



Recruitment

Case #1 (FIN2019): How to attract young graduates through university collaborations

Abstract

This case study focuses on SMEs and their university relations. Based on literature used for this case study, the difference in the needs of generation Z compared to previous generations must be addressed if SMEs want to attract young talent. To learn more about this, a survey was conducted with university students, and interviews were held both with university students and the case study company's CEO and HR manager. The survey results concurred with what was learned from literature, and based on the survey and interviews, recommendations were made. Recommendations included practical ways for SMEs to attract a younger workforce, such as attending university events as guest speakers and advertising jobs on an application meant for university students, as well as a checklist for maintaining and increasing existing visibility among the potential workforce.

Introduction

In this case study we will focus on SMEs and university relations. The study will include a survey for university students, interviews with the case study company's managers and university teachers, which will be the base for recommendations for the company to improve collaboration with the university and attract young talent.

ABC Oy is a data centre company that provides cloud services and software solutions and works with artificial intelligence. The company was established in 2011 and is part of the DEF Group, which is one of the oldest companies in the region. DEF Group started as a telecommunications provider in 1898 and has developed into a cooperation that offers information and communication services¹.

The DEF Group currently employs around 130 people, 32 which work for ABC Oy. ABC Oy has been collaborating with Kajaani University of Applied Sciences (KAMK) since 2014, and regularly offers practical training placements and thesis topics for programming students.

The Kainuu region is located in the middle of Finland and consists of 9 small towns. The capital of the region is Kajaani, which is also the biggest town of the region, and home to ABC Oy. With land area of over 22,600 square kilometers, and population of just under 74,000 people, Kainuu is very sparsely populated, with population density of just 3.6 people per square kilometer.²



Kainuu, like many other regions with small towns, suffers from migration of workers to bigger cities in the south, increasing life expectancy and falling birthrates³. This has resulted in a shrinking and ageing population in Kainuu, which makes it hard for companies to find competent employees in the area. Due to this, companies in the region are working on becoming more attractive employers for young talent. One of the target groups of companies are the graduates from KAMK, which is why many of them collaborate with the university.

Objectives

The objectives of this case study are to help ABC Oy understand how young talent feels about the Kainuu region and the company itself, and what scope exists to increase its attractiveness. ABC Oy experience major difficulties in recruiting new employees to their growing company. The same issues are affecting other companies in the Kainuu area as talent moves away to work in growing cities, rather than settle to stay in the area after graduating.

In Kainuu the gaming industry is also extensive. Nowadays it attracts more employees than other programming businesses, a factor that has been taken into consideration in this case study. The aim of this case study is to give ideas on how to increase the attractiveness of other programming fields, as well as in the whole Kainuu area, and help ABC Oy recruit new talent. The research problem in this case study is how to increase ABC Oy's attractiveness to make their recruitment process easier. The survey was developed to establish what the main points are to create interest in a job position and why the participant would wish to work in a different city. Questions included sections about company knowledge, what the key features of an attractive position are, and why they would search for a position in other areas than in Kainuu.

The case study was implemented with a questionnaire given to engineering and business students at Kajaani University of Applied Sciences, and interviews of the managers of ABC Oy and teachers at Kajaani University of Applied Sciences. The survey is expected to reveal whether ABC Oy is as well known by KAMK students as it desires. Received results will show whether there should be improvements made and how students hope to get more information about ABC Oy in general.

The questionnaire asked students the reasons why they want to move away from Kainuu, if that was what he or she had planned to do. Answers will provide more knowledge to consider different ways to transform this trend in the future. To change this trend, it is also crucial to receive information about what attracts young talent to work in a certain company. This information can be used to increase knowledge about ABC Oy and its benefits for employees in order that the company's attractiveness will be increased.

The company interview clarified what methods ABC Oy had executed to create visibility and interest among KAMK students. The answers were compared with the student survey results to discover the success of ABC Oy's process. KAMK teachers were also interviewed to give their perspective on how they raise students' awareness about local companies and their training positions.



Literature review

What are the motivational attraction factors for the young graduates to work for SMEs?

The importance of salary progression to young talented graduates is one of the key factors that attracts them to work for SMEs. Among the considerable factors that seems to motivate graduates to work for SMEs is the working atmosphere. If the atmosphere is conducive to collaborative working, staff will be more willing to stay to get the job done.

