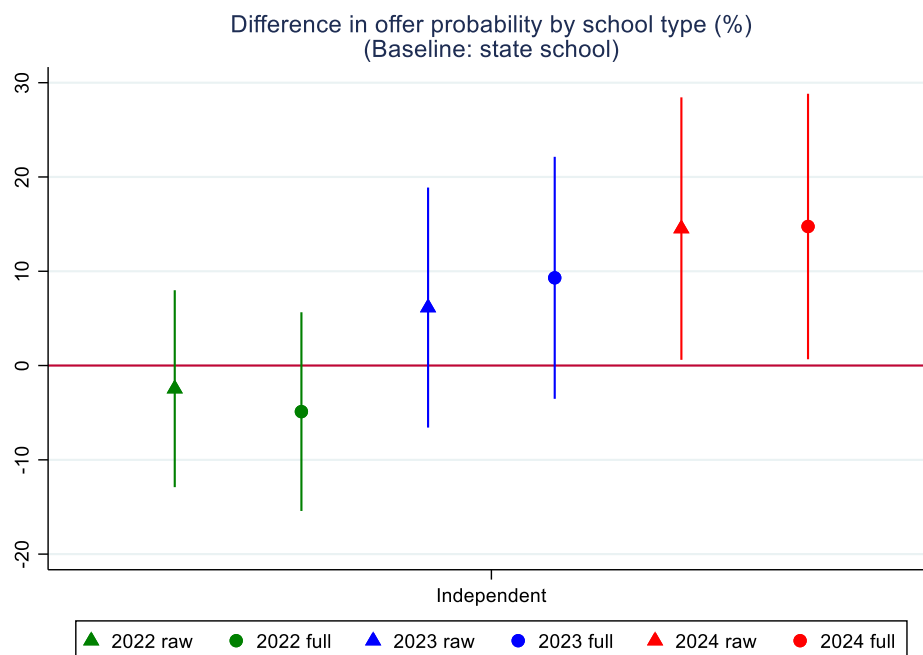
offer rate for state applicants now below the proportion passing online screening and testing. This suggests that inequalities look to have widened over time for this entry route in a similar manner to that seen for graduate entry roles.

Figure 34 Proportion of applicants at various stages of the internship recruitment process over time, by school type



Considering the difference in offer rates in Figure 35 for independent school applicants relative to state educated applicants, we see that while independent and state educated applicants had a similar chance of receiving an offer to these programmes in 2022 and 2023, independent school applicants now have a clear advantage in receiving an offer to an internship programme relative to a comparable state educated applicant who looks the same on paper. Independent school educated applicants are 15% more likely to get an offer in the 2024 recruitment round relative to a state school applicant with similar university experiences, demographics, and applying to similar roles. This confirms that inequalities by SEB have widened over time for this entry as in graduate entry roles.

Figure 35 Offer rates to internship programmes, conditional on observable differences across applicants, by school type



Note: Raw models contain employer fixed effects, gender, SEB, and ethnicity; Full models adds controls for region of origin, visa status, university category, subject studied, networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

What is the picture over time for applicants from different ethnic groups? The previous section found that Black applicants had favourable offer rates to these programmes relative to White applicants in 2023, while Asian applicants had an equal chance of receiving an offer, in stark contrast to the inequalities faced in the larger graduate entry roles. Is this picture consistent over time? Figure 36 shows that while Asian and Black applicants remain overrepresented in the applicant pool to internships, their representation slightly declined relative to White applicants in 2023 and 2024, relative to 2022. This is also mirrored in terms of the proportion passing the online screening and testing stage over time, relative to White applicants, and in terms of the overall proportion receiving an offer, relative to White applicants. This suggests that inequalities by ethnicity may also be increasing over time.

Figure 36 Proportion of applicants at various stages of the internship recruitment process over time, by ethnicity

