



# 21st CENTURY LEADERS

Building practice into the curriculum  
to boost employability

June 2014



QAA





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# 1. FOREWORDS



There are already three million managers working in the UK today, and this figure is set to climb to 3.6 million by 2020. So how do we best meet the growing demands from employers for more business-ready graduates? Building on our extensive relationships with business schools, CMI joined forces with the Association of Business Schools and the Quality Assurance Agency for Higher Education to review how the curriculum of business schools can be enhanced to better equip graduates with the skills that they will need to become outstanding managers of the future. This report provides a new insight on ways to design more practical management experience and innovative approaches into courses. It particularly highlights the benefits of incorporating professional pathways within the curriculum. It's a win-win situation because employers get professionally trained, practically skilled managers who can deliver results from day one, while graduates boost their career and progression prospects, and universities improve student satisfaction, attracting more and better candidates.

**Ann Francke**  
Chief Executive,  
Chartered Management Institute



The Quality Assurance Agency for Higher Education (QAA) was pleased to participate in this project and welcomes the findings of the report. Employer engagement and the enhancement of students' employability are priorities for QAA. Consequently, we support the conclusions that promote the value of a practice-based curriculum in developing the work-readiness of graduates and the idea that business schools should work more closely with small and medium enterprises (SMEs). The ways in which SMEs can engage in employability initiatives will be investigated in forthcoming research commissioned by QAA. The findings of this report will also contribute to the current review of the subject benchmark statements in business and management, ensuring that best practice in the development of relevant knowledge and skills is embedded in the curriculum.

**Anthony McClaran**  
Chief Executive, Quality Assurance  
Agency for Higher Education



The Association of Business Schools has been delighted to work on this project; business and management schools play a pivotal role in preparing graduates for the world of work and it is imperative that student demands and business needs are met. Business and management education provides £3.25 billion of revenue to the UK and one in seven UK university students are studying the discipline at undergraduate level. The impact on UK plc is clear. We need to ensure that business schools are recognised as the agents of innovation and growth, and a key source of talent for employers. The curricula must be robust and relevant, enabling students to embrace an innovative, ethical and entrepreneurial ethos, and bring this into the workplace. The more effectively universities work with business and with the professional bodies, the greater opportunities we have for effectively developing UK talent.

**Jane Harrington**  
Vice Chair, Association  
of Business Schools

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# 2. INTRODUCTION

In May 2013, research undertaken by the Association of Business Schools (ABS) showed that business schools play an important role in driving innovation and growth in the UK. But, while they are internationally recognised and successful at what they do, they can undoubtedly make an even greater contribution to our country's economic progress through the graduates they produce, especially in terms of supporting our small and medium enterprises. In particular, the research found that business schools need to do more to integrate practice into teaching and bring experienced practitioners from the business community into their faculties.

Building on this need to integrate more practice and links to employers into the curriculum, CMI, together with ABS and the Quality Assurance Agency for Higher Education, has been exploring how business schools, professional bodies and employers can work together to develop leaders fit for the 21st century.

We undertook a series of workshops between October 2013 and March 2014 where we spoke to employers from businesses of all sizes and from all sectors, as well as academics. We also undertook a nationwide survey of employers to understand the key attributes that they look for in business graduates, and a separate survey of business schools

to explore the key employability initiatives they offered. We have included student perspectives, too, using data from the National Union of Students, the National Centre for Universities and Business, and the Higher Education Statistics Agency. Together, these strands of research helped us to reach some important conclusions.

Two key findings have emerged from the research. First, it is clear that employers expect business schools to develop graduates who have a business-ready mindset. In other words, they want individuals who can go out into the workplace and contribute positively from the start. Second, employers want business schools to equip graduates with skills, as well as knowledge. While knowledge of management theory is important, managers need a host of other skills, including communication, self-awareness, people-management and problem-solving abilities to be effective in practice.

But, while there is undoubtedly more that business schools can do to prepare graduates for the workplace, there is a risk that employers are underestimating the inherent talent of young people in the UK today and their ability to adapt quickly to the working environment. Too many employers are missing out on employing highly talented business graduates who

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# INTRODUCTION

could have a positive impact on their business, as a result of either having unrealistic expectations or failing to engage with local business schools.

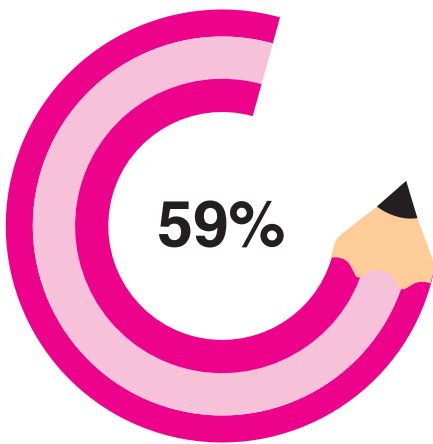
Employers themselves have a major role to play in developing our 21st-century leaders. By working with business schools and engaging with students through activities such as offering work placements, they can help to shape the skills that students are acquiring and give them valuable insight into the real-life world of work. Our research found that meaningful work experience is critical to turning out rounded,

business-ready graduates, and this is something that only employers can provide. By offering substantive work experience placements that last longer than a month, they can give graduates crucial exposure to the business world, including the opportunity to work within or lead a team, manage a problem or solve a big challenge.

The process of producing 21st-century leaders and managers is ongoing and requires constant innovation on the part of business schools, professional bodies and employers. Only by working together will we truly be able to unlock the formidable talent of the next generation.

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## 3. CONTEXT



OF UK-DOMICILED GRADUATES WHO TOOK A FIRST DEGREE IN BUSINESS AND ADMINISTRATIVE STUDIES IN 2011/12 HAD SECURED FULL-TIME EMPLOYMENT WITHIN SIX MONTHS OF GRADUATION

For most, there is the expectation that a good degree in business and management should equip a graduate to go straight into the workplace. According to 2013 statistics from the Higher Education Statistics Agency (HESA), 59% of UK-domiciled graduates who took a first degree in business and administrative studies in 2011/12 had secured full-time employment within six months of graduation. This is above the average full-time employment rate for all subjects combined, which was 53%. Around 13% of business and management students pursue further study or a combination of work and further study, which means that, according to the HESA data, in the region of 10% of business graduates are still seeking employment.

Even though a business degree can give graduates a good advantage in the workplace, feedback and perceptions from employers who participated in our

workshops suggested that this does not always apply. Indeed, CMI's survey of members showed that only 17% look to business schools when recruiting first-time managers. It appears that there is a disconnect between employers accessing business schools and understanding what can and is now delivered in many, which results in not enough employers being aware of the advantages business graduates can offer. However, employers do appear to place much greater value on candidates having an MBA or master's when hiring for senior management.

