QUARTERLY EMPLOYER POLLING

1ST PAPER

FROM APPETITE TO OPPORTUNITY

WHAT EMPLOYERS NEED TO RECRUIT MORE YOUNG PEOPLE

September 2026

COMMISSIONED BY

The St Martin's Group

RESEARCH BY

L&W LEARNING AND WORK INSTITUTE

Contents

Context and key finding 3

Methodology 3

Employers want to recruit young people, but opportunity is uneven 4

Large employers are more likely to say they plan to recruit young people 5

Newer businesses are more likely to expect to increase youth recruitment 6

Employers favour established routes 6

Small employers favour direct recruitment, while large employers favour work-based routes 7

Employers see young people's potential, but want better pathways into work 9

Large employers are more likely to say AI is reducing suitable roles for young applicants 10

Wage costs and policy uncertainty weigh most on employers who expect to recruit fewer young people 11

Increasing youth recruitment requires action from employers and government 14

Large employers want practical support, while some small employers need clearer guidance 14

Support needs also vary by employers' recruitment outlook 15

Employers need support on multiple fronts to turn appetite into recruitment 15

Appendix 1: Survey respondent breakdown 17

Context and key findings

Young people's early experiences of work can shape their future employment, earnings and progression. With around one million young people not in education, employment or training, creating more opportunities is urgent. The independent Milburn Review warns of growing detachment from the labour market, with long-term costs for young people, the economy and public services. Employers have a vital role to play, but recruitment depends both on the opportunities available and on young people being able to take them up.

This is the first in a regular series of employer insights produced by Learning and Work Institute for The St Martin's Group. The series will provide timely, up to date evidence on current skills and employment to inform policy as it develops. This report draws on a survey of 1,039 HR decision makers and reflections from 44 members of The St Martin's Group Employer Insights panel to examine employers' plans to recruit young people, the routes they expect to use, the barriers they face and the support they need.

The findings show appetite but uneven opportunity:

- One quarter (24%) of employers expect to recruit more young people, compared with 12% expecting to recruit fewer.
- Large and newer businesses are more likely to be expanding recruitment, suggesting that opportunities for young people will be unevenly distributed across the labour market.
- Employers most commonly expect to recruit through direct recruitment, work experience and apprenticeships. Only 11% identify the Youth Guarantee as a recruitment route, but some may use initiatives that are part of it without recognising the Youth Guarantee name.
- Barriers differ by employer outlook: employers planning to expand recruitment are more likely to highlight workplace readiness and practical support needs, while those reducing recruitment are more concerned about costs and policy uncertainty. Employers who are not recruiting young people report a lack of suitable roles.
- Financial incentives are the measure employers most often say would help, but the evidence points to a broader package: workplace exposure and preparation for young people; practical guidance, confidence and capability for smaller employers; stable policy; and collective action by employers and sector bodies.
- The findings suggest that capability and capacity matter alongside cost in determining whether employers create opportunities for young people.

Methodology

Learning and Work Institute surveyed 1,039 HR decision makers through YouGov's online omnibus survey between 16 July and 4 August 2026. Respondents had responsibility for functions including recruitment, training and organisational design, and the sample was a spread of sectors, regions and business size. They answered four questions about plans to recruit young people aged 16 to 24 over the next 12 months. A breakdown of respondents by employer characteristics can be found at Appendix 1.

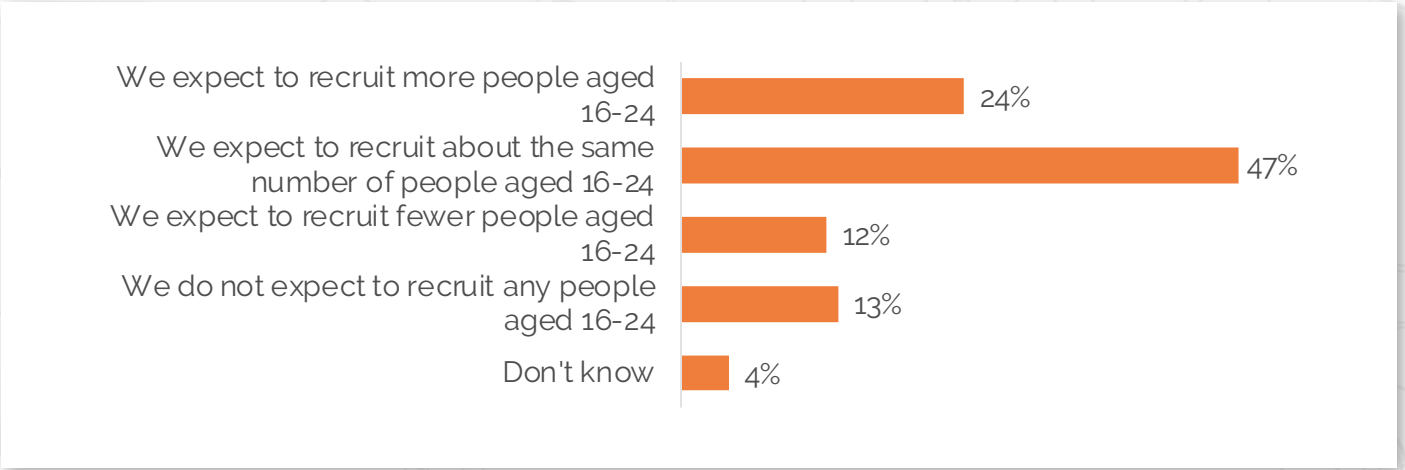
Members of The St Martin's Group's Employer Insights panel were then invited by Learning and Work Institute and The St Martin's Group to review the survey findings. Forty-four of the panel's 80 UK employers commented on whether the findings reflected their experience and provided further qualitative insight. Panel responses are indicative rather than representative because they are not balanced by business size, sector or location.

Employers want to recruit young people, but opportunity is uneven

Around one quarter of employers expect to recruit more young people over the next year, while only 12% expect to recruit fewer. This is an encouraging picture overall. However, large and newer businesses are much more likely to be expanding recruitment than small and longer-established firms, suggesting that growth, and the opportunities it creates, will be unevenly distributed.

Around one quarter (24%) of businesses report that they intend to increase their recruitment of young people aged 16 to 24 in the next 12 months, compared to the previous year. Just under one half (47%) say their recruitment of young people will remain the same, while 12% say they expect to recruit fewer, and 13% say they do not expect to recruit any young people. This suggests a positive balance of recruitment intentions overall. However, these findings reflect employers' intentions rather than actual recruitment activity and may be affected by optimism bias. They are therefore best treated as a baseline against which future changes can be assessed.[1]

Figure 1: One quarter of businesses expect to recruit more young people in the next 12 months



Base: all respondents = 1,039.

Question: Compared with the last 12 months, does your organisation expect to recruit more, fewer or about the same number of young people aged 16–24 in the next 12 months?

Businesses in the IT and telecoms sector are most likely to expect to recruit more young people, with 35% reporting this, compared to 24% across all sectors. Employers in the South West are more likely than average to say they do not expect to recruit any young people, with 25% of businesses in this region reporting this, which is significantly more than London (9%) and the North West (10%).