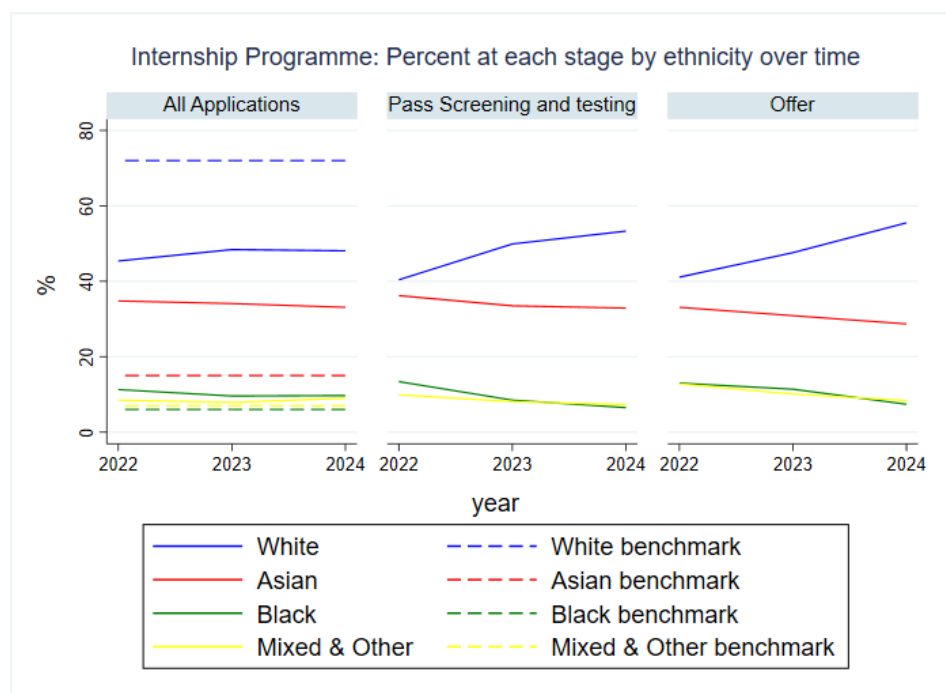
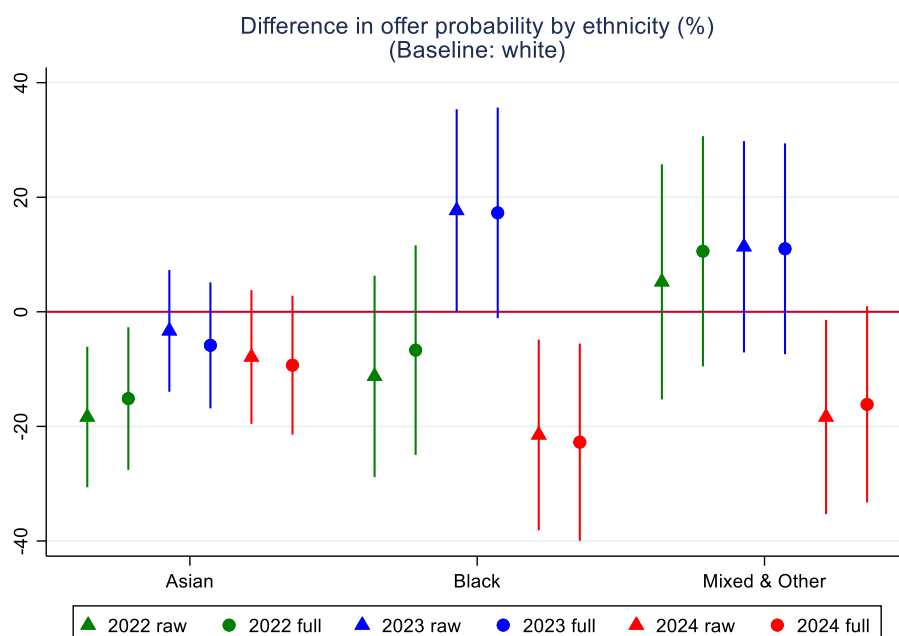


Figure 37 Offer rates to internship programmes, conditional on observable differences across applicants, by ethnicity



Note: Raw models contain employer fixed effects, gender, SEB, and ethnicity; Full models adds controls for region of origin, visa status, university category, subject studied, networks, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

Figure 37 shows that while Asian applicants are as likely to receive an offer to an internship as White applicants who look the same on paper, the picture for Black and Mixed and other ethnic group applicants has changed dramatically. While Black applicants were previously 17% *more* likely to get an offer to an internship than White applicants in 2023, in the 2024 recruitment cycle they were 23% *less* likely to get an offer relative to White applicants. This large shift from favouring Black applicants to disproportionately rejecting Black applicants in favour of otherwise similar White applicants coincided with some of our employers removing internship schemes with a specific focus on diversity. This points to the importance of these types of schemes for ensuring that access to these programmes is as diverse as possible.

The pattern by gender is similar to that seen in the graduate entry programme with female applicants increasingly likely to receive an offer relative to otherwise similar male applicants. Female applicants had a 5% advantage in 2022, increasing to 16% in 2023 and 21% in 2024 (see Table 2). This is despite the fact that the proportion of males in the applicant pool increased from 2023 to 2024 and males being more likely than females to pass the online screening and testing stage of the process. Employers appear to be disproportionately selecting female candidates relative to male candidates who look the same on paper.

School leavers and Apprenticeship entry routes

Finally, we can look over time to see how entry to school leaver and apprenticeship routes have changed by key demographics. As noted in the previous section, these are typically for young people who have completed some type of level 3 education post-16, but have not gone to university to study for a level 6, degree qualification. Our sample for this group is more limited in terms of balance across sectors, and in terms of the characteristics that we can observe about our applicants.

Figure 38 shows that the proportion of state applicants to these programmes is higher than the national pool of young people attending a state school, while independent school applicants are underrepresented although this has increased slightly in 2024. These patterns are mirrored in terms of passing the online screening and testing stage of the application process, and in terms of offer rates, suggesting that there may also be an increase in inequalities between offers to independent and state educated applicants in 2024, similar to that seen for our graduate entry and internship programmes.