This trend is also reflected in salaries. HESA found that business and administrative studies graduates typically earned similar amounts to peers in most other subject areas, but progress more quickly in terms of salary growth. The median starting salary for business and administration first-degree leavers who graduated in 2008/09 was £18,000, which was £2,000 lower than that for all subject



‘Our survey of managers found that 12% of small and medium enterprises, compared to 20% of larger companies, look directly to universities for recruits’

areas combined. However, in 2012, the median salary of those 2008/09 graduates had risen to £25,000, which was 2% higher than that for all other subject areas combined.

In contrast, postgraduates with a master’s or MBA qualification are far more likely to command a premium in salary for their efforts, according to the HESA data. HESA found that the median salary of people who had obtained a postgraduate qualification in 2008/09, and were in full-time paid employment in 2012 (£43,000), was 43% higher than that of leavers with a postgraduate qualification in all subject areas. It was even significantly higher (7%) than the salary of those with postgraduate qualifications in medicine and dentistry.

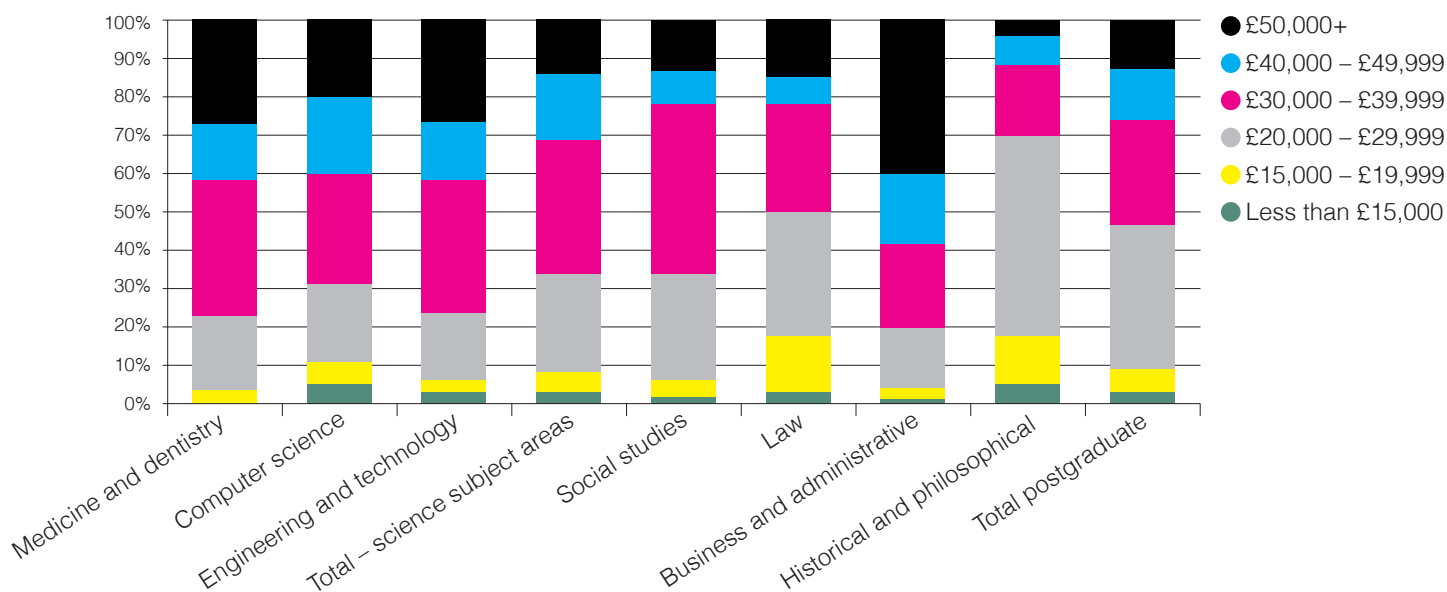
A business school would seem the natural place for an employer to go to recruit a graduate for a management position. There is indeed global evidence of the impact of business schools and universities on firms’ human capital. Those businesses located closest to business schools have been found to have better-quality management – even after controlling for factors such as population, size, industry and country.<sup>1</sup>

However, our survey of managers found that 12% of small and medium enterprises, compared to 20% of larger companies, look directly to universities for recruits. The exception to this is large or blue-chip organisations. Employers tend to recruit for knowledge and competence in a technical specialism or sector, which means that they can miss out on more generalist management graduates. They also value experience and practical skills as much as technical knowledge and qualifications, which is often where a problem arises, as for many graduates, their experience of the workplace remains limited.

However, with management and business now the largest undergraduate course taught across the UK, with 231,480 full-time and part-time students, and also with 105,770 postgraduate students, the economic and social impact of further improving the employment prospects of these students would be immense.

1) Based on analysis of more than 10,000 firms globally. Source: Feng, A (2014) ‘Human Capital and Management Practices: Evidence from Driving Times to Universities’, *Essays on Human Capital*, PhD thesis, London School of Economics and Political Science (LSE), and exchange with Professor John van Reenen, LSE, May 2014.

**Salary bands of UK-domiciled leavers who obtained postgraduate qualifications in 2008/09 and were in full-time paid UK employment (excluding self-employed) in November 2012 by subject area and salary band**



Source: Higher Education Statistics Agency

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# 4. KEY INSIGHTS

This report offers key insights into how business schools, employers and professional bodies can work better together to improve the curricula to produce the future managers and leaders who can fuel the UK's economic growth. These will be business-ready managers who have a reasonable amount of practical work experience under their belts, as well as solid communication and interpersonal skills, a global mindset and strong ethical values.

Our main findings are outlined below:

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## VALUE OF EXPERIENTIAL LEARNING TO DEVELOP SKILLS AND BUSINESS-READY MINDSET

- **Four-fifths (80%) of employers** think graduates have unrealistic expectations about the world of work.
- **Eighty-nine per cent of employers** believe that embedding work experience within courses would help to make students more employable. **Yet only one fifth (22%)** currently offer job placements or internships to students.
- **Only a quarter of students (25%)** take up sandwich placements if they are available. **This is despite 81% of business schools** that responded to a survey by the Association of Business Schools (ABS) saying they offer undergraduates a sandwich-year placement of 12 months or more.
- **Three-quarters (75%) of employers** believe more graduates should undertake professional qualifications since these provide evidence of practical skills.