Some panel members cautioned that **an organisation's overall recruitment expectations may conceal different trends across a large business,** with hiring increasing in some areas while decreasing in others. For example, one employer expected to recruit more young people into digital, AI, and cybersecurity, while reducing some other early career options as part of efforts to cut costs.

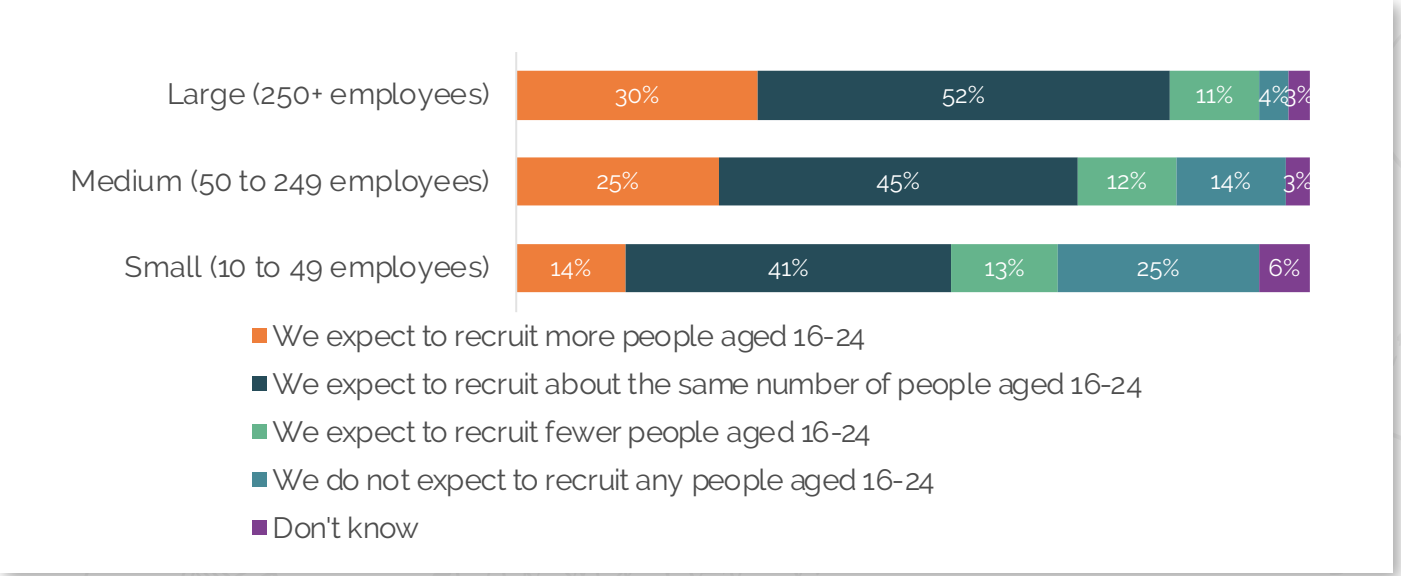
A number of healthcare employers stressed that their **recruitment plans depend not only on their demand for young workers, but also on their ability to attract them.** Specific challenges include limited interest from young people in health and care roles and a lack of awareness of the range of careers available.

[1] Although not directly comparable, the 2024 Employer Skills Survey found that 33% of UK businesses had hired an education leaver in the previous two to three years. This suggests there is an existing base of employer engagement with young people entering the labour market, but also considerable scope to increase participation.

Large employers are more likely to say they plan to recruit young people

Three in ten (30%) of large businesses (250+ employees) report that they expect to recruit more young people in the next 12 months, which is significantly more than the 14% of small businesses (10 to 49 employees) who report the same (see Figure 2). Small businesses (25%) are significantly more likely than both medium and large businesses to report that they do not expect to recruit any young people in the next 12 months.

Figure 2: Small businesses are less likely to expect to recruit more young people



Base: all respondents = 1,039. Large (250+ employees) = 442; Medium (50 to 249 employees) = 267; Small (10 to 49 employees) = 330.

Question: Compared with the last 12 months, does your organisation expect to recruit more, fewer or about the same number of young people aged 16–24 in the next 12 months?

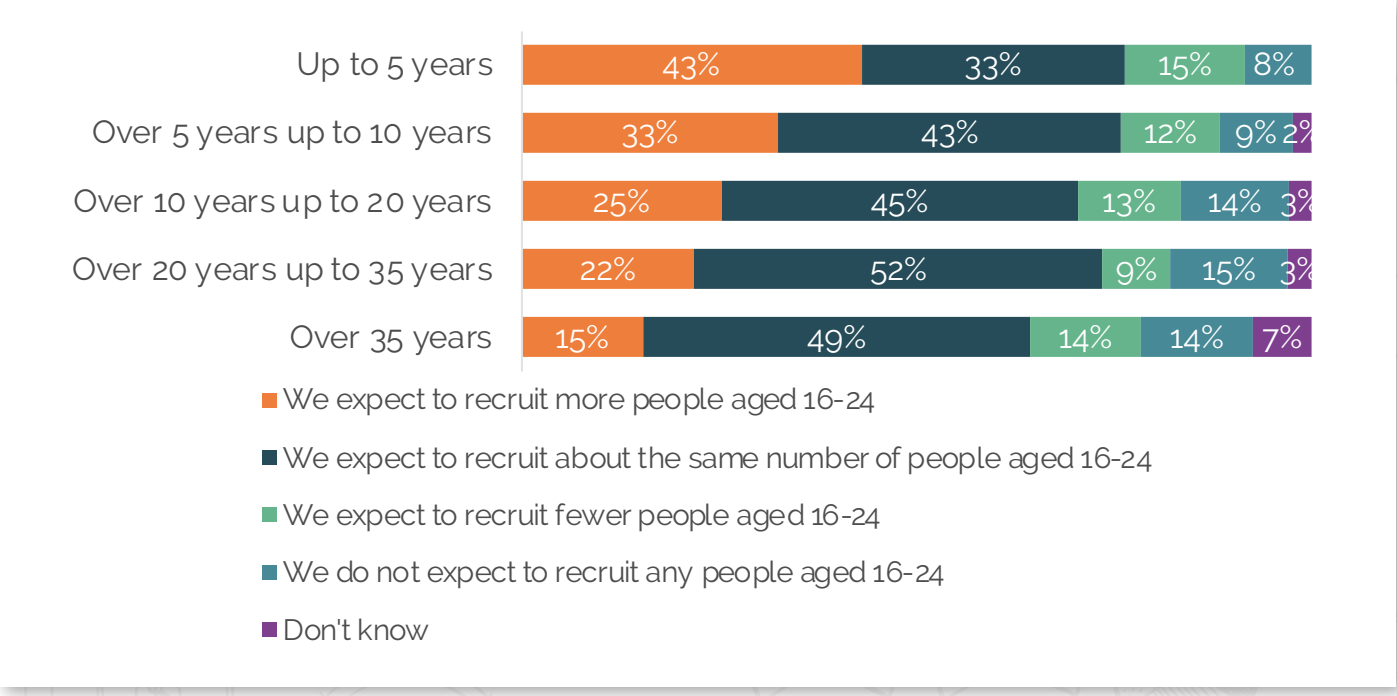
The same pattern is seen when looking at company turnover: only 7% of businesses with annual turnover of £10 million or more say they do *not* expect to recruit any young people, compared to around 19% of businesses with turnover of less than £10 million.