Figure 38 Proportion of applicants at various stages of the school leavers recruitment process over time, by school type

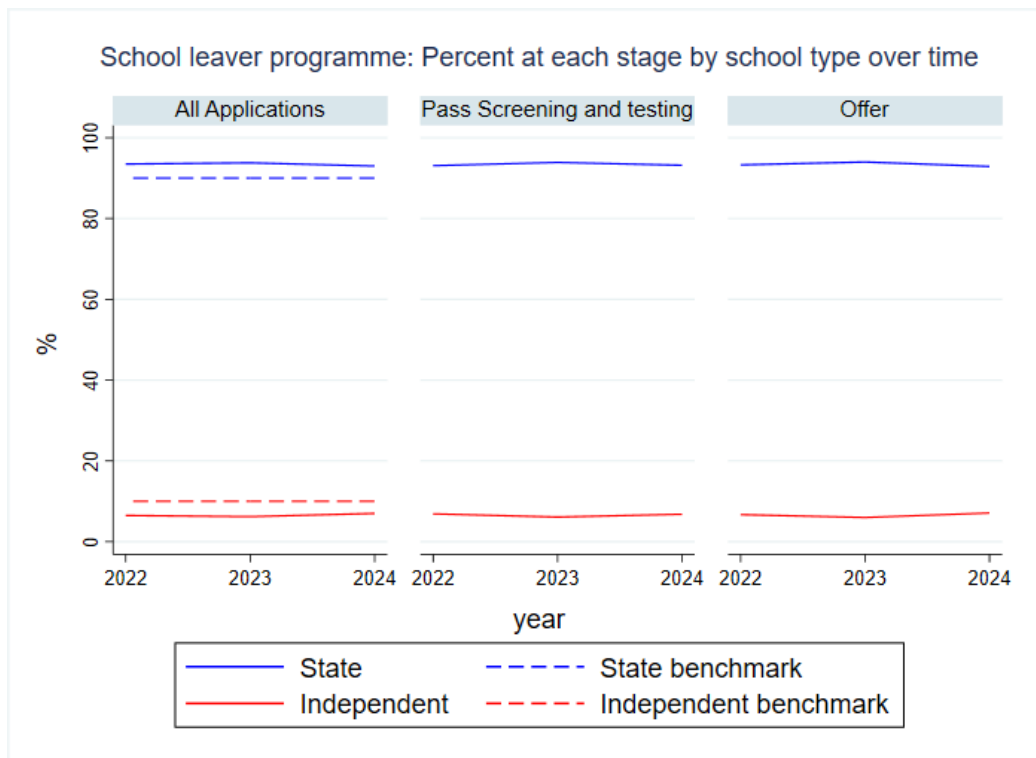
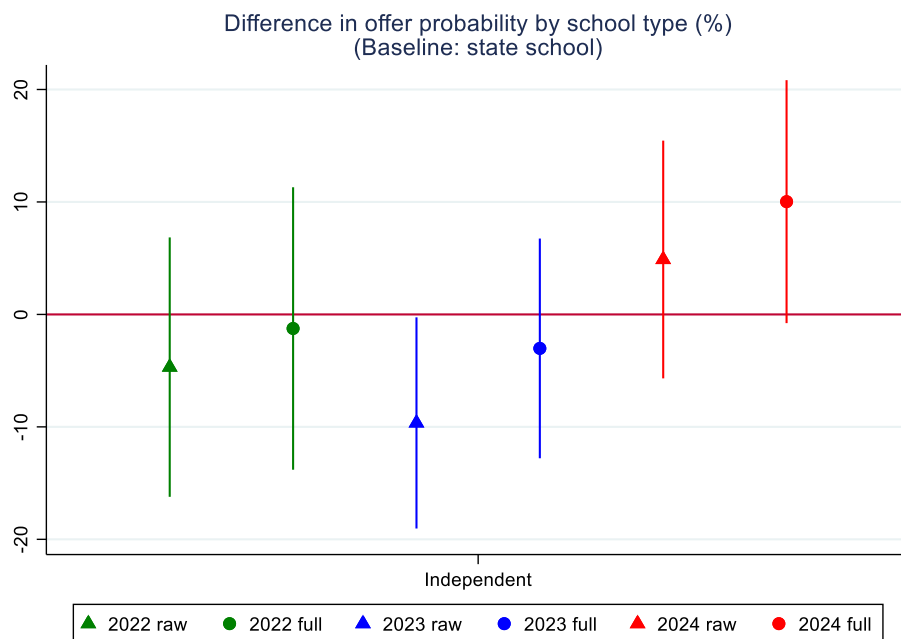


Figure 39 Offer rates to school leaver programmes, conditional on observable differences across applicants, by school type



Note: Raw models contain employer fixed effect, gender, SEB, and ethnicity; Full models adds controls for visa status, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

Figure 39 confirms that while independent school applicants had an equal chance of being made an offer to school leaver and apprenticeship programmes in 2022 and 2023, relative to state school applicants, they had a 10% higher chance of being made an offer in 2024. This highlights that this increasing inequality by SEB is evident across all three entry routes for young people.