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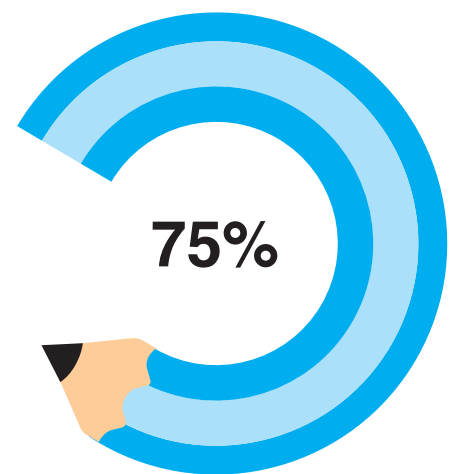
## ENHANCING EMPLOYER ENGAGEMENT WITH BUSINESS SCHOOLS

- **Only 17% of employers look to use** business schools when recruiting managers, which is **only 12%** of small and medium enterprises (SMEs) and **20%** of companies with more than 250 employees.
- **More than a quarter of employers** say a lack of information prevents them from engaging with business schools. The same number find the absence of an easy point of contact with business schools a problem.

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## PEOPLE-MANAGEMENT SKILLS

- **Graduates need to know how to** have a difficult conversation about performance. They must also be able to manage a project, work in a team, and communicate and persuade – both orally and in writing.
- **Nearly two-thirds (65%) of employers** agree that graduates lack the interpersonal skills necessary to manage people.
- **The ability to communicate is the** most important skill that a graduate can possess, according to employers. This is followed by problem-solving, team-building and motivational skills.



OF EMPLOYERS BELIEVE MORE GRADUATES SHOULD UNDERTAKE PROFESSIONAL QUALIFICATIONS



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## SMEs AND ENTREPRENEURSHIP

- **SMEs are a major engine of growth** for the UK economy. At the start of 2013, there were an estimated **4.9 million** SMEs in the UK, employing **24.3 million** people, according to the Department for Business, Innovation & Skills.
- **More than two-thirds (68%) of** employers believe that business courses are too focused on the agenda of big business rather than preparing students for working in SMEs.
- **Graduates need to be commercially** aware, creative, entrepreneurial and numerate. Business schools could improve their curricula to reflect this.
- **Only a third of SMEs surveyed use** business schools for training their staff. **This compares with half (51%)** of large organisations. As a result, they have little appreciation of the practical benefits of hiring graduates, as well as concerns over costs.

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## GLOBAL MINDSET ATTUNED TO DIVERSITY

- **Graduates need to be equipped with** the skills to do business in the global workplace. Business schools should emphasise cross-cultural and remote working; developing foreign language skills and more inclusive, transparent leadership models.
- **Over half of employers (54%) felt** that more UK students should be encouraged to work or study abroad. **Meanwhile, nearly a quarter (24%)**

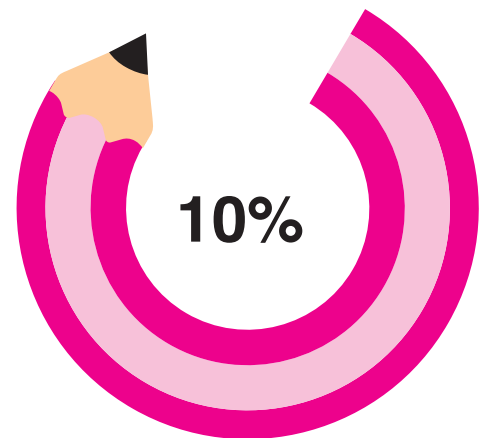
rated graduates as weak in terms of having a global mindset.

- **Just 10% of students take** up options to spend time abroad as part of their course, according to ABS research.

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## ETHICAL MINDSET

- **Honest and ethical was the second-most** sought-after characteristic that employers seek in a new manager, **cited by 55%.**
- **Employers want business schools** to emphasise the importance of ethics and prioritise sustainability in their teaching.
- **Professional bodies have a role to** play in embedding standards of ethics and practice in the curricula of business schools, according to both employers and academics.



OF STUDENTS TAKE UP OPTIONS TO SPEND TIME ABROAD AS PART OF THEIR COURSE

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# 4.1 THE VALUE OF EXPERIENTIAL LEARNING

‘Some employers feel that graduates usually need between two and three years’ experience in the workplace to develop skills such as the ability to communicate with people’

Employers want business schools to produce graduates who have a business-ready mindset. This mindset entails having an understanding of business ethics and values, self-awareness, mental flexibility and openness, resilience and a commitment to life-long learning. These are skills that business and management graduates will need to possess to navigate the complexity and ambiguity that marks modern business. However, CMI’s survey found that nearly 80% of UK employers believe business graduates have unrealistic expectations and are poorly prepared for the workplace. This criticism still applies when graduates are at MBA level. Therefore, employers want business schools to do more to help their graduates to develop a business-ready mindset.

## **BUSINESS-READY MINDSET**

Lack of practical work experience appears to be a critical factor in business school graduates not being business-ready. While graduates may have achieved academic success, having limited exposure to a business environment is holding them back. Some employers feel that graduates usually need between two and three years’ experience in the workplace to develop skills such as the ability to communicate with people, look after team members and provide basic customer service. Senior managers, meanwhile, need relevant experience that can inform their decision-making.

The key benefits of meaningful work experience are perceived to be:

- **to develop skills (learning by doing);**
- **to allow students to apply theory learned in the classroom and reflect on it; and**

- **to obtain a rounder and more realistic understanding of the world of work and working in organisations.**

More than 40% of business students in England work part-time while studying for their degrees, according to statistics from the National Union of Students (NUS). While this is a higher percentage than in the EU and the rest of the world, it still means that the majority of students are not working while they study. Also, according to the NUS, just 30% of students are undertaking placements or internships organised by their university.

## **PRACTICAL SKILLS**

Our research found that more than three-quarters (78%) of employers thought that business schools need to do more to help their students develop practical skills. Employers complained that they frequently see candidates who have good specialist technical knowledge but lack management skills. But employers may have unrealistic expectations about the ability of universities to produce business-ready graduates. Some academics and employers questioned how much of a student’s development should be the responsibility of the university. They argued that universities and employers need to reflect on how they can contribute to the process of producing business-ready graduates. For example, employers could undertake more in-house training. This view was backed up by the NUS research, which revealed that 17% of business students felt there was not enough content from employers in their courses. Ultimately, the prevailing theme to come out of our research was that universities and employers need to work together to create business-ready graduates.

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## CASS BUSINESS SCHOOL

### Working with employers to enhance employability

#### Professor Cliff Oswick

Deputy Dean

One very successful approach we have employed at Cass Business School is the use of consulting projects, where students work in small groups with real organisations to solve problems. For example, we recently had almost 100 full-time MBA students working in small teams with 19 different organisations in Iceland. This week-long consulting activity encompassed a range of problems and challenges (for example around restructuring, product development, e-commerce, benchmarking, market entry strategy and internationalisation) being faced by a diverse cluster of organisations. These organisations spanned the financial services, voluntary, retail, pharmaceuticals, tourism, legal services, engineering, fishing and energy sectors. In recent years, similar MBA consulting initiatives have taken place in Poland,

South Africa and South America. Equally, on our full-time MSc in management, we have a comparable domestic consulting project that runs across a whole term.

