

# Graduate Key Skills and Employability



*inspiring leaders*

## Introduction

The Chartered Management Institute (formerly the Institute of Management) supported by the London College of Printing and the Institute of Practitioners in Advertising, has undertaken new research into graduate key skills and employability. This survey builds on our research project in September 2000, which showed that 49 per cent of HR managers surveyed thought the preparedness of graduates for the world of work had decreased in recent years.

The purpose of the research was to examine the skills and competencies that today's graduates are bringing to the workplace from the perspective of employers, and to assess how far the higher education system is equipping graduates with the key skills that they will require to become tomorrow's managers.

Research for the project was conducted in February 2002. A survey was sent to 2,250 managers in total and 253 replied - a response rate of 11 per cent. Two thousand of those surveyed were Chartered Management Institute members, with half of these being drawn from a random sample of HR managers; the remaining 250 were members of the Institute of Practitioners in Advertising.

## Survey findings

### Graduates' grasp of key skills

- As Table 1 illustrates, in September 2000 and February 2002 managers were asked to assess today's graduates' grasp of a range of workplace key skills.

Key Skills	2002		2000	
	Good %	Poor %	Good %	Poor %
Computer/IT literacy	75	5	72	5
Basic skills (literacy/numeracy)	42	14	30	18
Communications skills	30	23	13	37
Team working/interpersonal skills	25	33	12	47
Creativity/innovation	24	26	30	30
Presentation skills	23	26	-	-
Reasoning/comprehension	23	23	25	18
Problem solving/analytical thinking	20	32	24	24
Commercial awareness	9	55	10	44

Table 1: Graduates' grasp of key skills 2000 and 2002

- Focusing on the positive findings first, some 75 per cent think that the IT skills of graduate recruits are good in this year's survey. Although there has been an improvement in this year's survey in managers' perception of graduates' basic skills, still less than half believe they are good (42 per cent in 2002 compared with 30 per cent in 2000).
- Looking at those key skills where employers take a more negative view, commercial awareness, team working and interpersonal skills, problem solving and analytical thinking top the list. There is a significant worsening of managers' views about graduates' problem solving and analytical thinking skills in this year's survey.



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## Graduates' interpersonal skills

- In view of the low levels of interpersonal skills found in the 2000 survey, the latest survey explored in greater depth the impact of the lack of these skills on the graduates' role in the workplace.

<b>Interpersonal skills</b>	<b>Base: 253 %</b>
Diplomacy/political skills	64
Understanding others	50
Formal etiquette	45
In business meetings	42
Team working	39

*Table 2: Skills requiring further development 2002*

- The research highlights the knock-on effects on organisations. Poor interpersonal skills, in particular, are having a major impact on young executives' performance in a whole range of workplace scenarios. As Table 2 shows, the majority of employers say it is reflected in poor levels of diplomacy and graduates' lack of understanding of colleagues and customers, and many in terms of formal etiquette and the way young executives handle business meetings.

## Perceptions of graduates' workplace attributes

- The attributes most appreciated by managers are graduates' receptiveness to training, their attendance record and self-confidence. They are less satisfied with regard to loyalty, respect for authority and motivation.

<b>Workplace and personal attributes</b>	<b>Good %</b>	<b>Poor %</b>
Receptiveness to training	62	7
Attendance record	58	11
Self-confidence	55	7
Time keeping	46	15
Flexibility	43	17
Motivation	41	19
Respect for authority	38	26
Ease with which fit into culture	35	15
Loyalty (ie labour turnover)	33	31
Performance/productivity	33	16

*Table 3: Managers' views of graduates' attributes 2002*

- Interestingly, these findings reveal an underlying tension between employers' awareness that while, on the one hand, graduates respond well to training and development, on the other they are likely to move on to another organisation relatively quickly. This is demonstrated by the fact that loyalty is perceived as their weakest attribute.
- Managers increasingly expect their graduate recruits to be with them for only a relatively short period of time. When asked in 2000, only 26 per cent of managers expected their graduate recruits to stay for 2 years or less. This has risen significantly to some 35 per cent in this year's survey.
- In addition, managers appear to have high expectations of their graduates' preparedness for their professional roles. Asked how soon their organisation expects its graduate recruits to be contributing effectively, some 69 per cent, to whom the question applied, say within six months. This lends weight to the argument of those who contend that employers these days require their graduates to 'hit the ground running'.

## **Graduate development in organisations**

- This year's survey findings show that most organisations provide a wide range of personal development schemes for their graduate recruits.
- Seventy-seven per cent provide in-company training, to develop organisation-specific skills and competencies, and opportunities to study for external qualifications. Seventy-six per cent provide professional training courses and 72 per cent plan on-the-job development. A substantial majority also provide in-company training to develop skills lacking in the individual manager such as mentoring, coaching, and a continuous professional development programme.