A larger proportion of panel members expect to increase their recruitment of young people, with two in five (18 out of 44) stating this. This likely reflects the composition of the panel, which includes a high proportion of large employers.

Newer businesses are more likely to expect to increase youth recruitment

Businesses that have been more recently established have a stronger expectation that they will recruit more young people than in the previous year. 43% of businesses less than five years old expect to increase recruitment, significantly more than businesses established 10 or more years ago (see Figure 3).[2] This suggests that growth ambitions and business expansion may be important drivers of opportunity creation for young people, although the survey does not establish reasons for this pattern. Conversely, businesses established more than 20 years ago are more likely to expect recruitment to remain stable.

Figure 3: Expectations of recruiting more young people decline with business age



Base: all respondents = 1,039. Up to five years = 72; over 5 years up to 10 years = 129; over 10 years up to 20 years = 284; over 20 years up to 35 years = 269; over 35 years = 273. Don't know (not displayed) = 12.

Question: Compared with the last 12 months, does your organisation expect to recruit more, fewer or about the same number of young people aged 16–24 in the next 12 months?

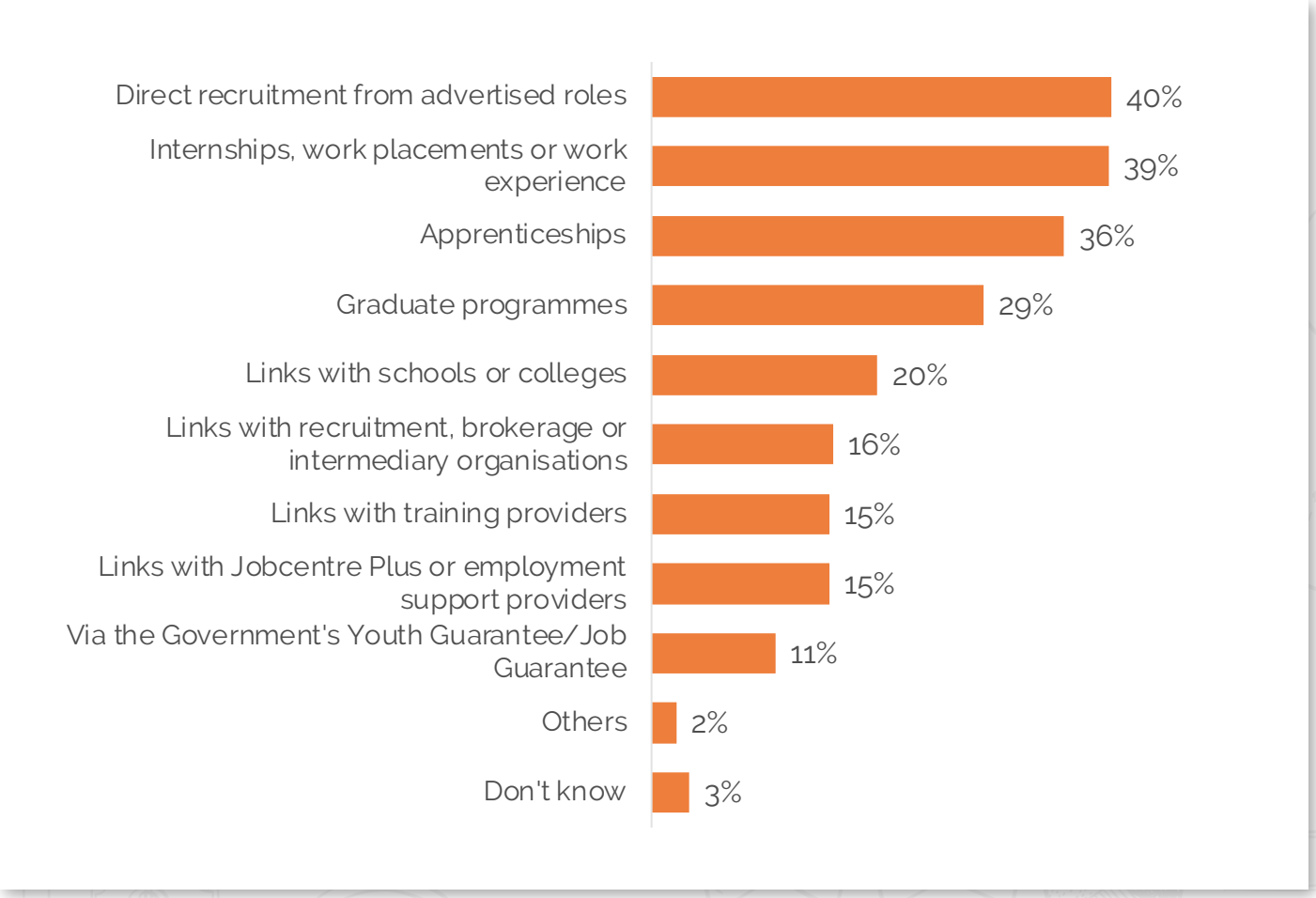
Employers favour established routes over the Youth Guarantee

Employers who expect to recruit young people in the next 12 months most commonly expect to do so via direct recruitment (40%), internships, placements or work experience (39%), or apprenticeships (36%). (See Figure 4). Expected uptake of recruitment via the Youth Guarantee is low, with only around one in ten businesses (11%) expecting it to be one of their top three methods of recruiting young people. The Youth Guarantee is an umbrella commitment delivered through a range of employment, education and training initiatives, including locally led trailblazers and the Jobs Guarantee. This may help explain why employers did not identify it more often as a route in its own right. At the same time, employers' anticipated use of Jobcentre Plus, links with training providers, apprenticeships, links with schools or colleges, and the Youth Guarantee indicates a broader willingness to recruit through publicly supported routes. Alongside policy commitments to expand opportunities for young people, clearer communication may be needed to strengthen employers' understanding of, and engagement with, the Youth Guarantee.

Expected uptake of the Youth Guarantee is higher among employers that expect to recruit more young people (18%), compared to employers that expect their recruitment of young people to remain stable (7%) and employers that expect to recruit fewer young people (9%). Among employers expecting to expand their recruitment of young people, 45% expect to recruit through internships, work placements, or work experience, compared to 28% of those expecting to recruit fewer young people.

[2] This should be treated with caution due to a low sample size (72 businesses less than 5 years old).

Figure 4: Employers are most likely to recruit young people directly or through internships or work experience, or apprenticeships



Base: all respondents who are planning to recruit young people in the next 12 months = 861.