To consider differences in access to school leavers and apprenticeship programmes by ethnicity, the first panel of Figure 40 presents the proportion of applicants from different ethnic groups from 2022 to 2024, relative to the proportion in the population of school leavers. The representation of White applicants to these programmes has decreased over time while the representation of Asian and Black applicants has increased. These patterns are similar for passing the online screening and testing stage of the application process, although the overall proportion is higher for White applicants (the blue line is higher in the second panel relative to the first) and lower for ethnic minority groups (the red and green lines are lower in the second panel for example). These patterns are further mirrored in the proportion of applicants from different ethnic groups receiving offers to these programmes, suggesting that inequalities may also be increasing by ethnicity over time, despite the growing representation of ethnic minorities in the applicant pool.

Figure 40 Proportion of applicants at various stages of the school leavers recruitment process over time, by ethnicity

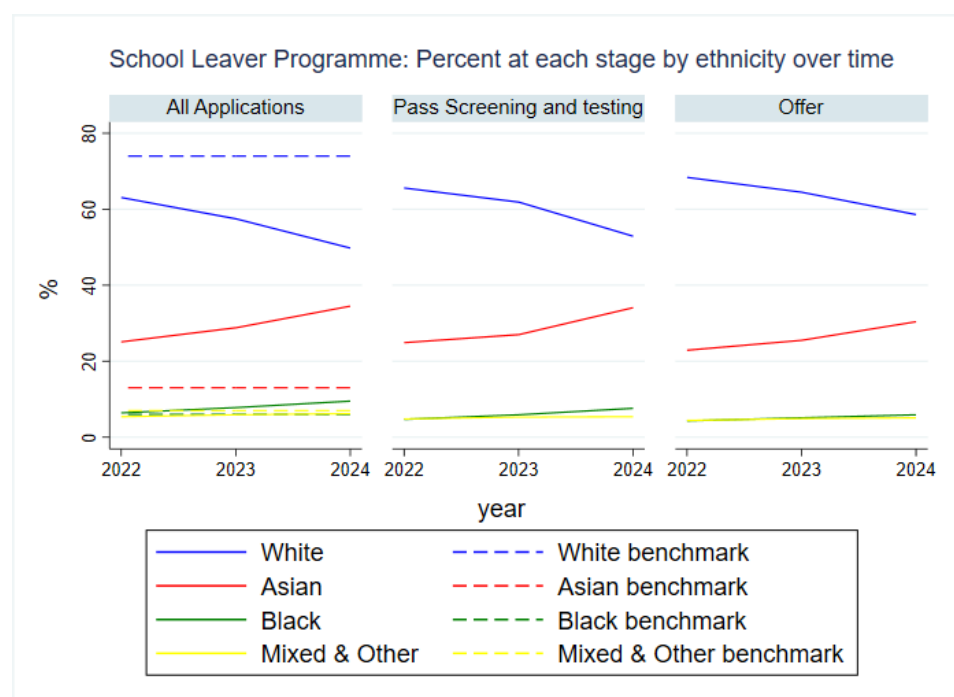
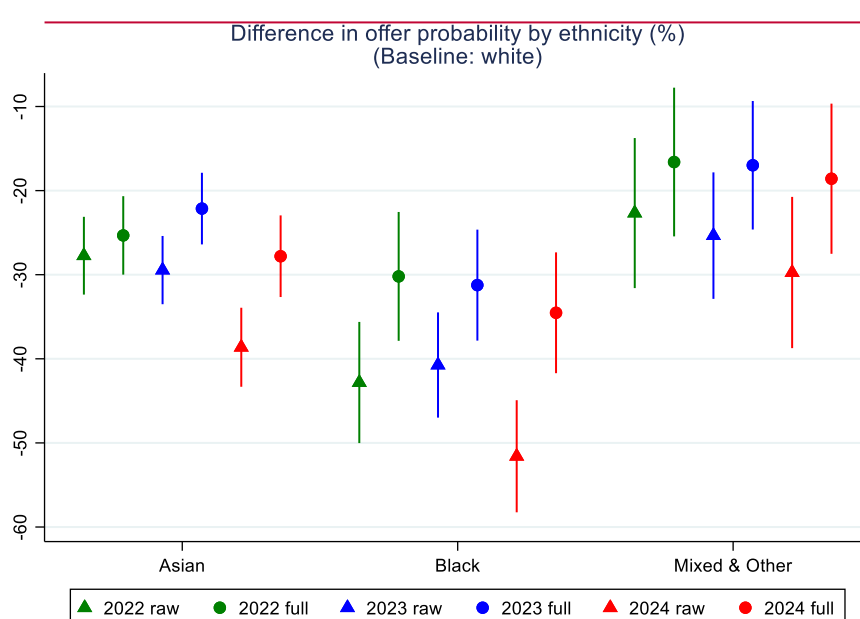


Figure 41 shows the estimated differences in offer rates for ethnic minorities relative to White applicants for each year, 2022, 2023 and 2024, comparing raw differences and comparing like for like (full models). While the results indicate that the inequalities in offer rates are broadly stable over time, there is a slight downward trend for each ethnic minority from 2023 to 2024, and from 2022 to 2024 for Black applicants and Mixed and Other ethnic minority applicants, relative to White applicants. This is suggestive that employers are accepting more White applicants at the expense of ethnic minorities over time, even comparing similar candidates.