In addition to consulting projects, which effectively constitute a form of living case study, we also have a repertoire of more traditional mechanisms for supporting students and connecting them with employers (through placements, company visits, guest speakers from industry and so on). At Cass, we are committed to establishing meaningful and enduring points of contact between students and employers to enhance the learning process and employability. To this end, we have attempted to take students out into the workplace and bring employers into the classroom.

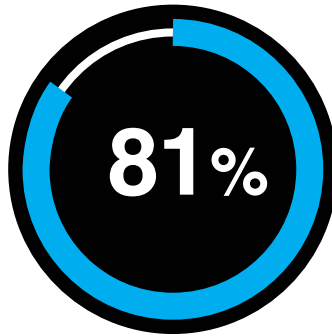


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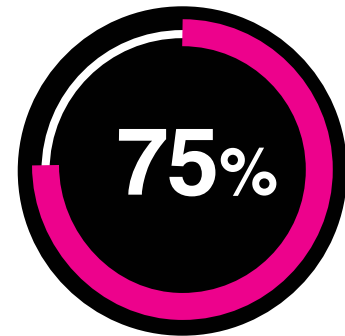
## WORK PLACEMENTS



OF STUDENTS WHO UNDERTAKE WORK PLACEMENTS GO ON TO BE HIRED BY THE EMPLOYER AS A RESULT



OF BUSINESS SCHOOLS OFFER UNDERGRADUATES A SANDWICH-YEAR PLACEMENT OF 12 MONTHS OR MORE



OFFER INTERNSHIPS OR WORK PLACEMENTS OF BETWEEN FOUR WEEKS AND SIX MONTHS

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Work placements that provide hands-on work with real associated responsibilities are extremely beneficial to business graduates and increase the chances of gaining employment soon after graduation. A period of extended, meaningful work experience that is embedded in the course enables students to develop business skills (learn by doing), apply the theory that they learned in the classroom and reflect on it, and also to develop a more realistic view of the broader world of work.

Nearly 90% of the employers that we surveyed agreed that embedding work experience within courses would make students more employable. More than 95% of students think likewise, according to the National Centre for Universities and Business Student Employability Index 2014.

Evidence already shows a strong correlation between work placements and employment. Research across one in three business schools by the Association of Business Schools (ABS) showed that nearly 30% of students stayed with the employer at the end of their course.

Employers often also regard longer placements as the most effective way of offering work experience, since they provide students with prolonged exposure to employment, a feel for the organisational culture and the chance to develop an understanding of work expectations. Shorter placements are

less useful to employers because of the investment they need to make for limited return.

### SANDWICH DEGREES

Research for this project by ABS found that 81% of those business schools responding offer undergraduates a sandwich-year placement of 12 months or more, while 75% offer internships or work placements of between four weeks and six months, and 72% offer placements of up to four weeks. More than a third (37%) of respondents to the ABS survey said that sandwich-year placements work better, because they give employers the opportunity to get more value from the student and give students the opportunity to have a longer and more beneficial experience. But the ABS research found that undergraduates are unenthusiastic about taking a sandwich-year placement: just 25% of students at institutions offering this option decided to take it. The average fee that a business school charges for a sandwich-year placement is £1,078, according to ABS.

It seems that business schools may need to do more to promote sandwich-degree courses. Students who enrol on these courses “are provided with the best chances to grow their experiences and become stronger applicants,” notes Sarah Mackie, the Faculty of Business and Law’s Director of Undergraduate Studies at the University of the West of England. Besides sandwich degrees, employers suggested that shorter,

‘Work placements should be mandatory’

**Sue Mayhew**

Consultant, Minerva People Development Ltd



**NAME**

Gabriel Paramore

**COURSE**

BA (Hons) international business studies, Sheffield Hallam University

**PLACEMENT ORGANISATION**

Unilever plc

**PLACEMENT HIGHLIGHT**

“I launched my first Axe (Lynx) deodorant product, Axe Black Chill, in North America with 4.4 million sales predicted in the first year. I managed the core team to deliver the project two months ahead of schedule, using my negotiation and leadership skills to keep the team motivated. Knowing my product was on the shelves for the first time was the best feeling I’ve had professionally.”



16-week internships and collaboration with in-company programmes would have practical benefits for students. Employers also thought that involvement in volunteering and community projects would be valuable for business undergraduates. Going forward, employers, including charities, need to take greater advantage of the huge number of students who are available to help with new business ideas and consulting projects, while universities need to be more flexible and less bureaucratic in managing placements.

**ACCESS TO INFORMATION**

Business schools could improve the level of information and help that they give to employers around work placements. Nearly a third (32%) of employers surveyed said they saw lack of information as a key barrier, and the same percentage said they found the lack of an easy point of contact a problem. Although small and medium enterprises (SMEs)

use business schools less for recruitment, their ability to offer internships and placements is on a similar level to that of larger companies.

Employers and academics also commented that the public and third sectors should offer more placements. Some employers observed that cost hinders them from investing in work placements, which partly reflects the misconception that placements are mostly paid employment. Furthermore, some preferred to develop their existing employees instead of bringing in new talent on placements.

But, while work placements do help to improve employability outcomes for students, they also potentially mask the need for business courses to be revised so that they are more flexible and modular, enabling students to work and study and their employers to gain greater benefit from their input over the longer term.

**ORGANISATIONS’ EXPERIENCE OF WORKING WITH BUSINESS SCHOOLS**

SMEs v large companies

	SMEs (1-250 EMPLOYEES) %	LARGE COMPANIES (250+ EMPLOYEES) %
USE FOR RECRUITING	12	20
USE FOR TRAINING AND DEVELOPING STAFF	34	51
OFFER JOB PLACEMENTS TO STUDENTS	23	22
OFFER INTERNSHIPS TO STUDENTS	18	23
HELP SHAPE COURSES	16	15
PROVIDE GUEST LECTURERS	27	26
PROVIDE STUDENT PRIZES	5	7
USE FOR RESEARCH PROJECTS	21	24
USE AS A NETWORKING VENUE	23	20

Source: CMI 21st Century Leaders research



# WORK PLACEMENTS

## UNIVERSITY OF BIRMINGHAM KPMG School Leavers' Programme

The KPMG School Leavers' Programme (SLP) was set up in 2011 by accountancy firm KPMG in partnership with the University of Birmingham. The six-year programme offers school leavers the opportunity to gain a degree, a professional qualification and valuable work experience while earning a salary at the same time. One key aspect of SLP is that students can have their studies integrated closely with their work experience. During SLP, students spend a similar amount of time on campus as a student on a full-time degree programme. However, their teaching is fitted around the work they undertake in audit teams at KPMG. This means that some of their study time is in the university summer vacation period. The rest of their time is split between studying for professional examinations and working with audit teams.