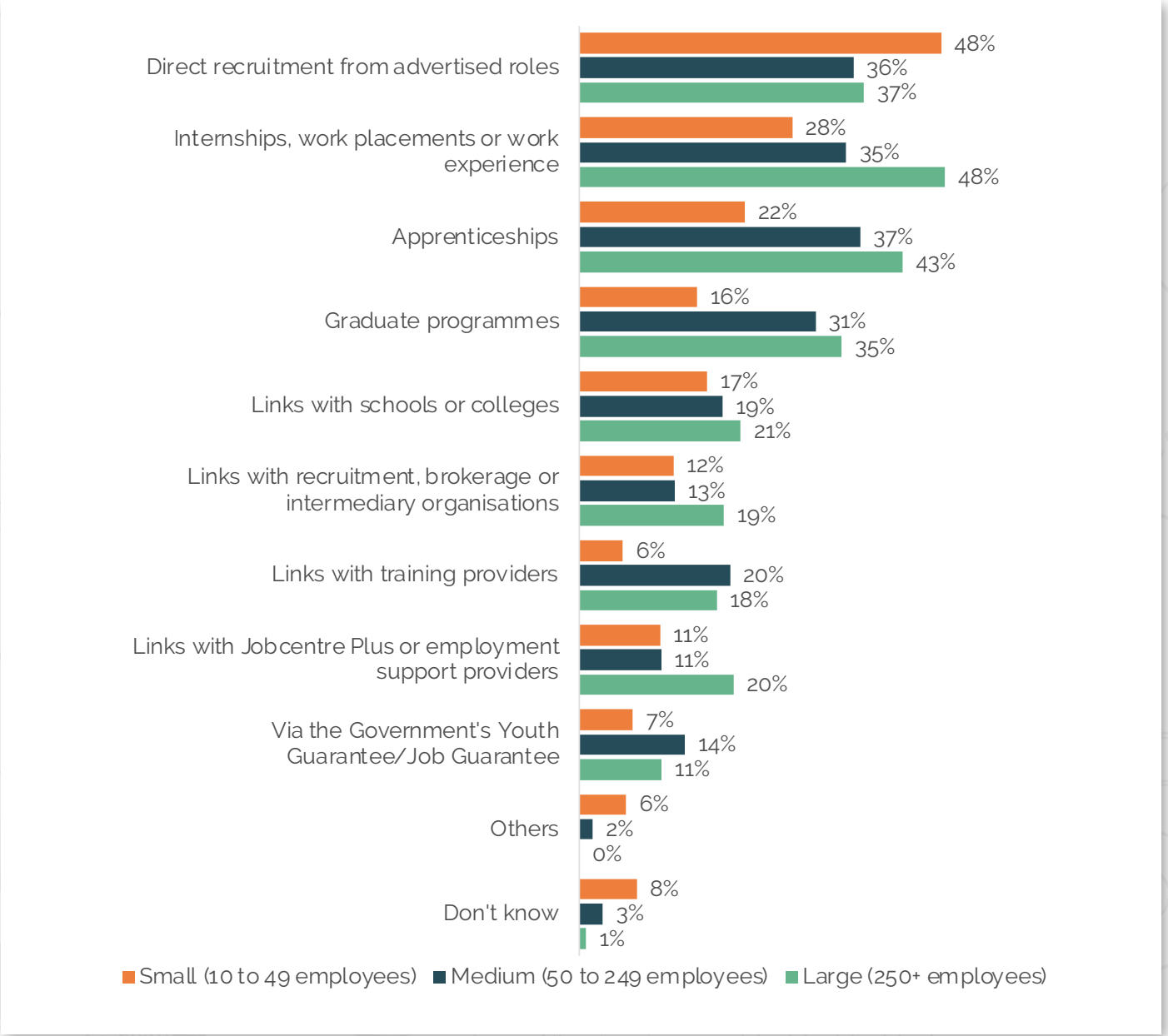
Question: Which, if any, of the following routes does your organisation plan to use to recruit or engage young people aged 16–24? Please select up to three routes that your organisation is most likely to use.

Panel members are more likely than the wider survey to expect to recruit young people via apprenticeships. More than seven in ten (32 out of 44) expect to use this route, likely reflecting a panel dominated by large businesses and including a large proportion of healthcare employers. The panel is also convened by The St Martin's Group, whose work focuses on apprenticeships and skills and may therefore attract employers that are already more engaged with this route.

Small employers favour direct recruitment, while large employers favour work-based routes

Almost one half (48%) of small businesses expect to recruit young people directly, significantly more than medium-sized businesses (36%) or large businesses (37%) (see Figure 5). By contrast, large businesses are more likely than small businesses to expect to use internships/work placements/work experience positions (48% vs 28%), graduate programmes (35% compared to 16%) and apprenticeships (43% vs 22%). This gap matters in the context of new apprenticeship funding for non-levy payers, which will fully fund training for eligible under-25 apprentices from August 2026 and provide up to £8,000 in support for eligible businesses hiring young apprentices. The finding suggests that increasing financial support may not be enough on its own if smaller employers are less likely to see apprenticeships as a practical recruitment route.

Figure 5: Small employers are more likely to expect to recruit directly, whereas large firms are more likely to expect to use internships and apprenticeships



Base: all respondents who are planning to recruit young people in the next 12 months = 861. Small (10 to 49 employees) = 225; Medium (50 to 249 employees) = 222; Large (250+ employees) = 414.

Question: Which, if any, of the following routes does your organisation plan to use to recruit or engage young people aged 16–24? Please select up to three routes that your organisation is most likely to use.

Beyond differences by employer size, recruitment routes also vary geographically. Around two in five employers based in Greater London (38%) expect to use graduate schemes, which is significantly higher than the West Midlands (21%), and the North West (25%).

Employers see young people's potential, but want better pathways into work

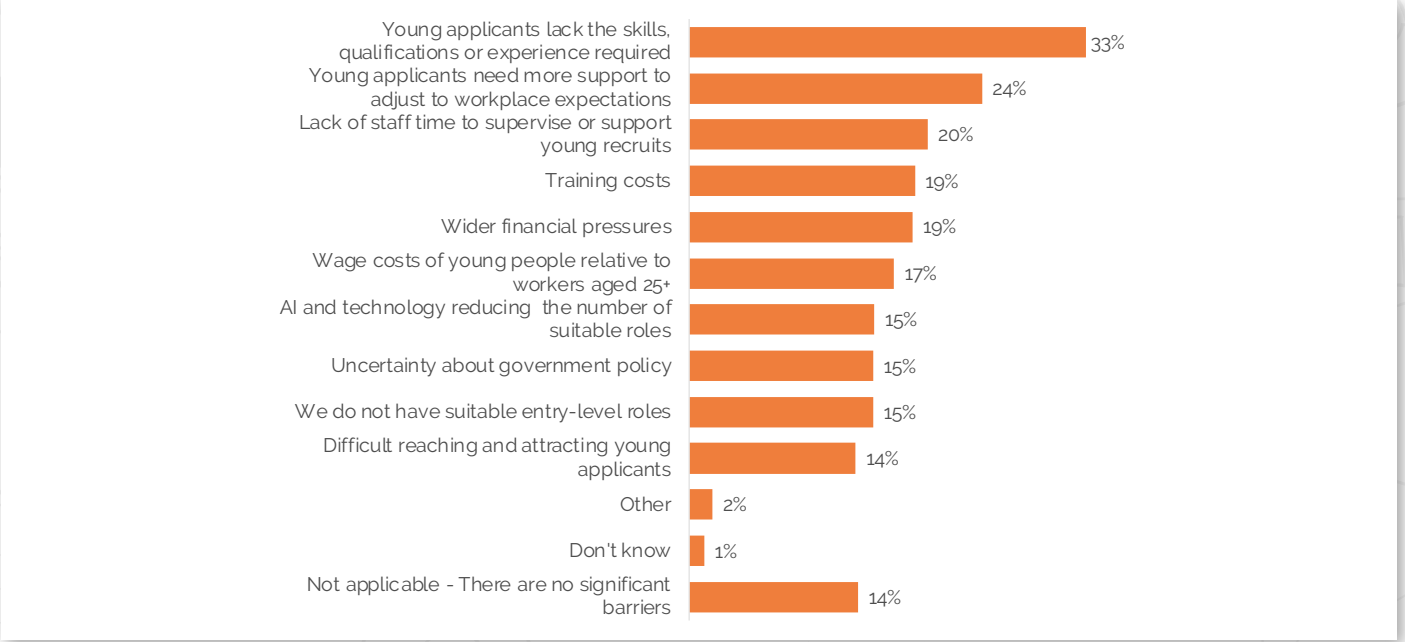
One third of employers say young applicants lack the skills, qualifications or experience required, while nearly one quarter say they need greater support to adjust to the workplace. Panel comments suggest this often reflects limited workplace exposure, confidence and understanding of employer expectations rather than a lack of potential. Employers' own constraints also matter, but differ by recruitment outlook: businesses expecting to contract are particularly concerned about wage costs and policy uncertainty, non-recruiting employers often lack suitable roles, and expanding employers need support to help young people adjust to work.