Peer relationships is also one of the valuable things you can cultivate in a working environment. It is crucial to ensure your organisation provides development of strong peer relationships in the workplace, as it increases loyalty and job satisfaction. Working hours need to be considered too, even though it does not seem to present a dilemma to young graduates. If the office working hours are too strict, there is a high possibility that young graduates will be put off, since they cannot settle for a company with tight rules. Commuting time to work is also regarded as an issue for young graduates, if they live far from their workplace it will result in them leaving the job.⁴

Young graduates are looking to join SMEs that will help them to progress in their career. They expect to continue learning new skills every day in a company, since they are able to be involved in almost everything in the company. Therefore, they might also come up with new and better ideas. They hope for career advancement (promotion and training development opportunities)⁴. Employee referral is regarded as an internal method for finding talented and highly motivated candidates, by hearing what type of SME/workplace it is⁴. Interdisciplinary work and conditions are more important to business graduates than non-business graduates, thus, SMEs that offer this can more easily attract business graduates⁴.

According to Van der Sijde et al.'s study⁵, graduates expect to find better work conditions and nice colleagues in SMEs. Moreover, they value freedom, creative space, opportunity for growth/career, multidisciplinary work, improved communication with employees to create an ongoing dialogue, creating organisational culture where strategy, both long and short term, are constant considerations for all employees⁶.

Based on Bristow et al.'s study⁷, Gen-X represents those people born between 1965 and 1980. Gen-Y comprising a much large group than Gen-X, Gen-Y represents those that are born 1981-2000. According to their study:

- Gen-Y want job flexibility and a balanced life,
- They need empowerment and environmental concern,
- They need a challenging job and exciting job,
- Job security and status is more important,
- Fringe benefits.



How SMEs can improve their visibility to work better with University to create some results together

Based on Kakinuma's study⁴, the SMEs must be ready to offer training and development opportunities, and reconsider making a strong employee value proposition to attract undergraduates. Social networking will improve the visibility of SMEs, to enable closer working with universities by taking part or attending the seminars, the universities offer, or by inviting the universities to their workshop and any related activities. How well the communication is in enterprises (the nature of work, content and how employees are compensated) can attract universities to work better with them.

In addition, working with educators may help the SMEs to find a better solution to what might be causing the struggle they are facing in their firms⁶. Company ABC could take these recommendations into account as they experience major difficulties in recruiting new employees to their growing company.

Based on these studies, we composed our survey to receive answers to questions such as what the main points are to create interest in a job position, what would keep the participants wanting to work for company ABC, and to find out whether ABC Oy is as well known by KAMK students as it desires.

Methodology

The case study data will be collected to better understand the relationship between Kajaani University of Applied Sciences and SME company ABC Oy, which are both located in Kajaani. The survey will help ABC Oy better understand how to attract young talent studying at the local university to apply for practical training positions and possible future employment after their studies. The purpose of the study is beneficial to both ABC Oy and students studying at the University. ABC Oy will discover more innovative ways to attract potential employees from the local university. Students will get an opportunity to have more knowledge of the job opportunities that Kajaani has to offer.

For this research, a survey method will be used. A questionnaire consisting of 23 questions were chosen for the data collection. Most of the questions are made up of multiple-choice questions and scale questions. The survey also includes a few close-ended questions. The survey consists of questions for the participants to answer, which will give a better understanding of what the younger generation of students are looking for when searching for employment. Also included in the survey are questions asking where the respondents search for possible jobs, and if the idea of staying in Kajaani to work is desirable or not.

Convenience sampling was used because there was only one criteria for the target group. The target group of the case study are students studying at Kajaani University of Applied Sciences on either Finnish or English degree programmes. The participants will either complete a paper-based or online survey. The data collected with this method will hold key information for the case study.



To increase the response rate, a mystery gift will be used to persuade students to complete the survey. If students want to participate in a lucky draw, for completing the survey, they will be asked to leave their email address on the form. Once all the surveys are filled in, emails addresses will be selected at random to win a prize.

Analysis and Findings

The analysis is based on three major factors: survey, interview with the managers of ABC oy, and interview with the teachers of Kajaani University of applied sciences. The study will go through each of them in detailed manner.