SLP provides positive benefits for participants, the university and KPMG. For participants, as well as the obvious financial attraction, they benefit from developing their academic skills alongside practical work experience that boosts their early careers. For the university, it provides a close link with a major employer, which

gives them insight into the skills and knowledge that employers are looking for in graduates. For KPMG, it provides a means to recruit talented students straight from school, develop their skills and hence have recruits that can take up challenging roles early in their careers. SLP is about to recruit its third cohort. Experience of the first two cohorts shows that students on the programme achieve well, both academically and professionally. The intensive teaching period in the summer vacation has also worked well, providing a highly productive environment for the students. This is borne out by exam results that are typically better than the normal campus-degree programme.

Nevertheless, SLP raises some significant challenges for the university. The main one is a cultural shift that requires academics and administrators to work with a partner organisation. It also requires university administration systems to be flexible enough to support students and provide examination periods outside of the normal academic cycle.

A final challenge has been integrating students on the SLP with those on the normal campus-degree programme. The students on the SLP share a majority of the taught modules with other students. Ensuring that they are not seen as a separate group has been something that has required considerable effort.

## MANCHESTER METROPOLITAN UNIVERSITY Agency Life Internships

The Agency Life Internship project at Manchester Metropolitan University is an elective option for Level 5 students. It allows students from advertising, digital, marketing, public relations and retail courses to gain valuable work experience as part of the assessed curriculum. The unit contributes 25% of the marks for a Level 5 student's overall grade for their second year. Students spend one working day per week over two university terms at the premises of agencies or their clients, or in the communications functions of client-side organisations.

The purpose of Agency Life is to allow students to develop skills that will make them employable in a professional environment. They will develop attitudes, behaviours and competencies that will help them to emerge as professional practitioners at a much earlier stage than they would normally. As a result, they will have enhanced employability skills when they begin their 12-month sandwich placements and improved chances of (more advanced) graduate employment once they complete their courses. Graduates say that it is essential to do the internships.

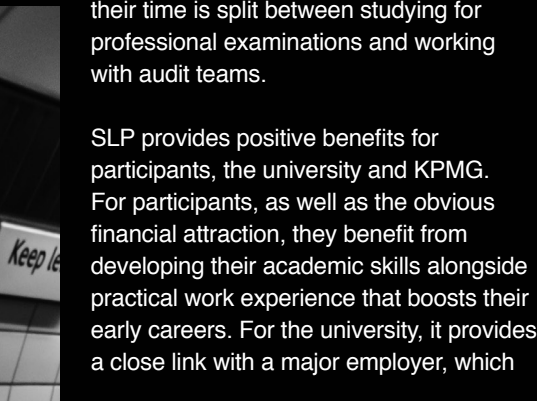


Image © 2014 Edella/Shutterstock.com



# 75%

OF EMPLOYERS SAID THAT MORE GRADUATES SHOULD SEEK PROFESSIONAL QUALIFICATIONS

‘Gaining experiences that make you stand out from other candidates is increasingly important in a job market where more and more people have degrees’

**Sarah Emery**  
Practice Manager,  
Oldfield Surgery, Ystrad Mynach

## **OXFORD BROOKES UNIVERSITY** Internship at Harley-Davidson

For motorcycle-lovers, internships don't come much more glamorous than the one year with Harley-Davidson that is offered by Oxford Brookes University. Students benefit from having the opportunity to work on large-scale projects for a global brand. Following the internship, one student secured a job with the company as marketing assistant for strategic growth markets.

In general, employers are satisfied with the level of knowledge that business schools impart, although there was some criticism that they tend to put too much emphasis on finance and case studies. Employers also feel that the vocabulary of academic teaching can present barriers to undergraduates entering work since it often has little relationship to the language used in business.

It is clear that employers have an important role to play in contributing to the curriculum. Business schools and employers need to liaise about the skills that students need to develop and SMEs

should try to find out more about what business schools can offer. Here, there is also a role for the professional bodies to play in enhancing the content of business courses.

### **PROFESSIONAL ACCREDITATION OF PRACTICAL MANAGEMENT SKILLS**

Employers are strongly in favour of graduates seeking an additional professional qualification to complement their degree. Three-quarters (75%) of employers said that graduates should seek professional qualifications as a means of giving employers evidence of the practical skills that they have acquired.

## **UNIVERSITY OF HERTFORDSHIRE** Combining apprenticeship with a degree

The University of Hertfordshire Business School is keen to strengthen its graduates' profiles and employment prospects through professional accreditation – whether as an HR, marketing or event management student, they are all encouraged to show how they've gained both academic and practical insights. Working with CMI, Hertfordshire offers its students professional recognition to help them stand out when they compete in the job market. More than 300 students undertake a CMI qualification each year to complement the academic rigour of their degree and provide professional recognition of their applied practical skills.