The most commonly cited challenges to recruitment relate to young people's readiness for work. **One third (33%) of employers said young people lack the skills, qualifications, or experience required,** while nearly one quarter (24%) said young applicants need more support to adjust to the workplace (see Figure 6). Around one fifth cite limited staff time to supervise or support young people (20%), training costs (19%) or wider financial pressures (19%). However, 14% of employers say they do not have significant barriers to recruiting young people, suggesting some businesses already have the roles and capacity to employ young people successfully.

Almost one half (47%) of employers in Yorkshire and the Humber cite young applicants lacking the skills, qualifications, or experience as a top-three barrier, compared to 23% in the East Midlands, 29% in the South West and 35% in the North West.[3]

A recent DWP-commissioned survey similarly identified employers' perceptions of a lack of soft skills or work readiness as the main challenge when hiring young people.[4] Employers have long raised concerns about young people's preparedness for work, but some aspects of work readiness can only be developed through experience in the workplace. The DWP survey also found that staff time was the most common challenge when employers engaged with education and employment support providers. The consistency across the two surveys therefore points to action on both sides: helping young people gain meaningful workplace exposure and supporting employers to provide supervision and support through which work readiness and skills are developed.

Figure 6: One third of businesses say that young applicants lack the skills, qualifications or experience required



[3] Percentages for Yorkshire and the Humber, the North West, East Midlands, and South West should be treated with caution due to lower sample size (58, 88, 52, and 80, respectively).
[4] Department for Work and Pensions (2026) *Employer views on hiring young people survey report*

Base: all respondents = 1,039.

Question: What are the biggest barriers your organisation faces in recruiting young people aged 16-24? Please select up to three barriers that are most significant for your organisation.

Work readiness was a common theme in panel members' comments. However, employers generally framed this not as a lack of potential, but as a need for opportunities and support to help young people develop confidence, experience and workplace skills.

> 'There is a strong appetite to recruit young people into healthcare, particularly through apprenticeships, work experience, T Levels and other entry routes. However, **young applicants can sometimes lack the practical workplace skills, confidence and experience needed to move directly into roles.** This doesn't necessarily mean they lack potential; rather, **they need the opportunity and appropriate support to develop these skills.'** (NHS employer)

This emphasis on potential and development was echoed by other panel members, who focused on attitudes, behaviours and willingness to learn rather than expecting young people to arrive with all the qualifications and experience they need. A finance employer prioritised 'the values and behaviours that align to our organisational values'. Taken together, these comments suggest that pre-employment support should place greater emphasis on workplace exposure, confidence, communication and understanding employer expectations, alongside formal skills and qualifications.

> 'We do not believe that young adults lack the skills, qualifications or potential required to succeed. **Our recruitment decisions are based on finding individuals with the right attitude, behaviours and willingness to learn.'** (Retail employer)

> 'Many young people have strong digital capability, motivation and adaptability, but may have limited awareness of career pathways, commercial environments or the practical workplace skills employers seek. **We have found that structured work experience, internships, apprenticeships and early engagement with employers are highly effective** in addressing these gaps.' (IT and telecoms employer)

Taken together, these comments suggest that employers may be looking less for young people who are already job-ready and more for those who demonstrate the foundations needed to *become* job-ready. Employers particularly emphasised confidence, communication, attitudes, behaviours and willingness to learn. This points to a role for pre-employment support in developing these foundations through workplace exposure and a better understanding of employer expectations, alongside formal skills and qualifications.

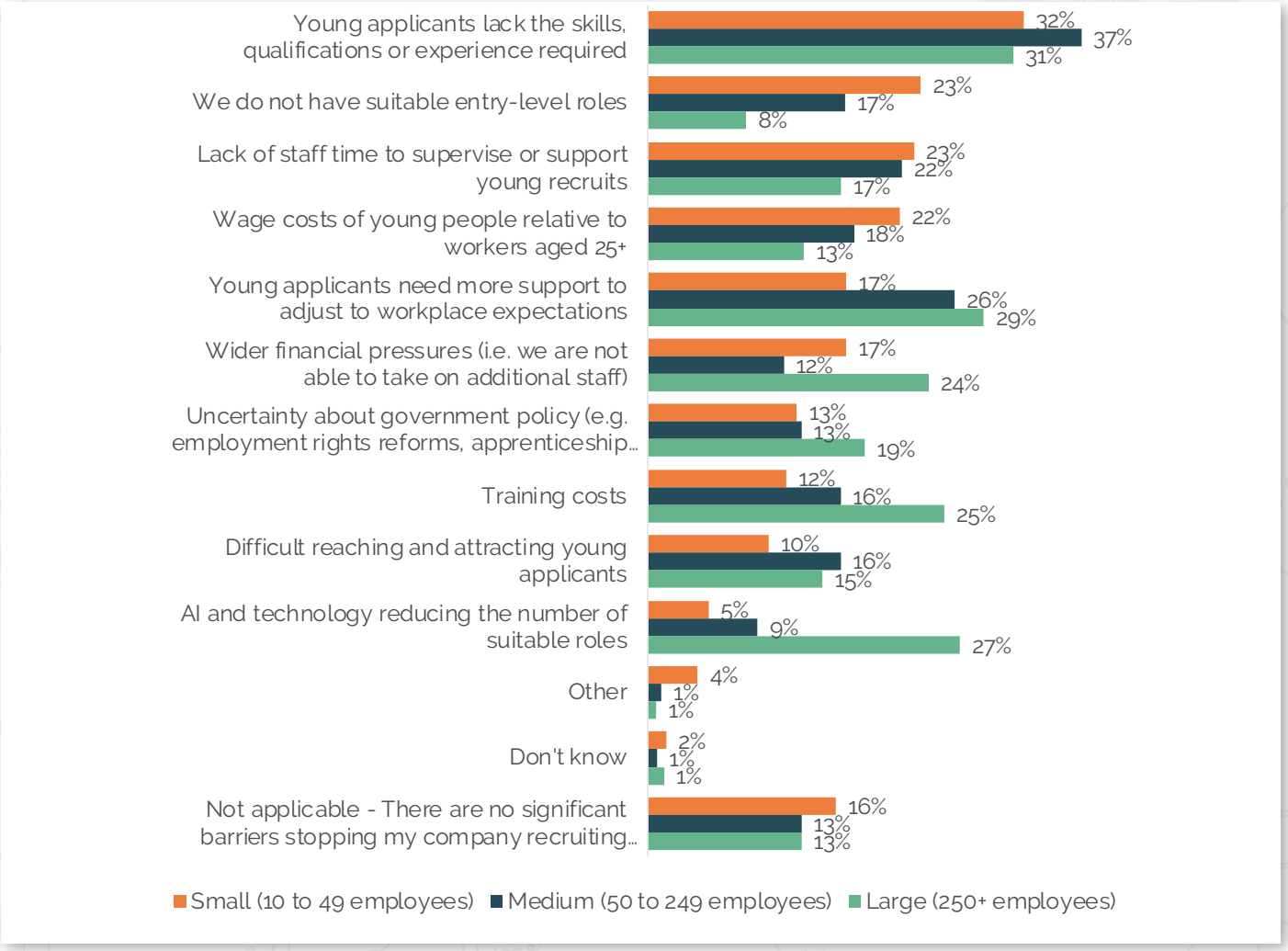
Large employers are more likely to say AI is reducing suitable roles for young applicants