Survey

Both a physical and electronic survey were used to perform the conducted study on university students. A total of 114 responses were received in total, which was lower than the estimated 120 responses. However, the analysis is based on those 114 responses.

The physical survey was performed with the help of respective teachers of the target group. The electronic survey was sent to the rest of target group via email. Even though many targeted student groups were on holidays, a 95% response rate was achieved. The initial questions were generally related to the background of the student.

Out of 114 respondents there were 79 males, 34 females and 1 person who preferred not to reveal their gender.

The respondents included a total of 31 students on English-taught programmes and 83 students from Finnish-taught programmes.

The respondents included 49 students studying business, while the remaining 65 students were involved in other programmes, such as data centre, engineering, etc.

All the respondents were bachelor's degree students from 1st, 2nd and 3rd years of their study. Some of them are going to graduate this year.

It was noticed that 72 students of the total respondents had heard of ABC Oy before while the remaining 42 respondents had no idea about the company and the field of work of ABC Oy. It was significantly surprising that only 9 respondents from Kainuu region knew or had heard about ABC Oy before, the rest of the 26 respondents knew nothing about the SME itself. This showed that ABC Oy is not completely visible to their target group, even when they have been in the same region for many years and had been one of the university's biggest regional partners and sponsors.

The next couple of questions were related to each other. The respondents were asked about their origin. Only 35 respondents were from Kainuu region, while the remaining 79 respondents included students from Oulu, Northern Finland, Southern Finland and overseas students from USA, France, Latvia, Russia, Vietnam, Slovakia, India, etc.

The following table summarises all the descriptive data mentioned above:

Gender of respondents	Male 79	Female 34	Other 1
Language of study	Finnish 83	English 31	
Knowledge of ABC oy	Yes 72	No 42	
Origin	Kainuu 35	Other 79	

Table 1 – Table showing the descriptive data of survey

We found that 63 respondents were willing to work in Kainuu, while 21 respondents did not want to work in Kainuu at all and 30 respondents were not sure if they wanted to or not. The main reasons why respondents did not want to work in Kainuu were:

- 1) Lack of attractive jobs compared to Southern Finland.
- 2) Respondents wanted to go back to their homes and loved-ones instead of staying in Kainuu for work.
- 3) Respondents highlighted that there were not many jobs available for English-speaking overseas students.
- 4) Kainuu was seen as a traditional and conventional place to work where you cannot gain much career advancement and development.
- 5) Respondents felt that Kainuu region was not competent enough, compared to other cities and regions.

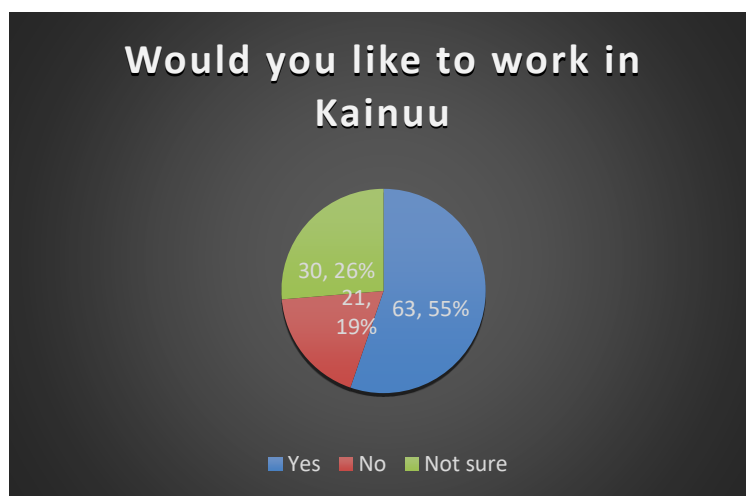


Fig. 1 – Pie chart showing the willingness of respondents to work in Kainuu

The next set of questions were related to the expectations and job search methods of the respondents. It consisted the various factors an employee considers before work, job search methods the respondents have used, and what makes an SME like ABC Oy visible and a prospective place to work for the university graduates.

It was noticed that most of the respondents wanted to work in the small and medium sized enterprises. A total of 44 employees wanted to work in an SME with under 20 employees, 56 respondents wanted to work for an SME with 21-99 employees, 9 respondents wanted to work with an SME having 100-250 employees and the remaining 5 employees wanted to work for the company having more than 250 employees.

