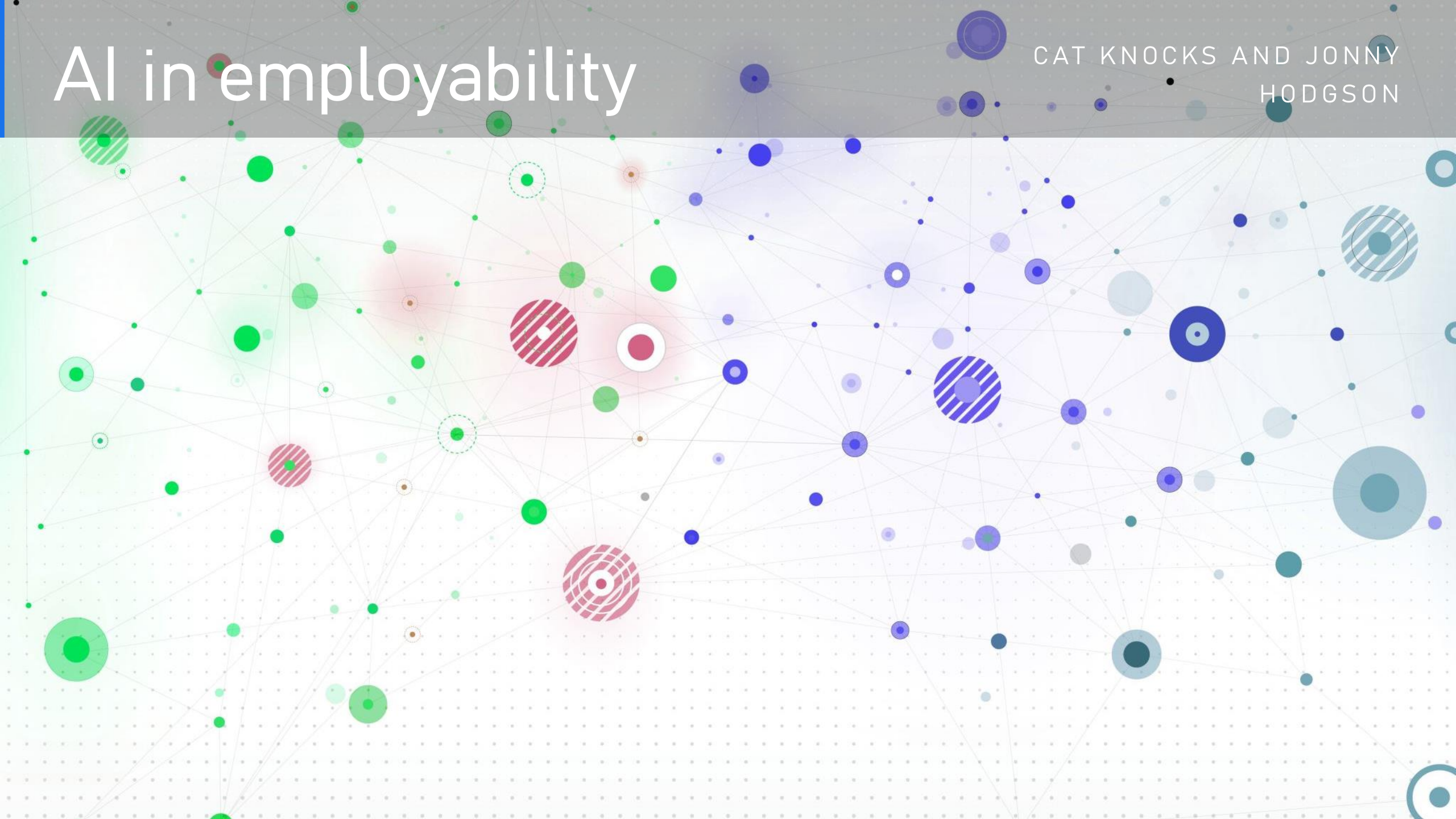


# AI in employability

CAT KNOCKS AND JONNY  
HODGSON



# The graduate labour market is under real pressure

*ISE Survey 2025 data — the context our graduates are entering right now.*

**8%** ↓

Graduate hiring  
year-on-year (ISE 2025)