Businesses of all sizes report that young people lack the skills, qualifications, or experience needed for roles, with this being the most commonly cited barrier barrier of their top three for small, medium, and large businesses (see Figure 7). However, **large employers are significantly more likely to report that AI and technology are reducing the number of suitable roles for young people** (27% compared to 9% of medium employers and 5% of small employers). AI or technology replacing roles is a particular concern in some sectors: 27% of businesses in the IT and telecoms sector cite this as a barrier, and 20% of businesses in the finance and accounting sector, compared to the average of 15% of businesses across all sectors. This points to a wider challenge around how entry-level roles are designed as technology changes the nature of work.

AI is also significantly more likely to be raised as a top reason for not recruiting young people by employers in Greater London (25%), compared to the East of England (7%), East Midlands (8%), Scotland (8%), the West Midlands, South West, and Yorkshire and the Humber (all 9%), and the North West (13%). This may reflect differences in the regional concentration of industries that are more exposed to AI-driven changes in employment.

While large businesses are significantly more likely to cite training costs and wider financial pressures as barriers, small and medium businesses are significantly more likely to report a lack of suitable entry-level roles.

Figure 7: Large and small businesses experience different main barriers to recruiting young people



Base: all respondents = 1,039. Large (250+ employees) = 442; Medium (50 to 249 employees) = 267; Small (10 to 49 employees) = 330.

Question: What are the biggest barriers your organisation faces in recruiting young people aged 16-24? Please select up to three barriers that are most significant for your organisation.

Wage costs and policy uncertainty weigh most on employers who expect to recruit fewer young people

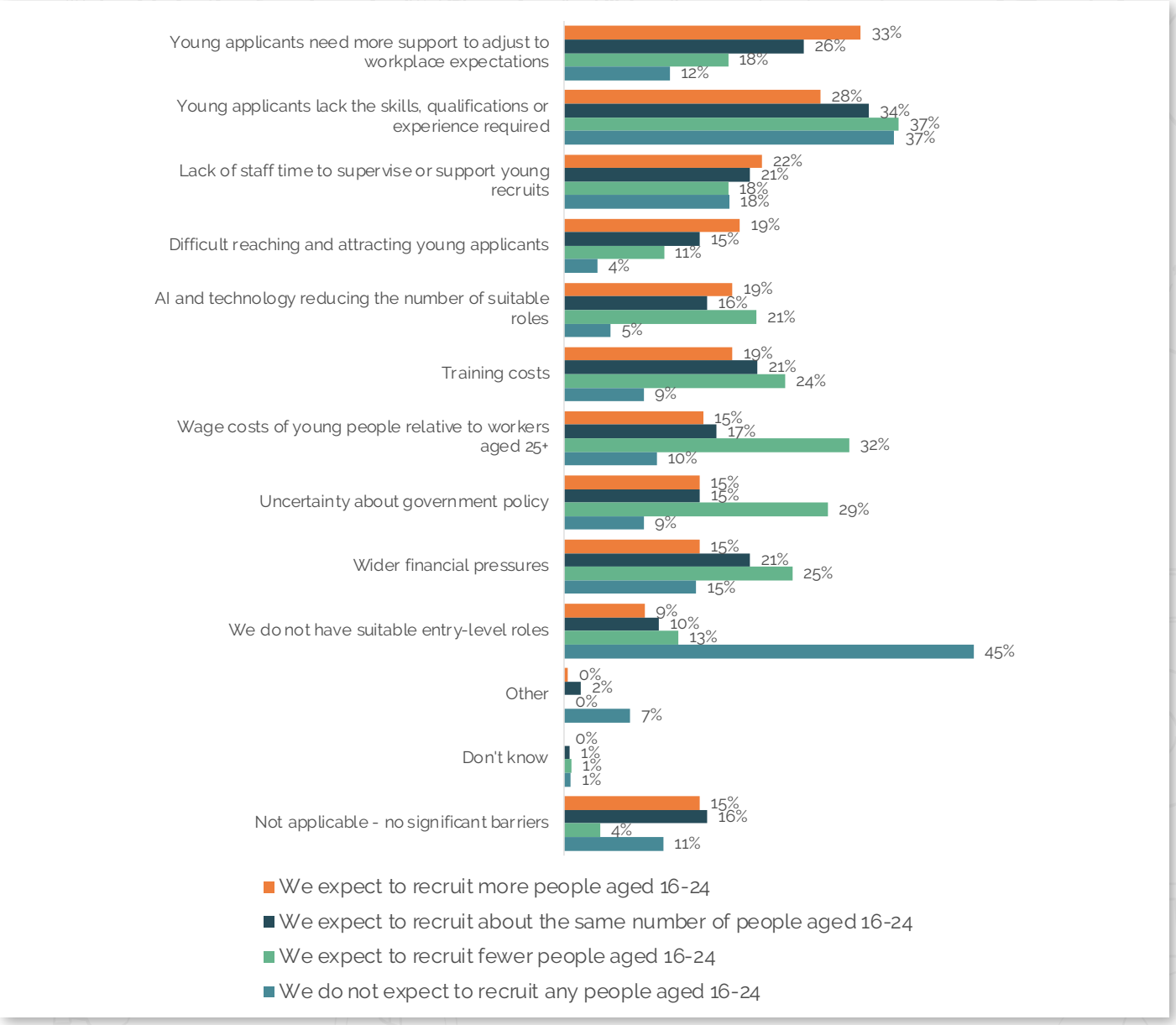
Businesses with different recruitment outlooks face different constraints. Among those expecting to recruit fewer young people, almost one third (32%) cite wage costs and 29% cite uncertainty about government policy as a top three barrier (Figure 8). Among employers expecting no youth recruitment, 45% report that they do not have suitable roles. By contrast, employers expecting to recruit more young people most often identify the support young people need to adjust to the workplace as a barrier to further expansion (33%).