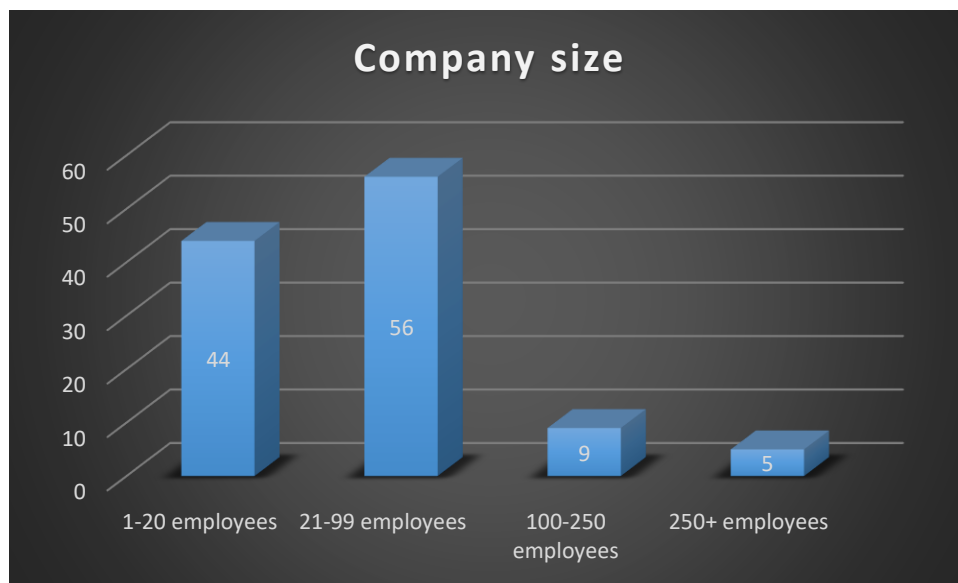


Fig. 2 – Bar graph representing the ideal company size for the respondents

The next question helped us to understand what type of employer the respondents would work for. The respondents could make more than one choice, hence a total of 234 choices were received. About 44.02% answers were in favour of working in the private sector, 23.08% for the public sector, 19.65% for self-employed, and the remaining 13.25% choices were made for a non-profit organisation.

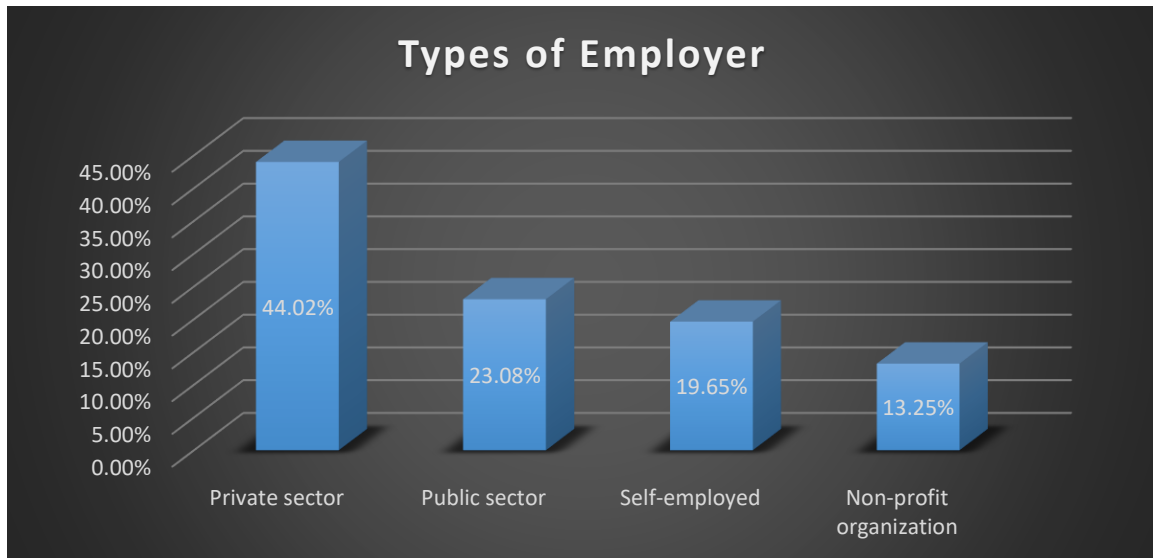


Fig. 3 – Bar graph representing the preference of the respondents for different types of employers