**5%** ↓

Overall entry-level  
market decline

**90%**

Employers still  
recruiting, but with  
greater precarity

**46%** ↓

UK tech graduate  
hiring decline

**Early preparation, intelligent signalling, LMI insights and targeted support matter more than ever**

# Core UK Labour Market & Policy Research

These are essential “anchor” sources for evidence-based insight. Government & official research

## [AI Labour Market Survey 2025 \(DSIT\)](#)

Comprehensive UK analysis of AI skills shortages, hiring challenges, and workforce pathways

Key stat: 97% of employers report AI-related skills gaps [[assets.pub...ice.gov.uk](#)]

Includes insights on alternative pathways (e.g. apprenticeships rising in AI hiring)

## [Impact of AI on UK Jobs and Training \(DfE, 2023\)](#)

Early but still foundational mapping of occupations and AI exposure

Estimates 10–30% of jobs could be automatable

## [ONS datasets & FOI response on graduate employment \(2026\) \[\[ons.gov.uk\]\(#\)\]](#)

Useful for linking vacancy data, experience requirements, and sector trends

Highlights gaps in official tracking of AI vs graduate outcomes

## [Assessment of AI Capabilities & Labour Market Impact \(UK AI Security Institute, 2026\)](#)

Explores how fast AI capabilities are advancing and implications for task automation

Highlights uncertainty but strong potential for productivity and job redesign

## [AI Skills for Life and Work \(Warwick IER / DSIT, 2026\)](#)

Long-term projections to 2035

Shows shift toward **professional and high-skill roles**, decline in mid-level jobs

Useful for workforce planning and curriculum alignment

# Early Careers, Students & Graduate Recruitment (UK-specific)

These are directly relevant to graduate transitions.

## [AI and Early Careers – Prospects & ISE \(2026\)](#)

One of the most important UK-focused studies. Covers student, graduate, and employer perspectives

Key findings:

- 13% of young people already changing career plans due to AI

- Strong demand for **AI skills, guidance, and labour market insight**

- Employers expect **task-level change** rather than collapse of entry-level hiring

## Institute of Student Employers (ISE) insight: Amazon case study (2025) [\[ise.org.uk\]](https://ise.org.uk)

Real-world employer response to GenAI in recruitment

Key themes:

- AI-assisted applications increasing volume and similarity

- Movement toward **skills-based assessment** and away from CVs

- Need to redesign early careers pipelines

## [Prospects Early Careers Survey 2025](#)

Large dataset (4,000+ respondents)

Findings:

- 11% of graduates **changing career paths** due to AI

- Widespread use of **GenAI** in applications and career decision-making

# Recruitment & Talent Acquisition (AI in hiring processes)

## [LinkedIn Future of Recruiting UK Report 2025](#)

Strong practical insights for recruiters. Findings:

~45% of UK organisations already experimenting with GenAI

AI saves ~18% of recruiter time per week

Shift toward skills-based hiring and quality-of-hire metrics

## YouGov / HireRight global survey (2026) [\[recruiter.co.uk\]](https://recruiter.co.uk)

UK employers more cautious than global peers

Only 16% view candidates using AI positively

## [ICO – AI in Recruitment Audit Report \(2024\)](#)

Critical for governance and ethics

Highlights risks:

Bias, discrimination, and inferred traits

Lack of transparency in candidate screening tools

## ICO / regulatory warnings (2026) [\[techtimes.com\]](https://techtimes.com)

Increasing scrutiny of automated decision-making in hiring

Emphasises need for human oversight

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# Generative AI (GenAI) & Job Exposure Research

## [UCL / Oxford / Cardiff paper: Generative AI exposure index \(2025\)](#)

Introduces a UK-specific **Generative AI Susceptibility Index**

Finds:

- Nearly all jobs have some exposure

- Job postings in high-exposure roles already declining

## [GLA Economics – London workforce exposure to GenAI \(2026\)](#)

Focus on labour demand and occupational exposure

Strong for regional and policy insights (especially London vs rest of UK)

## [Deloitte – GenAI in UK organisations \(2025\) \[deloitte.com\]](#)

Shows transition from hype → implementation

Emphasis on **reskilling and organisational adoption**

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# Evidence of Impact on Entry-Level Jobs

King's College London labour market study (2025) [[kcl.ac.uk](https://www.kcl.ac.uk)]

One of the clearest UK empirical studies

Finds:

Entry-level roles declined **5.8%** in AI-exposed firms

Job postings in high-exposure occupations ↓ **23.4%**

Suggests disruption to **traditional graduate training pipelines**

King's AI attitudes & workforce study (2026) [[personneltoday.com](https://www.personneltoday.com)]

Shows strong public concern:

~60% believe AI will reduce entry-level jobs

Important for student sentiment and behavioural insight

Indeed / labour market data (Guardian reporting, 2025) [[theguardian.com](https://www.theguardian.com)]

Graduate job postings ↓ **33% year-on-year**

Entry-level roles particularly exposed to AI and economic pressures

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# Broader “Future of Work” & Skills Context

King’s “AI and Workforce Futures” programme (2026) [[kcl.ac.uk](https://www.kcl.ac.uk)]  
Multi-disciplinary hub connecting research, policy, and employers  
Useful for ongoing insights and collaboration opportunities

FutureDotNow – AI-ready workforce (2025) [[futuredotnow.uk](https://www.futuredotnow.uk)]  
Defines core AI skills for all workers:

- AI literacy
- Prompting
- Critical evaluation
- Ethical use

British Progress – AI & UK labour market evidence review (2026) [[britishprogress.org](https://www.britishprogress.org)]  
Nuanced view:

- No large-scale job loss *yet*
- But **task-level change** and wage impacts emerging

# Key Themes Emerging Across the Evidence

## 1. Entry-level roles are changing, not disappearing (yet)

- Declines in some junior roles and postings, especially in high-exposure sectors [\[kcl.ac.uk\]](https://www.kcl.ac.uk)
- But overall labour market effects are still mixed and evolving [\[britishprogress.org\]](https://www.britishprogress.org)

## 2. Recruitment is being structurally reshaped

- Shift to: Skills-based hiring, AI-enabled screening, Reduced reliance on CVs
- But also risks around fairness, bias, and transparency

## 3. Candidate behaviour is transforming quickly

- Heavy use of GenAI in: Applications, Career decision-making
- Creating challenges around authenticity and assessment

## 4. Skills gap is the defining issue

- Nearly universal employer concern [\[assets.pub...ice.gov.uk\]](https://assets.publishing.service.gov.uk)
- Strong demand for: AI literacy, Applied, work-ready capabilities

## 5. Early careers pathways are under pressure

- Risk of losing "training ground" roles
- Growing need to rethink: Work-integrated learning, Apprenticeships, Transitional roles

# Mapping the 13 Employability Capabilities to the University strategic direction:

- **Foundations for the Future**

Employability staff show agility, resilience, and digital confidence using technology-enabled guidance and evidence-based decisions. This models adaptability and lifelong learning for students.

- **Building on Strengths**

Employability staff leverage expertise and relationships through collaboration, reflective practice, and strengths-based coaching. This builds trust, extends reach, and reinforces inclusive partnership.

- **Global Excellence with Impact**

Employability staff bring intercultural competence, ethical awareness, and focus on social and economic impact. They integrate employer insight and inclusive practice for success locally and globally.

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# Employability at UOB and Aldeas

- Governance is layered – and according to sector
- Guidance and training is developing alongside AI
- GenAI can level some EDI gaps (depending on bias of training)
- We are attempting to level the playing field in terms of AI confidence amongst colleagues
- SW group led by University of Bristol
- Aldeas
  - Using the wider Employability Forum to disseminate key messages and share knowledge