Panel members expanded on the survey finding that wage costs can be a barrier. An employer in the hospitality sector said that rising employment costs meant there was 'no real advantage financially that used to exist'.

Panel members' comments also illustrated the wider costs of training and supporting young people. One finance employer noted that 'while corporations are widely viewed as having plenty of funding, the reality is that the cost culture across industries is tight'. Another employer said that 'having the financial capacity and management resource to absorb the cost and additional work it can take to support young people to transition into work is a real challenge'.

Employers expecting to expand, reduce or undertake no youth recruitment report different barriers, suggesting that no single intervention is likely to work across all businesses. This points to the value of tailoring support to employers' recruitment outlook and capacity: helping expanding employers translate appetite into additional opportunities, while addressing cost and policy uncertainty among contracting employers and the lack of suitable roles among those not recruiting young people.

Figure 8: Businesses with different expectations on their recruitment of young people cite different barriers



Base: all respondents = 1,039. We expect to recruit more people aged 16-24 = 247; We expect to recruit about the same number of people aged 16-24 = 487; We expect to recruit fewer people aged 16-24 = 127; We do not expect to recruit any people aged 16-24 = 137; Don't know = 41. (not displayed).

Question: What are the biggest barriers your organisation faces in recruiting young people aged 16-24? Please select up to three barriers that are most significant for your organisation.

Increasing youth recruitment requires action from employers and government

No single intervention is likely to increase youth recruitment across all employers. The findings suggest that the Government should take account of differences in employer behaviour and capacity when designing support. Financial incentives may help but are unlikely to be sufficient on their own: stable policy, simpler routes and practical guidance also matter, particularly for smaller employers. Employers need to maintain entry-level opportunities, invest in managers and offer meaningful work experience, while larger employers and sector bodies can help build confidence and capability across smaller businesses.

One third of employers (33%) report that financial incentives (such as an increase to the apprenticeship job grant, salary offset, or tax relief) are among the measures that would make the biggest difference to their ability and willingness to recruit young people. (See Figure 9).

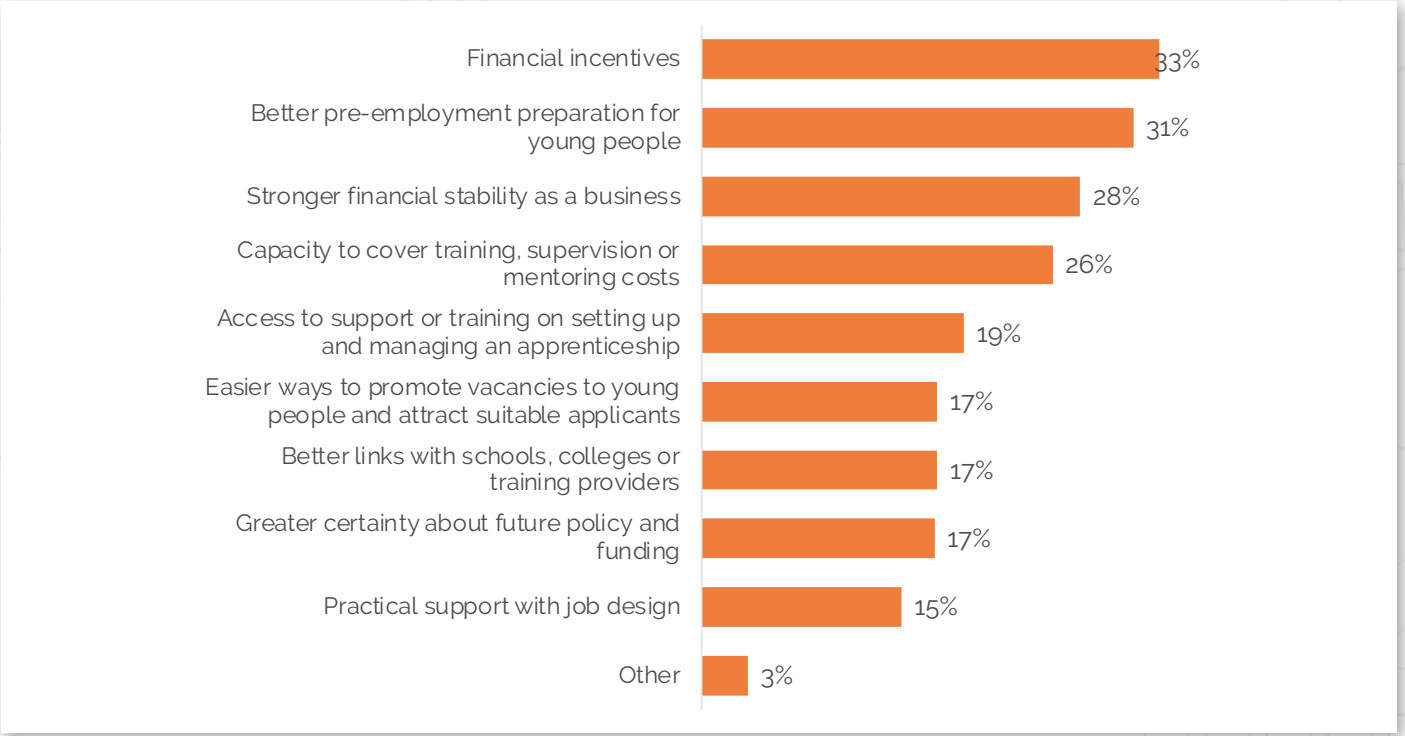
A similar proportion of businesses (31%) report that young people being more prepared for the workplace would help to increase recruitment. Internal factors in the business were also cited by sizeable proportions of businesses, with 28% of businesses saying that having a more stable financial position as a business would aid recruitment, and 26% reporting that having more capacity for training, supervision, or mentoring costs would help.

Businesses were least likely to say that practical support with designing suitable roles for young people would be among the top factors making the biggest difference in recruiting more young people, with only 15% selecting this.

Almost one half (48%) of businesses in the East Midlands said that financial incentives would help them to increase recruitment of young people, compared to 23% of businesses in the East of England, 26% of businesses in the North West, 32% in London, and 32% in the South East.

One in five (21%) businesses in Greater London said that practical support with job design would help, compared to 5% in the West Midlands, 9% in the South East, 10% in the East of England, and 11% in the North West.

Figure 9: One third of businesses report that financial incentives would improve their ability or willingness to recruit young people



Base: all respondents = 1,039.

Question: Which of the following would make the biggest difference to your organisation's ability or willingness to recruit young people aged 16–24? Please select up to three.

Taken together, the findings from this survey and the recent DWP-commissioned survey support action on both sides of the labour market. The DWP survey highlights the importance of helping young people prepare for and navigate the labour market, including through stronger vocational pathways and careers guidance.[5] Both surveys also identify measures that could help employers create and sustain opportunities, including financial incentives. A broad package of support is therefore likely to be needed, rather than a single intervention focused only on employers or young people.