One of the major objectives of the survey was to find out the respondents' main channels for finding a job. The respondent could again choose more than one option. Results showed that 22.74% use word of mouth and online agencies such as monster.fi, ovi.fi, mol.fi, etc.. A further 21.18% of the answers were in favour of using social media, such as LinkedIn, Facebook and Instagram. Employment agencies represented 11.53%, 10.90% for university i.e. KAMK, 5.61% for newspapers, 3.12% for physical agencies such as SIHTI, and 2.18% for other channels such as corporate websites, employer's webpages, relationships and recommendations, direct inquiry from the organisations, company emails, newsletter, etc.

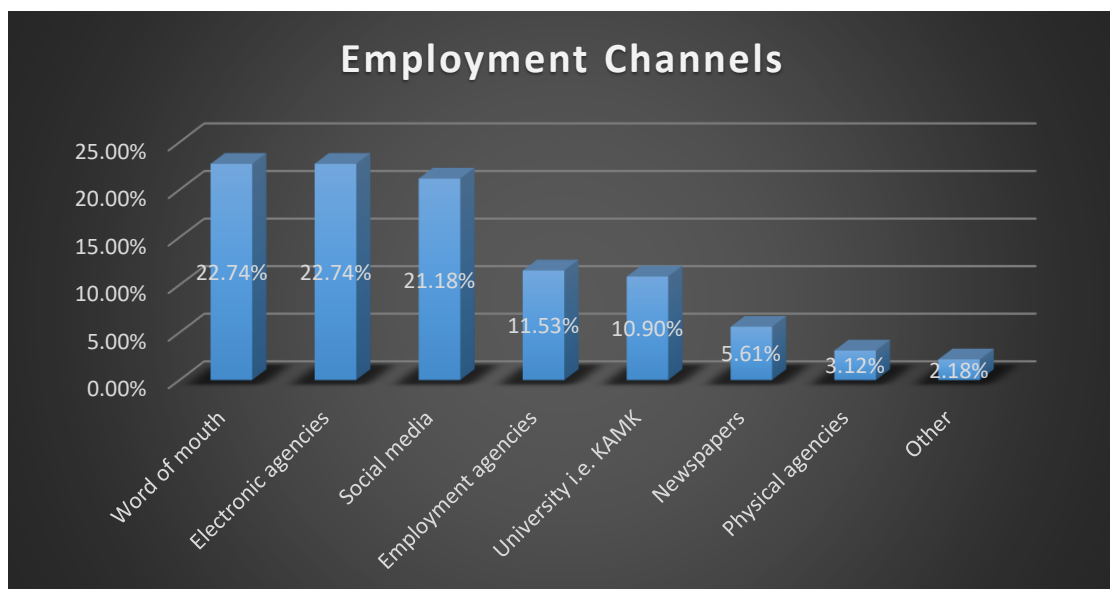


Fig. 4 – Bar graph showing the employment channels used by the respondents

The survey also helped to highlight the significance of different job factors for the respondents. The question was based on a five-point scale ranging from 'not at all important'



to ‘very important’. In numerical order, the scale would be ranging from 1-5. The following table shows the results and includes the average significance of each job factor.

Job Factors	Average	Importance
Work condition, nice colleagues	4.52	Very important
Freedom, creative space	4.02	Very important
Opportunities for growth, career	4.02	Very important
Training opportunities	3.76	Fairly important
Salary	3.73	Fairly important
Flexible working hours	3.71	Fairly important
Actual content of the work	3.61	Fairly important
Flexible contract	3.50	Fairly important
Change, non-routine activities	3.31	Fairly important
Internationally-oriented work	3.28	Fairly important
Responsibility, management level position	2.88	Important
Academic level of work	2.79	Important

Table 2 – Table showing the mean average significance of each job factor respectively

According to literature review, salary was the most important job factor for the younger generation, while it was found that the respondents favoured a comfortable work environment with nice colleagues more. The respondents also valued their freedom at work and flexible working hours. Growth and training opportunities were held in high regard by the respondents of the younger generation. Also, internationally-oriented work emerged as a fairly important job factor for the respondents, while there was nearly no mention of it in the literature review.