Figure 41 Offer rates to school leaver programmes, conditional on observable differences across applicants, by ethnicity

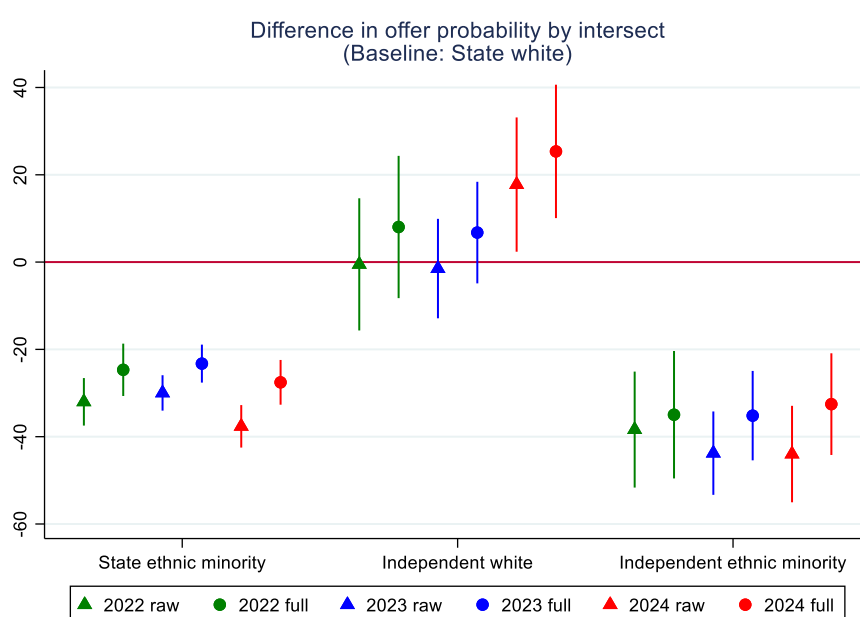


Note: Raw models contain employer fixed effect, gender, SEB, and ethnicity; Full models adds controls for visa status, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

Given increasing inequalities by school type, and slight increases in inequalities by ethnicity, Figure 42 shows trends in the estimated differences in offer rates for the intersection of SEB and ethnicity. Ethnic minority applicants in either state or independent schools are significantly less likely to get an offer for a school leaver or apprenticeship programme relative to White state educated applicants and this has been broadly stable over time, with ethnic minority state school applicants around 25% less likely to receive an offer, and ethnic minority independent school applicants around 32% less likely to receive an offer. The main change over time has been for White independent school applicants relative to White state school

applicants. While in 2022 and 2023 these groups had an equal chance of achieving an offer to a school leaver or apprenticeship programme, in 2024 White independent school applicants were 25% more likely to receive an offer than White state school applicants. This shows that while employers are disproportionately favouring all White applicants, within the group of White applicants, employers are favouring the more advantaged independent school applicants relative to state school applicants for the most recent year of recruitment.

Figure 42 Offer rates to school leaver programmes, conditional on observable differences across applicants, by ethnicity and school type



Note: Raw models contain employer fixed effect, gender, SEB, and ethnicity; Full models adds controls for visa status, region of office, and job role applied to. Points represent % estimates while lines represent 95% confidence intervals.

Table 2 summarises the estimated differences in offer and withdrawal rates across time for each diversity characteristic. The picture for females relative to males is very stable over time for the school leaver and apprenticeship programmes with females having an advantage in terms of offer rates relative to otherwise similar males, conditional on applying. As with the previous analysis, withdrawals are playing a relatively small role in these changes over time across all entry programmes, with any inequalities in withdrawal rates either very small or dwarfed by inequalities in offer rates. This is indicating that increasing inequalities over time are being driven by employer-led decisions rather than applicant-led decisions.

Table 2 Inequalities in receiving an offer and withdrawing from entry routes over time, by diversity characteristics

	Receiving an offer (like for like)			Withdrawing (like for like)		
Graduates	2022	2023	2024	2022	2023	2024
Independent	7%	6%	19%	-1%	4%	-1%
Working class		-16%	-21%		-1%	9%
Female	13%	6%	18%	-3%	-4%	
Asian	-26%	-25%	-32%	2%	-6%	3%
Black	-38%	-34%	-31%	6%	1%	13%
Mixed/other	-10%	-11%	-26%	5%	1%	6%
State ethnic minority	-16%	-22%	-32%	3%	-3%	3%
Independent white	16%	9%	22%	-2%	1%	7%
Independent ethnic minority	-22%	-17%	-19%	3%	5%	9%
Internships	2022	2023	2024	2022	2023	2024
Independent	-5%	9%	15%	-7%	6%	7%
Working class		-20%	-3%		-5%	-4%
Female	5%	16%	21%	3%	-1%	-1%
Asian	-15%	-6%	-9%	1%	1%	6%
Black	-7%	17%	-23%	6%	1%	8%
Mixed/other	10%	11%	-16%	6%	-2%	6%
State ethnic minority	-1%	6%	-10%	6%	-2%	4%
Independent white	7%	13%	15%	-7%	1%	6%
Independent ethnic minority	-18%	4%	-1%	-1%	8%	13%
School leaver and Apps	2022	2023	2024	2022	2023	2024
Independent	-1%	-3%	10%	2%	-5%	0%
Working class		-16%	-12%		3%	6%
Female	20%	17%	22%	5%	6%	6%
Asian	-25%	-22%	-28%	-3%	-7%	-2%
Black	-30%	-31%	-35%	3%	7%	6%
Mixed/other	-17%	-17%	-19%	4%	-2%	0%
State ethnic minority	-25%	-23%	-27%	-2%	-2%	0%
Independent white	8%	7%	25%	2%	-1%	-1%
Independent ethnic minority	-35%	35%	-33%	1%	-10%	0%

Notes: The baseline categories are professional for SEB, male for gender, and white for ethnicity. For the intersectional analysis the baseline is white state educated.