## **Employers and the higher education system**

- Over half (52 per cent) of the managers surveyed agree with the statement that the higher education system is successfully responding to employer demands for high quality and relevant courses, compared to some 40 per cent who do not. Some 47 per cent agree with the proposition that the higher education system does not meet employers' needs for suitably qualified candidates, with only 46 per cent dissenting from this negative view.
- The survey asks how organisations engage in the higher education system. The most popular form of involvement is the provision of work placements, offered by some 67 per cent of organisations.
- Also featuring prominently are information talks and group visits, with 48 per cent of organisations offering these to students. Forty per cent of managers' organisations work with university research centres and 32 per cent participate in the mentoring of students. Twenty-three per cent have direct links with teachers.

## **What higher education can do to enhance employability**

- The practical approach of encouraging students to have periods of work experience is perceived by 76 per cent as being the most effective initiative to enhance employability.
- A significant number of managers also see a need for a greater emphasis on careers advice at university and college. Fifty-two per cent believe that this has a role in enhancing students' communication skills and 46 per cent say the same about improving students' understanding of behaviour in the workplace.

## **Employer awareness of higher education employability initiatives**

- The survey found that most employers have only a limited understanding of recent initiatives for graduates' personal development. Only 15 per cent of managers were aware of Higher Education Progress Files and only 25 per cent know that Compulsory Personal Development Plans for students now exist.

## **Conclusions**

- There has been a noticeable and encouraging improvement since the 2000 survey in managers' perceptions about graduates' basic skills and communication skills.
- However, there are still clear shortcomings in graduates' interpersonal skills, particularly apparent with regard to political and diplomatic skills that a clear majority of managers say that graduates are lacking.
- There appears to be an underlying tension between managers' awareness that while graduates' receptiveness to training and development is good, they are increasingly likely to move on to another organisation relatively quickly.
- Employers see a clear role for their organisations in enhancing students' employability, but also think careers advisory services have an important part to play.
- There is clear evidence of a high degree of employer engagement with students, but more work experience opportunities are required.

## Recommendations

- The findings clearly show the need for a far greater contribution from careers advisory services within universities, with employers suggesting that the provision of careers advice on communication skills and workplace behaviour could have a major impact in raising graduates' preparedness for the world of work. There should be funding provision and clear targets set for all HE establishments to develop their careers advisory services as a channel for delivering non-academic personal development programmes.
- The Government should promote a consistent pattern and process for developing interpersonal skills at all universities. At the moment, development that takes place is likely to be ad hoc and as a result of either work experience or students' extra-curricular activities. Personal Development Plans that encourage students to record and reflect on their competencies are welcomed, but few students receive specific personal skills development training. Direct provision should be made for all students to experience a minimum amount of training in workplace skills that is likely to be taught by someone outside the student's academic faculty.
- There should be a national awareness campaign to raise the profile and recognition of Personal Development Plans among both students and their prospective employers.
- There is also a strong case for the Government to review the mechanisms by which employers engage with HE establishments. While the vast majority of employers are keen to influence the higher education agenda, with 80 per cent wishing to be actively engaged, 71 per cent are overwhelmed by the current plethora of programmes, from work placements and mentoring of students to "industry-branded" curriculum material and direct sponsorship opportunities. The HE sector needs to devise a clear communication strategy that identifies opportunities for employer involvement and provides identified points of contact for employers.
- In order further to improve the links between industry and education, both sectors should consider developing more programmes to enable the part-time or temporary transfer of staff between industry and HE. This would provide academic staff with greater awareness of the business environment that their students are likely to enter and would also enable industry-specific knowledge to be included within relevant academic subjects.

## The Chartered Management Institute

The Chartered Management Institute came into being on 1 April 2002, as a result of the Institute of Management being granted a Royal Charter.

As the champion of management, the Chartered Management Institute shapes and supports the managers of tomorrow, helping them deliver results in a dynamic world. The Institute helps set and raise standards in management, encouraging development to improve performance. Moreover, with in-depth research and regular policy surveys of its 91,000 individual members and 520 corporate members, the Institute has a deep understanding of the key issues.

## The London College of Printing

As well as its leading role in printing, LCP has an international reputation for teaching and research in publishing, graphics, broadcasting, retailing, advertising, journalism and design.

As a specialist college, LCP is more of a focused and vocational community than conventional universities, with a portfolio emphasis representing the whole field of communicating ideas and images, and distributing products and information.

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