Another main objective of the survey was to discover the activities that would help the raise respondent’ awareness of the regional SMEs such as ABC Oy, as well as how the regional SMEs can improve their visibility to this target group. The respondents were allowed to choose more than one option and hence a total of 379 answers were received from the respondents. About 12.66% were in favour of having a visiting speaker from the respective SME, 16.36% for visiting the SME, 19.26% for a practical training, 15.83% for a summer job, 6.33% for a thesis topic, 8.97% for a business project through a course, 7.39% for a career fair at KAMK, 6.07% for networking activities such as social Friday, 1.85% for co-creating outputs e.g. jointly writing articles, newsletter, etc., and 5.28% for workshops held by SME.

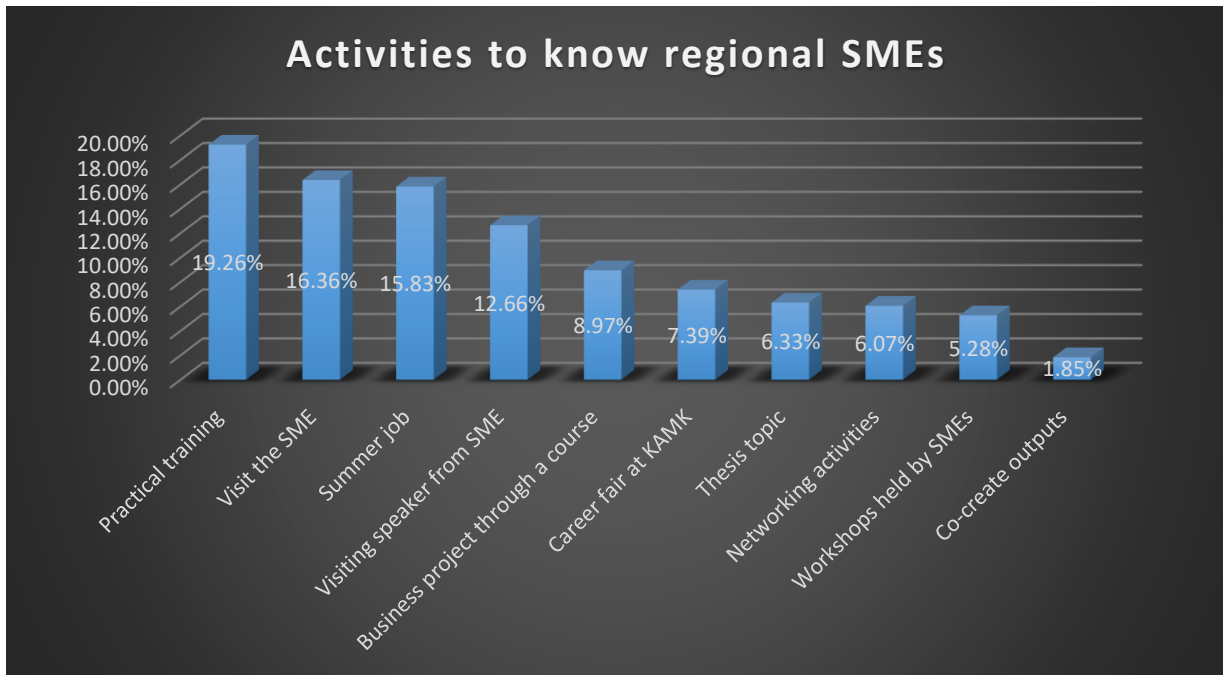


Fig. 5 – Bar graph showing the activities that could increase students/graduates awareness of regional SMEs

Practical training turned out to be the most important activity for strengthening relations between SMEs, such as ABC Oy, and university students. The survey also revealed that a high proportion of students favoured a visit to the respective SME of their education field. Summer jobs, visiting speaker(s) from the SME as a guest lecturer, and a business project offered by SMEs to their target student group, with the help of university via a study programme, might also be useful in engaging more students with the SMEs. In addition, workshops held by SMEs and participation of SMEs in career fairs at university can provide opportunities to network with their target group students.

