

A Study on the Challenges of Human Resources Fresh Graduates

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Abstract:

Fresh graduates in Human Resources (HR) confront multifaceted challenges during their transition from academia to professional roles, including persistent skill mismatches between theoretical curricula and industry demands for HRIS proficiency, AI tools, and analytics; a cooling 2025 job market with scarce entry-level positions amid automation and skills-based hiring preferences; high offer decline rates (up to 42% salary expectation gaps); and inadequate practical exposure leading to underemployment for 58% of recent graduates. This comprehensive manuscript reviews global literature on employability barriers, analyses socioeconomic and psychological hurdles like job search anxiety and imposter syndrome, and evaluates institutional lags in curriculum updates for emerging trends such as hybrid work and DEI reporting. Drawing from 2025 reports like the World Economic Forum's Future of Jobs and employer surveys citing 63% skill gap impacts on business transformation, it proposes targeted solutions including mandatory digital certifications (e.g., Workday, SAP), expanded apprenticeships, lifelong micro-credentialing, and policy incentives for academia-industry partnerships to boost retention by up to 50% via structured onboarding. Ultimately, these reforms aim to transform barriers into opportunities, preparing HR graduates for strategic roles in AI driven, volatile labour markets projected to face 85 million talent shortages by 2030.

Keywords: Human resources, fresh graduates, employment challenges, skill gap, HR education, digital HR, work readiness

1. INTRODUCTION

Human Resources management has evolved into a strategic function essential for organisational success, demanding proficiency in talent acquisition, employee engagement, and data-driven decision-making.[1] The prevalence of these challenges is alarming: In India, only 54.8% of graduates are employable per the India Skills Report 2025, with youth unemployment at 14.6% and just 8.25% in qualification-matched roles; globally, 33% of 2025 graduates remain jobless, 58% underemployed, amid a constrained entry-level market. Fresh HR graduates, despite formal education, often struggle with job market entry due to discrepancies between academic training and industry requirements. This manuscript systematically examines these challenges through a literature review, empirical insights, and forward-looking recommendations to promote more effective career trajectories for HR graduates. [2]

2. LITERATURE REVIEW

Existing research consistently identifies skill gaps and employability barriers as primary challenges for HR fresh graduates.[3] Studies reveal that employers prioritise practical experience, yet academic programs emphasise theory over hands-on training in HR analytics and AI tools, leading to high graduate underemployment rates.[4] For instance, research on graduate work readiness in volatile business environments underscores the mismatch between university curricula and HRM demands, such as strategic talent management amid VUCA (volatility, uncertainty, complexity, ambiguity) conditions.[5, 6]

Empirical evidence from various sectors shows that fresh graduates lack soft skills like communication, problem-solving, and adaptability, which are critical for HR roles. [7] A study on information technology firms found that minimum training hours for new hires often exceed expectations due to deficiencies in these areas, validating the need for enhanced pre-

employment preparation.[8] Similarly, investigations into strategic HRM highlight recruitment paradoxes where companies hesitate to hire inexperienced graduates, wasting resources on unfit candidates and favouring those with prior exposure.[9]

Global perspectives, including Ghanaian HRM programs, report dwindling enrollment due to perceived job scarcity, with organisational structures limiting dedicated HR positions.[10] Literature on Gen Z entrants notes personal factors like low work experience and cultural misfit, alongside institutional issues such as outdated curricula and employer reluctance to train novices.[11] These findings collectively call for integrated interventions to align education with evolving HR practices.[12]

3. EDUCATIONAL AND INDUSTRY SKILL GAPS

HR curricula frequently overlook emerging technologies like cloud based HRIS, predictive analytics, and AI-driven recruitment, leaving graduates unprepared for digital transformation in the field.[13] Employers report that theoretical knowledge in labour laws and organisational behaviour does not translate to practical competencies, exacerbating turnover in entry-level roles.[14] Proficiency in specific HRIS platforms such as Workday, SAP SuccessFactors, ADP, and Oracle HCM is essential, requiring skills in data navigation, payroll processing, benefits administration, and performance tracking.[15]

Graduates must master HRIS functionalities, including relational database management, workflow configuration, report generation using SQL queries, and integration with payroll or finance systems to automate processes efficiently.[16] Additional technical competencies involve testing system updates, importing CSV data securely, documenting processes for annual tasks like performance reviews, and understanding cloud vs. on-premises differences to support remote/hybrid teams. Without these, fresh hires face extended onboarding, often requiring dedicated analysts for business process mapping into HRIS control tables, leading to operational inefficiencies and higher training costs.[17]

Reforms must incorporate simulations, capstone projects, and certifications in tools like these to bridge the divide.[18] Training should emphasise analytical thinking for interpreting HRIS data,

change management during implementations, and ethical data privacy to align with modern demands like people analytics and DEI reporting.[19]

4. JOB MARKET AND EMPLOYMENT CHALLENGES

Entry-level HR positions remain scarce amid automation of routine tasks and a preference for experienced hires, creating a "catch-22" for fresh graduates.[20] The 2025 job market has cooled significantly, with graduates submitting more applications (averaging 10 vs. 6 previously) yet receiving fewer offers, leading to higher acceptance rates of available roles despite uncertainty.[21] Research indicates high churn rates post-hiring due to unmet expectations on both sides, with graduates often settling for non-specialised roles or considering military service as private-sector options dwindle.