Large employers want practical support, while some small employers need clearer guidance

Financial incentives, better pre-employment preparation of young people, and capacity to cover the costs of training, supervising, and mentoring young people are chosen by similar proportions of small, medium, and large businesses (see Figure 10).

However, **large employers are significantly more likely to report that greater business financial stability would help them to recruit more young people** (32%, compared to 22% of medium-sized businesses and 25% of small businesses). Large employers are also more likely to cite, as enablers: practical support for job design, support setting up apprenticeship, and better links with schools, colleges, or training providers.

Nearly one fifth (18%) of small employers say they do not know what would make the biggest difference to their ability and willingness to recruit young people, compared with 9% of medium employers and 6% of large employers. Alongside their lower anticipated use of apprenticeships despite new financial support, this suggests that the challenge is not only financial capacity. Some small employers may also lack the confidence, knowledge or management capability to identify suitable roles, navigate recruitment routes and support young people effectively.

Figure 10: Support needs vary by employer size

Base: all respondents = 1,039. Large (250+ employees) = 442; Medium (50 to 249 employees) = 267; Small (10 to 49 employees) = 330.

Question: Which of the following would make the biggest difference to your organisation's ability or willingness to recruit young people aged 16–24? Please select up to three.

[5] Department for Work and Pensions (2026) *Employer views on hiring young people survey report*

Support needs also vary by employers' recruitment outlook

Businesses that expect to recruit more young people are more likely to say that they need support with:

- **Setting up and managing apprenticeships** (29%, compared to 20% of businesses which expect to recruit the same number of young people and 16% of businesses that expect to recruit fewer)
- **Promoting vacancies to young people** (26%, compared to 16% of businesses that expect to recruit the same number, and 17% that expect to recruit fewer)

Businesses that expect to recruit fewer young people are more likely to say they need greater certainty on future policy and funding (25%, compared to 18% of businesses that expect to expand recruitment, and 16% of businesses which expect recruitment to remain steady).

Employers need support on multiple fronts to turn appetite into recruitment

Members of The St Martin's Group Employer Insights panel were asked what would make the biggest difference to their ability to hire young people. Their responses fell into four themes: financial support; policy stability and simplification; young people's preparedness for work; and action by employers.

Financial incentives

Some panel members recommended allowing **Growth and Skills Levy funds to cover wages or other employment costs,** such as travel, management time and work experience placements. Some suggested that these costs being covered could strengthen the business case for hiring apprentices.

> 'Being able to use the apprentice levy to pay the wages of new younger people even if it was for just the first 12 months, or whilst they are completing their apprenticeship. This would mean they wouldn't count in our usual FTE […], thus not impacting on our productivity data returns.' (Employer in the medical sector).

> 'If the levy could fund work experience programmes that would support at grass roots level. Work experience would be highly beneficial to young people, providing them with desperately needed exposure. However, these programmes are resource heavy, and the current cost climate makes funding these extremely challenging.' (Employer in the finance and accounting sector)

More broadly, employers on the panel suggested that more financial support for young people in employment, such as funding the purchase of suitable workwear or other equipment, would be beneficial.

Policy

Panel members called for **simpler apprenticeship processes,** especially for SMEs, and **greater clarity on employment rights.** Some felt that bureaucracy and uncertainty about employment risks could discourage employers from recruiting young people.

> 'SMEs in England need layers of bureaucracy removing to enrol apprentices with training providers - setting up an apprentice service account, contracts with the training provider - the apprentice system in Scotland/Wales and NI is simplified for employers.' (Employer in the infrastructure sector)

> 'There is a risk that concerns about the additional support young people may require, combined with perceived employment risks, could discourage some employers from recruiting them.' (Employer in the care sector).

Young people's preparedness for work

Panel members emphasised **helping young people develop workplace skills,** including communication, confidence, self-motivation, responding to feedback, interview skills, and financial knowledge. They saw a greater role for education, **work experience, careers information and employer engagement** in building these skills and awareness.

> 'Strengthen the connection between education, skills development and employment so that young people are better prepared for the workplace and employers have greater confidence in recruiting them. Increased access

to high-quality work experience, virtual career exploration and employer engagement would help young people understand the opportunities available to them and develop important workplace skills before applying for roles.' (Employer in the IT and telecoms sector).

Employer actions

Panel members also highlighted action employers can take: **reviewing their working practices and workplace; supporting managers; ensuring sufficient management capacity; and providing more accessible work experience opportunities.**

'Looking at what they are offering young people. How modern is their own workplace? Would they be happy for their own children to work in it?' (Employer in the manufacturing sector)

'Employers working together to help young people get work ready by providing more work experience opportunities for everyone, not based on who you know.' (Employer in the finance and accounting sector).

The findings point to differences in employer capability. Large employers are more likely to recruit young people through structured routes, such as apprenticeships and work experience, while smaller employers are more likely to rely on direct recruitment and are less certain about what support would help them recruit more young people. This suggests that some employers have developed greater familiarity with the pathways, partnerships and practices that support youth recruitment.

This leads to a potential role for large employers and sector bodies in convening and supporting smaller employers. By sharing recruitment models, practical tools and apprenticeship expertise, and creating opportunities to collaborate on work experience or training, they may be able to help smaller businesses overcome barriers that are not purely financial. This business-to-business support could complement government funding and messaging, particularly where employers are unsure how young people fit into their workforce plans. This is consistent with Learning and Work Institute's recent research on employer investment in skills, which highlights the potential for coordination and collective action to help employers overcome shared barriers to investment.[6]

[6] Evans, S et al (2026) Understanding employer investment in skills. Learning and Work Institute

Appendix 1: Survey respondent breakdown

Size of employer

	Number of employers	Percentage of total employers
Small (10 to 49 employees)	330	32%
Medium (50 to 249 employees)	267	26%
Large (250+ employees)	442	43%

Main work industry

	Number of employers	Percentage of total employers
IT and telecoms	211	20%
Manufacturing	142	14%
Finance and Accounting	142	14%
Other	117	11%
Construction	94	9%
Retail	66	6%
Hospitality and Leisure	48	5%
Medical and health services	52	5%
Legal	27	3%
Media/marketing/advertising/ PR and sales	35	3%
Transportation and distribution	35	3%
Real estate	18	2%

Region employer based in

	Number of employers	Percentage of total employers
London	378	36%
South East	117	11%
North West	88	8%
West Midlands	80	8%
South West	80	8%
East of England	61	6%
Yorkshire and the Humber	58	6%
Scotland	53	5%
East Midlands	52	5%
North East	40	4%
Wales	24	2%
Elsewhere (i.e. outside of Great Britain)	8	1%

Annual turnover

	Number of employers	Percentage of total employers
First year of trading	4	0%
Less than £1 million	145	14%
£1 million to £9.9 million	307	30%
£10 million or more	484	47%
Don't know	54	5%
Prefer not to answer	45	4%

Company Age

	Number of employers	Percentage of total employers
Up to 5 years	72	7%
Over 5 years up to 10 years	129	12%
Over 10 years up to 20 years	204	27%
Over 20 years up to 35 years	269	26%
Over 35 years	273	26%
Don't know	12	1%

The St Martin's Group

stmartinsgroup.org