Interview with the managers and CEO of ABC Oy

The interview took place with the human resource manager and CEO of ABC Oy. In the interview, there were a lot of points highlighted regarding the survey. The human resource manager discussed their constant relationship with KAMK as its only university partner. She also revealed that every year they recruit summer job workers from KAMK in the fields of data centre and software engineering. The HR manager also disclosed the recruitment channels they were using these past few years. According to her, social media recruitment and word of mouth had been the most popular and effective means of recruitment. However, ABC Oy also publishes their job vacancies on MOL.fi and newspapers. ABC Oy had tried to improve their employer branding in these past few years with the SHARPEN project, involving students of Kajaani University of Applied Sciences.

The improved collaboration between ABC Oy and KAMK was a significant topic of discussion during the interview. The idea of a joint publication came to light during the conversation with the CEO of ABC Oy. It was noted that KAMK had a guest speaker and guest lectures from ABC



Oy from time to time. ABC Oy also sponsored the purchase of a lot of software and hardware to Kajaani University of Applied Sciences. They had also been actively participating in career fairs at KAMK. The HR manager also talked about the employee benefits offered by ABC Oy such as phone, lunch card, sports, culture, insurance, flexible working hours, personality friendly environment, etc. It was also confirmed that new graduates could apply for a job without any prior job experience. However, for the advanced projects, ABC Oy preferred some mixed teams combining new graduates and experienced workers. It was also highlighted that there were jobs available for solely English-speaking programmers too. Encouragingly, even though the office language is Finnish, ABC Oy saw no problems in arranging an environment for English-speaking workers.

Later, the challenges of recruitment from the university i.e. KAMK were discussed. The HR manager talked about their biggest challenge being the location of the company. Many students from their target group were not willing to stay in a small region such as Kainuu. She also told us that most of their targeted employees had a vision that better opportunities could be found in bigger cities with more chances of career advancement and better pay.

The entire team of ABC Oy is looking forward to the current SHARPEN team giving them some effective suggestions on how to improve their recruitment to university graduates.

Interview with the KAMK Teachers

An email interview was conducted with the teachers from KAMK. The main topics of discussion were the university relationship with regional SMEs such as ABC Oy, person responsible for contacts, practical training and job opportunities with the regional SMEs, and flexibility of curriculum in compliance of changing work environment.

It was highlighted that SMEs including ABC Oy had been directly contacting the university regarding the vacancies for summer jobs, practical training and permanent employment. SMEs had also provided some significant thesis topics for the university students. The teachers presented the university's students as one of the best educated employees in their respective fields. They also talked about the information circulation among the SMEs, staff and students. According to the staff, whenever any request from the SMEs is received regarding summer jobs, practical training, or permanent employment, they immediately update the opportunity on the recruitment section of the university's web page as well as contact the ideal target group. The teachers appreciated the idea of having workshops with the regional SMEs with their respective target group so that students can learn more about the field they would work for in future.

There was a discussion about the flexibility in curriculum of students making it easier to add all the current and fundamental topics at a right time for improving the efficiency of the future workforce. The teachers also shared that all the current and new recruitment information had been updated on the university's intranet pages so that it reaches every student, without much manual effort, at the right time.

Continuous development and efficiency in performance were focused in the interviews. Every teacher admitted that keeping track of developing needs and attributes is really important.



The whole curriculum was being revised to take account the new needs of employers and the outside world so to ensure that students' ongoing studies were relevant to the workplace. In addition, teachers talked about creating new connections and maintaining old contacts with the SMEs as they develop.

In conclusion, the university has always welcomed the opportunities provided by regional SMEs for their students in terms of practical training, summer jobs, permanent employment, and final thesis topics. Contacts should be maintained on a regular basis to continue building the trust between the university, students and SMEs.

Conclusion

The survey and interviews are interlinked as one result. The survey revealed that word of mouth, social media and electronic agencies play the main role in recruitment or are the main channels used by graduates, as prospective employees, to find work. Also, during the interview with the HR manager of ABC Oy, it was disclosed that social media and word of mouth have been their main methods of recruitment in the past. Word of mouth is also a methods used by teachers in the university to circulate information to students about the potential work places. In addition, information is updated in all the student communication media.

It was noticed that the significance of freedom in work, work environment, relations at work with colleagues, creative space, and opportunities of career growth has increased substantially over the period. Employees tend to improve themselves and become more competitive rather than wishing for higher salaries. The same trend followed in the personnel of ABC Oy, however, some employees left the company for better growth opportunities. ABC Oy has been trying to provide as good a work environment as they can including some social and personal benefits.