6. Recommendations

Recommendations for employers

Recommendation 1:

Employers should track socio-economic background, gender, and ethnicity data for all applicants to identify and address barriers to entry. Measuring these factors and achieving high response rates enables a deeper understanding of inequalities and supports more inclusive hiring practices.

Employers should ensure they are measuring SEB, gender, and ethnicity of all applicants (both successful and unsuccessful ones), to enable them to analyse inequalities in their applicant pools and final intakes to better understand barriers to entry to professional occupations. Our participating employers have taken steps to measure socio-economic background, along with gender, and ethnicity of applicants and already feature on the Social Mobility Foundations' Employers Index to be approached to participate in this analysis. These findings are therefore the tip of the iceberg with regards to inequalities in access to professional occupations.

Recommendation 2:

Review recruitment processes to ensure candidates are assessed on their potential, rather than on past qualifications or experiences which may be influenced by their social background.

One of the participating employers, Severn Trent (who have allowed us to cite their participation in this project), uses strengths-based recruiting to maintain a diverse pipeline of talent throughout the recruitment process. This approach has shown particular success at the online testing stage, with diverse talent represented throughout each stage of the recruitment process, particularly into final assessment centres. Other employers could consider adopting this approach to enable candidates to be assessed on their potential, rather than their past qualifications or experience. Severn Trent aim to create a level playing field for all candidates, particularly those that are from marginalised groups. Candidates are reported to feel more relaxed and energised with a strength based approach, allowing the employer to see their true strengths and suitability for the role and the working environment.

Recommendation 3:

Employers should consider proactively monitoring and maintaining the diversity of the applicant pool throughout the online testing stages to help ensure a representative talent pool reaches the final assessment stage.

This follows the example of one participating employer, which does not experience the drop off in diversity at these stages observed on average in our study. This employer describes having a 'laser focus' on the diversity of candidates progressing through each recruitment stage, monitoring for adverse impact. They undertake constant review of the demographic makeup of the applicants as they make their way through the testing stages and adjust the pass marks for the whole cohort where necessary and appropriate to help ensure a representative proportion of candidates reach the Assessment Centre stage. This agile approach allows differential setting of pass marks for elements of the testing that are particularly important for different lines of service being applied for, never going below pre-agreed quality thresholds, and remaining fair as any adjustments to pass marks affect all applications.¹⁶

Recommendation 4:

Employers should design face-to-face assessments with socio-economic and cultural differences in mind to avoid disadvantaging underrepresented candidates. Focusing on essential skills for recruitment while allowing room for development post-onboarding can help create a more inclusive hiring process.

Students from lower socio-economic backgrounds are likely to be less comfortable in face-to-face recruitment settings through having a more limited range of experiences and a less well-developed ability to communicate them. Conversational cultures may also vary. Employers who proactively consider these differences in the design of their face-to-face assessments can avoid penalising applicants from underrepresented groups for lacking professional or communication skills which they will be able to learn once recruited. By reviewing the balance of essential skills to be manifest during recruitment and skills that can be developed post

¹⁶ In other words, pass marks are only adjusted to reduce adverse impact to a more acceptable level, and often a small tweak is all that is required, but this is not always possible depending on volumes.

onboarding, employers can make progress in removing barriers to underrepresented groups in their assessment process.

Recommendation 5:

Employers seeking a diverse workforce should assess whether recruiting predominantly from Russell Group universities is sustainable. While targeted outreach can improve representation, expanding recruitment to high-potential candidates from non-Russell Group universities can widen the talent pool, reduce competition for LSEB candidates and reduce renege rates.

Employers who wish to recruit a diverse workforce should consider whether recruiting predominantly from Russell Group universities is a sustainable recruitment strategy. Several employers in our sample demonstrated very representative applicant and offer pools compared to national benchmarks due to specifically targeting students from underrepresented groups attending Russell Group universities. However many other employers with applicant pools largely originating from Russell Group universities were much less representative due to the persistent relationship between social background (and ethnicity) and attending a more highly ranked university. It is therefore entirely possible to recruit a diverse pool of candidates from Russell Group universities with the correct targeting strategy. Although, as only 29% of graduates who grew up in the UK attended these universities and employers are increasingly prioritising social mobility and hiring of LSEB candidates, this pool of LSEB candidates at Russell Group universities is becoming increasingly sought after by employers. This will result in more LSEB candidates holding multiple offers from different employers and increased costly renege rates for recruitment teams (the ISE estimate the mean cost per hire is currently £4672). Employers should therefore consider strategies for targeting high potential candidates from non-Russell Group universities to widen their pool of available talent.