### **A BUSINESS PROBLEM**

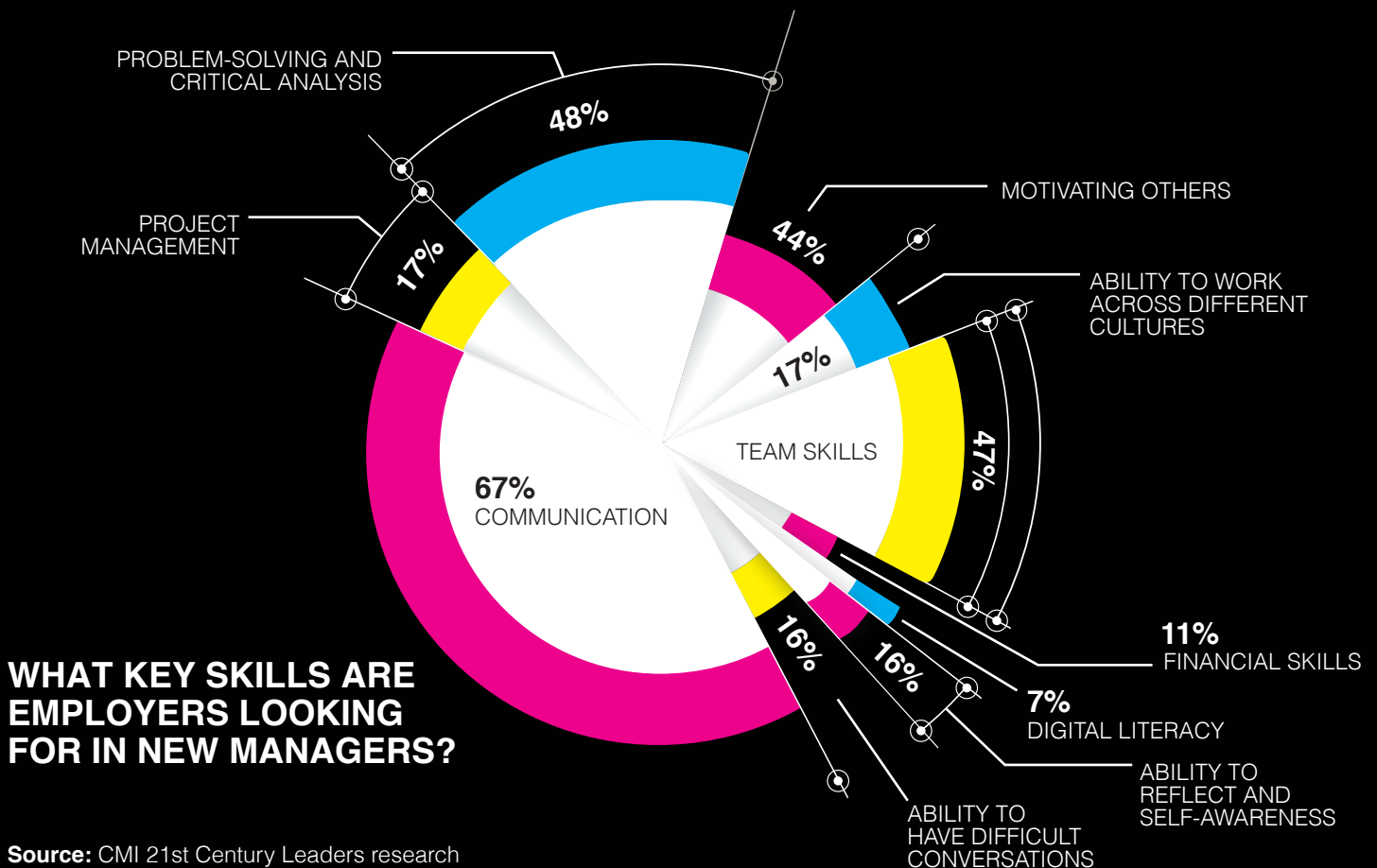
Prior to linking up with the Hertfordshire Business School, defence company MBDA UK had experienced major difficulties in recruiting good-quality business apprentices. Indeed, some 75% were failing to complete their training. MBDA wanted them to benefit from a quality business education that was flexible, wide-ranging and capable

of developing its future leaders. This education needed to cope with the demands of full-time employment and provide training in a diverse range of business areas. MBDA also wanted its apprentices to gain vocational qualifications alongside their degree.

### **AN EDUCATIONAL SOLUTION**

The University of Hertfordshire worked with MBDA to create a high-quality, flexible programme that combined full-time employment with full-time study. From the outset, the philosophy was straightforward: MBDA's apprentices would study alongside the University of Hertfordshire's full-time students. Performance has been excellent, with many students getting firsts and 2.1s. The programme has not had any drop-outs while MBDA's retention of trainees has improved and now stands at 96% following graduation. Apprentices can also study for the CMI Leadership and Management Award while they are at the University of Hertfordshire. In 2010, the partnership between the university and MBDA was recognised with a National Training Award.

# 4.2 PEOPLE-MANAGEMENT SKILLS



‘There are a lot of people who feel uncomfortable with people management, but it is central to everything else’

Alice Grove  
Coach

Three out of the top four key skills that employers are looking for in new managers are people-management skills. Specifically, these are communication skills (ranked first), team-building skills (ranked third) and motivating others (ranked fourth). Problem-solving and critical analysis skills were ranked second and frequently mentioned in workshop discussions.

In addition to having a positive outlook, according to the feedback from the workshops, an ideal candidate will have a strong set of soft skills and attributes, which includes:

- ability to work collaboratively both internally and with external customers;
- self-awareness and personal resilience;
- ability to work with people from a range of cultures and backgrounds;
- articulating and effectively explaining information;

- building and maintaining relationships;
- communication and listening;
- emotional intelligence;
- empathy;
- negotiation;
- networking;
- persuasion;
- sociability; and
- team-building.

Yet nearly two-thirds (65%) of employers surveyed said that UK graduates lack the interpersonal skills needed to manage people. Their main complaint is that candidates may appear well qualified on paper, but in practice they are unable to handle difficult conversations, deal effectively with different personalities and situations, or think outside the box.

Patrick T Devlin, Senior Associate at Europrime Consulting and Associates Limited, believes that the ideal

## UNIVERSITY OF BIRMINGHAM

### Developing interpersonal skills

At the University of Birmingham's business school, all business management students must study core topics such as analytical techniques, finance, marketing, supply chain management and strategy. The school has also recently introduced a module to help students manage their personal skills and development.

candidate strikes the right balance between confidence and self-awareness. But he regularly sees management candidates who are over-confident and too self-assured in their abilities.

More than two-thirds (67%) of employers surveyed said that they look for communication skills in a new manager at all levels.

An ideal candidate has an ability to build strong teams. Nearly half (47%) of employers surveyed seek team skills in a new manager and they emphasise that teamwork abilities are developed by experiential learning in a practical environment, not from knowledge gained from qualifications.

The ability to lead and motivate others is highly sought after by employers in all sectors and our survey found that 44% of managers look for it when recruiting. Yet this is also a notable area of weakness in UK management graduates, since 37% of employers rate them weak, with just 19% describing them as strong.

In a workshop, Elaine Clarke from Aston Business School explained that the ability to have difficult conversations about poor performance was a rare and much-needed skill. Yet 16% of employers are looking for this quality in new managers (it's ranked joint seventh in the list of key skills required), and 57% of employers rated UK management graduates weak in this respect, making it the weakest attribute of UK management graduates overall.

Employers want business schools to embed core employability skills and qualities through their curriculum. This means graduates should be effective communicators who are able to read and write, present, listen, influence and network. They must also be emotionally intelligent, possess team working and customer-service skills, and be able to work collaboratively. It is crucial for managers to understand the impact of their decisions and behaviours on others.

Project management is the fifth most-desired skill that employers seek in new managers. Employers expect project-management skills to be taught in business schools because of the principles and wide range of different techniques that are involved with managing a project. But they also want to know that graduates have had the ability to develop practical skills. "The experience of leading a project and being able to demonstrate the thought behind it, the physical processes involved, and its successes, is beneficial to candidates when developing their skills," observed one workshop participant.