The survey showed various influential activities related to improving the image of SMEs like ABC Oy in the eyes of university students. Practical training and summer jobs were the two main activities that were chosen by most of the university students, and these were also a focus for the university's teachers. ABC Oy has been providing practical training and summer jobs to students in the past, which maintains their visibility among students. It was also found that the managers and experienced workers from ABC Oy have been giving guest lectures on a regular basis, which was again one of the main activities suggested for maintaining visibility. Visit to SMEs emerged as another key activity, hence focus could be put on this as a way to improve the image of SMEs. Some other potential activities were also discussed in the survey and in the interviews, which are highlighted in the recommendations. In conclusion, both the survey and interview results were interlinked. Some of the results were already happening, while some need to be developed.



Recommendations

Based on the survey results, and interviews with teachers at KAMK and managers at ABC Oy, it is clear that ABC Oy is already working well with the university by offering practical trainings to students, as well as participating in the career fairs held by KAMK. Our recommendation, based on what students saw as beneficial, would be to organise student visits to the company, as well as KAMK to invite guest speakers from the company at events. Company visits should be organised for students in their target group, for example programmers.

When participating in job fairs and company visits, a good way to get students interested in the possibility of working with ABC Oy could be to show why their company is a great place to work. They could showcase key attractions that could make the younger generation (Gen Y) interested and want to apply for practical training positions and future employment. These could include the job factors students in our study rated as most important factors, such as work environment and nice colleagues. This could be done by showing the atmosphere at the company and emphasising the positive relationships current employees have with each other. Other highly rated factors, such as freedom and creative space, and opportunities for career growth, can be highlighted by sharing career growth stories from current employees, as well as letting potential employees know about the freedom they would have if working for the company. If the companies have anything unique compared to other local SME's, fairs and company visits could be the best place to advertise this.

The survey results showed that more and more students are looking for jobs via online agencies. The HR manager of ABC Oy said that they only use MOL.fi for recruitment, while students tend to look on more than one website and the more popular ones. Hence, ABC Oy is recommended to post their job vacancies with more online agencies such as monster.fi and ova.fi.

Another recommendation for the company would be to update their open job positions on the application Tuudo, which is used by the university students. Tuudo is a Finnish application that students use, which provides important information about their studies such as grades, a personal schedule, school-related information, open practical training and employment advertisements. This application is a popular way for students to search for open positions. Using the application could be a good way to increase visibility and awareness on any job opportunities that may be open to students. Being a Finnish application, it only allows the students from Finland to search the jobs posted by the companies from all over Finland. Tuudo is an emerging platform for the companies and students from Finland to meet. (<https://www.tuudo.fi/en/frontpage/for-students.html>)



Practical tool

Checklist for maintaining and increasing SME visibility with university students

Annually

- Participate in career fairs at the university
 - Inform students about career opportunities
 - Inform students about benefits in the company
- Send guest speakers to university events
 - Inform students about career opportunities
 - Inform students about jobs and competencies
- March: Provide information about summer jobs
- Organise workshops for the targeted employee group
- Joint publications (with selected and targeted channels)

Bi-annually

- Organise company visit for students
 - Inform students about career opportunities
 - Inform students about benefits in the company
- October, March: Provide practical training placements for students
- Offer projects to the target students as a part of study programme with the help of the university.

As and when (event triggered)

- Offer projects to the target students as a part of study programme with the help of the university.
- Keep company social media platforms and corporate website updated
- Update all necessary information about jobs and corporate opportunities on the university's and the company's web pages.
- Provide job information on Tuudo app
- Joint publications (with selected and targeted channels)



Checklist concerning the recruitment of university students

- Post job ads on social media
- Circulate the information to university staff
- Update job opportunities on Tuudo app
- Post job information with online agencies such as monster.fi, ovi.fi, mol.fi
- Provide a communication channel between the employer and applicant
- Provide all necessary information about the job

Points to emphasise:

- Friendly, open, nice work environment
- Space for creative thinking
- Career opportunities within the company and the industry
- Training support and opportunities that will help develop individuals
- Values of the company – including being employee-oriented, green and environmentally friendly



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Video Link

- <https://www.youtube.com/watch?v=b2x48EpWF34&feature=youtu.be>