Recommendation 6:

Employers should work with universities to give more assistance in understanding how to prepare students from underrepresented backgrounds, including the importance of applying early to graduate schemes, and providing guidance on preparing for psychometric tests.

While employers do a lot of outreach work, particularly to higher ranked universities, this may not be detailed or targeted enough to help universities to understand how to support how to support those students who need it most. Employers could provide more specific information on the recruitment process to university careers teams to allow them to better inform their students. For example, informing careers teams that earlier applications have higher chances of success could enable them to intervene earlier with underrepresented groups. In addition, employers could provide careers teams with materials to support preparation for psychometric testing, which could be passed on to students to aid their efforts.

Recommendation 7:

Employers should expand outreach efforts to attract state-educated applicants to internships, given their high conversion to graduate roles. Broadening spring week eligibility and opening internships to finalists can help level the playing field for underrepresented students balancing university adjustment and work commitments.

Greater outreach work to attract state educated applicants to internship programmes could be beneficial given the high conversion rate from internships to permanent graduate roles. The pipeline in some sectors of work experience from first year spring week schemes to second year internships to graduate jobs favours students who are ‘application ready’ in their first term at university. During this time, students from underrepresented groups are acclimatising to the culture shock of university, may be juggling substantial part time work and are less likely to be familiar with opportunities to look out for. Opening spring week schemes to undergraduate students from all years and internships to finalists (as well as penultimate year students) would enable talented students from underrepresented groups a better chance of participating in these schemes.

Recommendation 8:

It is important to be particularly vigilant about diversity across recruitment processes when competition for places is higher. Employers should be more proactive in managing the adverse impact for underrepresented groups who are more likely to lose out as competition increases.

Our findings show that inequalities increase as competition for places increases, which is consistent with existing research on the impact of recessions on labour market outcomes for disadvantaged groups. Employers should pay particular attention to the diversity of their intake in more competitive recruitment cycles as otherwise similar applicants from underrepresented groups are disproportionately screened out.

Recommendation 9:

Consider keeping existing / introducing new schemes that have a specific focus on hiring diverse candidates. The existence of these schemes for internship positions saw increased diversity while the removal of them coincided with a significant decline in diversity.

There was a significant decline in the likelihood of Black applicants receiving an offer to an internship programme relative to otherwise similar White applicants which coincided with the removal of particular schemes with a specific focus on diversity from some of our employers. This suggests that these schemes were effective in ensuring diversity of the offer pool and employers should consider keeping or introducing these schemes for internship programmes. They should also consider using learnings from these entry routes to introduce similar schemes for graduate entry and school leaver and apprenticeship entry routes to expand diversity in these programmes.

Recommendation 10:

Consider how to contribute to building a robust evidence base of ‘what works’ to support your colleagues, your sector and policy makers to refocus diversity initiatives and policies more efficiently.

Opportunities to access professional careers for young people from state schools and ethnic minority backgrounds have diminished between 2022 and 2024 and also for working class applicants between 2023 and 2024. This has occurred amongst a sample of proactive employers who invest heavily in EDI activity and are generous with their data for research purposes. It is possible that these declines in opportunity are even larger for employers who do not yet prioritise widening their talent pools and equalising opportunity.

As many employers are currently reviewing their EDI strategies, especially those with a US presence, it is vital that a robust evidence base is created of ‘what works’ to support

employers and policy makers to refocus diversity initiatives and policies more efficiently to allow ‘untapped talent’ from all backgrounds to pursue professional careers.

Recommendations for universities

Recommendation 11:

Universities should inform disadvantaged students that applying early to graduate schemes improves success rates. Providing guidance on preparation for psychometric tests and assessments can boost confidence and help students without support networks navigate the recruitment process more effectively.

Universities should make clear to disadvantaged students that applying early to graduate schemes is likely to improve their chances of success. This communication should be made early in the students’ time at university – in the first or second year. It should signpost support to practice of psychometric and other tests and assessments likely to be required in graduate recruitment processes to encourage undergraduates to become more ‘application ready’. This has the double benefit of giving students who might not have a support network familiar with recruitment processes the chance to overcome a lack of confidence with testing through repeated practice and increasing the chance of their making early applications to graduate schemes.

Recommendation 12:

Universities and employers should foster stronger connections and collaborate on data sharing to enhance career guidance and recruitment strategies, particularly to support underrepresented students.

Employers and university careers teams have highlighted an appetite for greater collaboration and data sharing to both improve careers guidance provided to students and inform the recruitment strategies of employers. Stronger connections between employers and universities could improve information flows and transparency, better supporting students to make education to work transitions, especially students from underrepresented groups who may not have access to this information or support from other sources.

For example, employers could share data from recruitment systems highlighting groups of candidates who may require better support in preparation for specific stages of the recruitment process.