Employers also felt that there were some areas where additional knowledge was necessary to support development of interpersonal skills, including human resources management, understanding the needs of the workforce and diversity (including ethnicity, gender and inter-generational working). Furthermore, they highlighted that managers need to be equipped to challenge hierarchical structures, if necessary, since a collaborative organisational culture is vital to business success.

# 67%

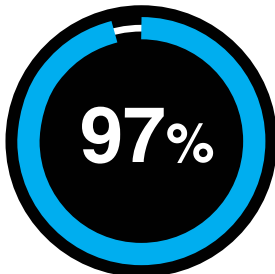
OF EMPLOYERS SURVEYED SAID THAT THEY LOOK FOR COMMUNICATION SKILLS IN A NEW MANAGER AT ALL LEVELS

# PEOPLE-MANAGEMENT SKILLS

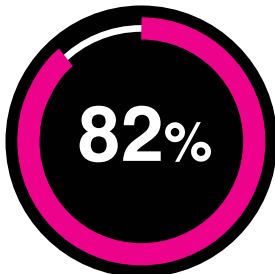
## NETWORKING OPPORTUNITIES OFFERED



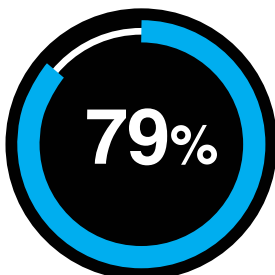
GUEST LECTURES



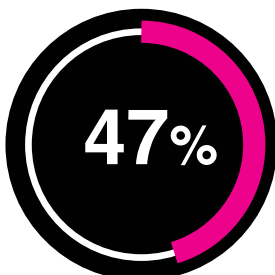
CAREERS FAIRS



MENTORING



VISITS TO EMPLOYERS



WORK SHADOWING

### EMPLOYER ENGAGEMENT TO IMPROVE EMPLOYABILITY

In addition to the value of experiential learning through work placements, a key route to developing students with stronger interpersonal skills is the ability of business schools to offer direct networking opportunities with employers.

A wide variety of activities were mentioned, including:

- **student society events and employer involvement in societies;**
- **employers forums;**
- **professional body talks;**
- **alumni mentoring programmes and networking events;**
- **employer presentations;**
- **career development week (a week of skills sessions focused on development employability skills, and delivered by employers);**
- **business consultancy projects;**
- **‘an audience with...’;**
- **speed networking;**
- **panel sessions with a range of employers from a single sector;**
- **live client briefs;**
- **employer case studies and games;**
- **skills workshops;**
- **mock interviews;**
- **assessment centres and CV checks;**
- **business simulations; and**
- **seminars.**

Regarding which of the above activities work best, visits to employers, careers fairs and guest lectures were identified as the most useful ones, although many respondents suggested that a mixture is ideal. One respondent noted that visits to employers is “an excellent way to help students understand the culture and work environment in a particular company”, and another said that “guest lectures, panel events and visits to employers work well for a more personal insightful interaction, and business games and case studies for a more educational interactive experience”.

Despite the variety of employer links and networks offered, there is still considerable scope for engaging far more employers, with around a third of employers struggling to find easy points of access.

The following case studies provide a further flavour of the wide range of employer engagement activities on offer to support students. From these examples, it is clear that there are many instances of both good and innovative practice. The challenge is how to make businesses, and small and medium enterprises in particular, aware of these, with clear and easy access to universities.

### WHAT ARE THE KEY BARRIERS, IF ANY, TO WORKING WITH UNIVERSITIES?

	SMEs (1-250 EMPLOYEES) %	LARGE COMPANIES (250+ EMPLOYEES) %
NO BUSINESS CASE FOR WORKING WITH UNIVERSITIES	34	20
HARD TO KNOW WHICH ONE TO SELECT	20	25
NO EASY POINT OF CONTACT	34	31
SLOW RESPONSE TIMES	32	30
LACK OF INFORMATION ON HOW TO APPROACH	34	31

Source: CMI 21st Century Leaders research

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## UNIVERSITY OF WORCESTER

### Worcester Weeks

At the start of the 2013/14 academic year, the University of Worcester introduced the Worcester Weeks initiative. Referred to as Future Weeks within Worcester Business School (WBS), it is an opportunity for undergraduate students to engage with employers in terms of discussing their careers and undertaking activities

that will improve their employability. Future Weeks occur on three occasions during the academic year.

For example, Business and Computing students at WBS have been offered a range of interesting activities, some of which linked directly to their degree, during the 2013/14 academic year. Examples

of these activities include a project pitch before especially invited tutors, workshops on advertising and e-commerce development in the real world with guest speakers, business research masterclasses, business startup workshops featuring *Dragons' Den*-style investor pitches, the Our Space Your Place initiative (see mini case study on

page 22), numeracy workshops and web-programming talks from local IT organisations.

The aim of these activities is to broaden the students' experience with community involvement, enhance their employability skills, and encourage future career development.

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## BPP BUSINESS SCHOOL

### Integrating management skills into the curriculum

**Daniel Clark**

Head of Programmes

At BPP Business School, employability is at the heart of what we do. This is shown in many ways, including the following:

#### **PRACTITIONER FACULTY**

We believe that students learn best about a subject area from someone who knows the theory well, but has also been in at the deep end as a practitioner. As well as academic credibility, our faculty has practitioner experience, for example as a manager or accountant. In most cases, they hold professional qualifications alongside academic ones.

#### **SKILLS AND CAREER MODULES**

Many of our programmes include modules that are specifically aimed at applying knowledge to enhance employability and career progression. For full-time students, this may take the form of mock interviews, work placements and workshops on topics such as professional behaviour and presenting yourself well in your CV. For part-time, employed students, this may mean projects in the workplace that focus on developing the skills they have identified as necessary to get to the next stage in their careers.

#### **LINKS TO EMPLOYERS**

We have extensive experience of working with employers and understanding and delivering on their needs for development of their staff.



#### **LINKS TO PROFESSIONAL BODIES**

We understand the importance of professional qualifications for career development and, wherever possible, dual badge our degree awards with bodies such as CMI. We carefully structure our accounting programmes to link with the relevant institutes and maximise the exemptions that our students will earn, allowing them to gain their professional qualifications faster.

#### **ASSESSMENTS**

We use a range of assessment methods that link to employability and reflect the work environment while not compromising academic rigour, including presentations and group work. One particularly distinctive assessment method used on our MSc in applied taxation is for students to role-play, giving technical tax advice to a client, played by an actor.