Skills-based hiring trends exacerbate this, as employers prioritise demonstrated competencies over degrees, widening the talent pool but disadvantaging those without internships or assessments. [22] Sectors like education, financial services, and healthcare show strong demand for HR roles (e.g., managers, coordinators, recruiters), yet unemployment rates below national averages (e.g., 2.9% for HR managers) signal fierce competition.[23] Structured internships, job shadowing, and networking via platforms like LinkedIn are vital to mitigate these issues, alongside targeting growth areas like AI-exposed fields despite employment declines for early-career workers.

5. ORGANISATIONAL EXPECTATIONS VERSUS GRADUATE PREPAREDNESS

Modern HR demands strategic acumen, cross-functional collaboration, and emotional intelligence beyond administrative duties. [24, 25] Graduates typically underperform in these areas, as evidenced by employer surveys citing gaps in leadership, negotiation, and empathy skills amid shifting priorities like employee experience and well-being.[26] With 85% of employers planning upskilling due to skill gaps as the top business transformation barrier, fresh hires face pressure to adapt quickly to AI tools, hybrid models, and DEI integration.[27]

Organisations report challenges validating self-reported skills, relying on resumes over assessments, which disadvantages graduates

without experiential learning, like internships.[28] Expectations now include agility for volatile markets, regulatory compliance in employment law, and contributions to talent acquisition, training, and performance management- HR's top 2025 priorities.[29, 30] Organisations should implement tailored onboarding with mentorship, while academia embeds soft skills via role-playing, group projects, and certifications in agile leadership and change management.[31]

6. PSYCHOLOGICAL AND SOCIOECONOMIC BARRIERS

Job search anxiety, imposter syndrome, and socioeconomic disparities in networking access compound employment hurdles for HR graduates. Studies link these factors to prolonged unemployment spells, particularly for those from underrepresented backgrounds lacking digital resources for applications or AI job tools.[32] The cost-of-living crisis intensifies financial strain, shifting priorities toward job security and stability, with graduates favouring employers that offer mental health support and clear career progression. [33, 34, 35]

Diverse socioeconomic groups face unequal access to premium networking events, interview coaching, or devices for remote applications, perpetuating cycles of underemployment. [36, 37] Emerging trends like economic volatility and immigration policy shifts further heighten uncertainty, pushing some toward further study or non-traditional paths.[38] Career counselling, equity-focused scholarships for certifications, resilience workshops, and inclusive recruitment practices can build confidence and level the playing field during this high-stress transition. [39, 40]

7. INSTITUTIONAL AND POLICY-LEVEL FACTORS

Universities lag in industry partnerships, resulting in misaligned programs that fail to address real-time HR trends like remote workforce management and AI adoption. [41, 42] With 63% of employers citing skill gaps as transformation barriers, institutions must prioritise upskilling collaborations, yet many lack funding for joint apprenticeships or certifications. [43] Policymakers can incentivise through grants for experiential learning, as seen in calls for

standardised competencies by bodies like SHRM. [44, 45]

Limited career services fail to prepare graduates for skills-based hiring or volatile markets, where degree requirements are being replaced by assessments. [46, 47] Global reports urge policy reforms for talent pipelines in high-demand sectors, including incentives for firms hiring novices amid labour shortages in health, engineering, and education.[48] Enhanced collaborations by workshops, live projects, and policy frameworks will align training with 2025 priorities like talent acquisition and employee engagement. [49, 50]

8. FUTURE PERSPECTIVES

Anticipating AI integration, hybrid models, and sustainability-focused HR, future strategies include:

1. Mandatory digital HR modules with tools like machine learning for talent prediction and generative AI in recruitment. [51, 52]
2. Expanded apprenticeships and mentorship via platforms like LinkedIn Learning, emphasising skills-based validation.[53]
3. Lifelong learning ecosystems with micro-credentials in ethical AI, DEI practices, and regulatory compliance.[54, 55]
4. Global mobility training for cross-border HR roles amid policy shifts.[56]
5. Policy-driven incentives for firms hiring fresh graduates, targeting growth industries like healthcare and finance. [57, 58]
6. These measures, supported by 63% of HR leaders planning contract talent use, will position graduates as agile leaders.[59]

9. CONCLUSION

HR fresh graduates face systemic challenges rooted in skill disparities, market constraints, and institutional inertia, as corroborated by extensive literature. Holistic reforms, spanning curriculum modernisation, experiential learning, and supportive policies, offer pathways to employability. By embracing future-oriented perspectives, stakeholders can transform these barriers into opportunities for a robust HR talent pipeline.

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