Universities (and in particular those who struggle to attract leading employers) could convene careers fairs across multiple institutions, lowering the costs to employers of attending each institution. They could also share data on the demographic characteristics of their student body, or signpost employers to the data dashboard provided by OfS (<https://www.officeforstudents.org.uk/data-and-analysis/access-and-participation-data-dashboard/>) so that employers can target their attraction strategies more effectively to ensure a diverse pool of job applicants.

Employers should also track and record the impact of outreach work. In late 2025, an ‘evidence repository’ will be launched, where both universities and employers can log results of evaluations of outreach work to share effective and ineffective practice – it would be a positive step to see employers engaging with this infrastructure to support students that need it the most.

As suggested in several recent sources (AGCAS, 2024; Demos, 2024; Inclusion at Work Report, 2024), there may be a role for a funded ‘data partner’ in creating a centralised data hub or toolkit supporting employers and universities to agree formats and standardise data across organisations, which in the longer term can also be used to evaluate the success of interventions.

7. Summary and Conclusions

This report offers the largest study to date on inequalities in application and hiring decisions across sectors for entry-level professional occupations by SEB, gender, ethnic group and their intersections. We find that the majority of the inequalities that we observe by socio-economic background and by ethnicity in entry to professional occupations are driven by employer-side decisions made during the recruitment process.

The graduate applicant pools are broadly representative of the general talent pool available, in terms of applicants from working class socio-economic backgrounds. Ethnic minority groups are overrepresented in the applicant pool, along with those from professional backgrounds and males. Applicants from intermediate backgrounds and female applicants are underrepresented in the applicant pool.

Withdrawal rates by SEB, ethnicity, and by gender are similarly small across groups. Instead, for graduate and school leaver and apprenticeship routes, employers are losing talent from working class backgrounds and ethnic minority groups due to rejection decisions made throughout the recruitment process.

While around half the disadvantage gap in graduate offer rates occurs in screening and online testing stages for working class applicants relative to those from professional backgrounds, the other half occurs at the face-to-face stage. For ethnic minority applicants, the majority of the disadvantage occurs at the screening and online testing stages of the recruitment process, relative to white applicants.

Our over time analysis indicates that inequalities in access to professional careers increased over time with significantly larger gaps by SEB, ethnicity, and gender across all entry routes in 2024 relative to 2023 and 2022. The graduate labour market became far more competitive in 2024 with record high levels of applications to vacancies. This is consistent with existing research that shows that underrepresented groups are disproportionately impacted when competition for places increase, during a recession for example.

While internship programmes appear to be more equal in terms of their intakes for our point in time analysis, possibly in part due to programmes specifically targeting certain groups,

these became more unequal over time. This coincided with the removal of some programmes that were targeted at increasing diversity.

Our findings challenge the notion that employers do not have access to enough diverse talent in the entry-level pipeline. They also challenge the idea that candidates are appointed primarily based on prior attainment and university attended, given that working class and ethnic minority applicants face lower offer rates despite being well represented in the applicant pool, and compared to applicants from professional backgrounds and white applicants that attended similar universities and studied similar subjects.

Given our findings that around half of the SEB gap, and most of the ethnic minority disadvantage gap occurs at the screening and online testing stage of recruitment, employers should prioritise exploring the role of screening criteria and online tests in measuring potential. These findings could be driven by a lack of preparation for online tests, perhaps due to parents and wider networks having more limited experiences of these processes. This could point to a role for greater collaboration between employers and the education sector, through both employer outreach and careers guidance in the education sector specifically focusing on preparation for these types of processes for applicants from non-traditional backgrounds. Employers that maintained a diverse pipeline of talent throughout their recruitment process pointed to the use of strengths-based recruiting, based on potential rather than experience, and a laser focus on maintaining diversity throughout each stage of the process, by making adjustments where necessary. By reviewing the balance of essential skills to be manifest during recruitment and skills that can be developed post onboarding, employers can make progress in removing barriers to underrepresented groups in their assessment process.

There is also a potential role for outreach work to attract more women and applicants from intermediate backgrounds to apply for these roles, given their underrepresentation in the applicant pool. This could help to reduce gender and SEB inequalities between the top and the middle of the SEB distribution. Information campaigns could highlight that female applicants have higher offer rates when they apply, compared to similarly attaining male applicants. Outreach work could also highlight the important role of work experience, and internships in this process. While these are not equally distributed across regions, there is a high conversion rate of internship programmes to graduate programmes, and offer rates are

similar by SEB to these programmes, despite an overrepresentation of private school applicants in the applicant pool. Some internship schemes start very early, favouring those who are 'application ready' in their first term at university. Offering multiple chances to enter these schemes could attract more diverse talent. Ethnic minority candidates have higher offer rates than white applicants, which could be partly driven by schemes specifically targeting certain underrepresented groups.

Finally, an immediate impact of this project has been encouraging participating employers to collect information on the socio-economic background of their applicants for the first time on a consistent basis. All employers should prioritise measuring SEB, gender, and ethnicity, and analysing their applicant pools and final intakes to better understand barriers to entry to professional occupations. While our participating employers have taken steps to measure socio-economic background, along with gender, and ethnicity of applicants and already feature on the Social Mobility Foundations' Employers Index to be approached to participate in this analysis, our findings will only show the tip of the iceberg with regards to inequalities in access to professional occupations.

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