#### **EMPLOYABILITY AWARD**

Our careers service runs an employability award to recognise the achievements of students who have put significant efforts into developing their employability.



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# PEOPLE-MANAGEMENT SKILLS



## NOTTINGHAM TRENT UNIVERSITY

### The Thinkubator Challenge

#### BACKGROUND

Nottingham Trent University Business School (NBS) launched the UK's first Thinkubator Challenge in November 2013. This was a problem-solving day where NBS opened its doors to business for free, putting 1,500 academics and final-year and postgraduate economics, business and management students at the disposal of more than 60 businesses of all sizes, but particularly small and medium enterprises, entrepreneurs, owner-managers and company executives, to help them grow their businesses through solving the challenges they submitted such as securing finance and entering new markets.

#### PUTTING THINKUBATOR INTO PRACTICE

The theme of Thinkubator was growth. Businesses from a range of sectors across the UK, including

services, manufacturing, charities and the public sector, were invited to submit their challenges relating to growth via the dedicated Thinkubator website. Among the business problems they submitted were those relating to securing finance and attracting investment, cracking foreign markets and possible routes into new markets, new products and services, innovation and efficiency, and recruiting and retaining talented staff with the right skills.

Each challenge was allocated to a challenge hub and introduced by the challenge owner. The hubs comprised academics and students who, with access to the full resources of Nottingham Trent University, worked for two hours to address the challenge using proven business problem-solving techniques. The challenge hub then emailed a short initial

report to the business, which outlined the hub's thinking and recommended next steps.

The initial recommendations made by the hubs were used as the basis for a series of European Regional Development Fund workshops, which give businesses the opportunity to stay engaged with the university.

#### BENEFITS OF THINKUBATOR

Businesses benefited from gaining an external perspective on their business challenges, as well as alternative solutions to it. They also discovered how the university can support them to overcome their challenges with appropriate next steps. Students found Thinkubator invaluable because it enabled them to apply their learning to real-life challenges, interact with businesses and gain experience of working as part

of a creative team. This will boost their CVs and aid their personal development.

As a result of Thinkubator, the university was able to forge closer links with businesses, generate consultancy projects for its postgraduate programmes, develop real-life case studies for teaching purposes, and arrange internship, training and placement programmes.

#### FEEDBACK ON THINKUBATOR FROM AN EMPLOYER

David Dews, Managing Director of brand agency Speed, says: "I was immediately surprised at the scope of intuitive questions the students raised within minutes of introducing my business and challenge. Within the space of a few hours, I was given at least five valuable insights that I've been able to take away with me."





## ANDREW CARNEGIE BUSINESS SCHOOL

### Equipping 21st-century leaders to manage change

Andrew Carnegie Business School's innovative articulation agreement with Edinburgh Napier University provides 21st-century leaders with an accessible and affordable pathway to gain direct access to the final year of an Executive MBA following successful completion of the CMI Diploma in Strategic Management and Leadership.

By working closely with both CMI and Edinburgh Napier University, Andrew

Carnegie Business School designed the Diploma in Strategic Management and Leadership so that it would incorporate additional units carrying the required credit points for direct access to the Executive MBA. The additional units can be assessed along with the mandatory units so the students do not see a significant increase in the assessment they must undergo to gain the Diploma in Strategic Management and Leadership.

## INSURANCE

### Employer perspective from Liberty Specialty Markets

#### Samantha Ridgewell

Talent and Development Adviser, Liberty Specialty Markets

A challenge for the insurance industry when it comes to attracting talent is that there is low awareness of the industry among both A-level and undergraduate students. As an industry, we are tackling this with an increased presence at careers fairs and university events, as well as welcoming students into the offices for insight days. Meanwhile, the Chartered Institute of Insurance (CII) has a dedicated team that is actively trying to engage with schools and universities to provide an overview on the insurance industry and the career options available within it.

Liberty Specialty Markets supports CII on these events. After visiting schools

and seeing the enthusiasm that students have for the events, we have designed a follow-up event to offer more information about the insurance industry, as well as advice on writing a CV, handling interviews and explanation of career options, including case studies of individuals' career paths.

Going forward, those students who decide to go to university will be aware of the industry and, if they have enjoyed and benefited from the event, we hope they will discuss the insurance industry with their peers, stay in contact with us for internships throughout their degree and apply for our graduate scheme once they reach their final year.

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# PEOPLE-MANAGEMENT SKILLS

## SOUTHAMPTON SOLENT BUSINESS SCHOOL

Producing graduates with impact

Southampton Solent Business School aims to support learners to become graduates with impact. Employability and enterprise education is embedded in all our courses through professional and personal development and business context units, as well as specialist units. We also incorporate guest lecturers and placement opportunities. Our courses are recognised by a host of professional bodies and our

curriculum is designed in partnership with employers to ensure that they are fit for purpose.

### NETWORKING EVENTS

The business school provides free professional employer networking events in human resource management, law, marketing and retail, which are attended by business and professional contacts. These types of activities provide opportunities for students, academics

and businesses to network, and also to gain continuing professional development. The topics of the events include workforce planning, social media, employment law updates, crisis management, equality and diversity in the workplace, coaching and mentoring, and networking.

### EMPLOYABILITY

Third-year students organise and deliver a three-day Employability

Conference, with guest speakers from industry and workshops on topics such as business startups, interview techniques and business planning. The conference includes a job fair where second-year students interview and recruit first-year students to work for them. The teams of first- and second-year students then pitch for the opportunity to carry out a live client brief.



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# 4.3 SMEs AND ENTREPRENEURSHIP

Small and medium enterprises (SMEs) are a major engine of growth for the UK economy. At the start of 2013, there were an estimated 4.9 million SMEs in the UK, employing 24.3 million people with a combined turnover of £3.3 billion, according to the Department for Business, Innovation & Skills.

This makes SMEs a large employment market for graduates, including business graduates. Yet our survey of employers shows that 68% of employers believe that business courses are too focused on the agenda of big business rather than preparing students for working in SMEs.

As SMEs are small organisations, they can employ fewer specialists. So SME employers usually want to recruit candidates who are well-rounded and flexible, with a core skill set that can be enhanced through in-house training. They also seek candidates who have energy, an entrepreneurial flair and are willing to take risks if they are hired into a senior role. In larger organisations, senior managers are often more able to concentrate on strategic initiatives, but when they work for SMEs they have to manage both the strategic and the operational, process-driven areas of business. So an ability to fit in with the working culture of an SME is vital.

Smaller employers can find it hard to recruit managers with financial awareness who understand what the numbers relating to their business mean. Granville Stephenson, a financial planning consultant, noted at a workshop that small businesses would benefit from graduates having broad financial knowledge since they may not have

a specialised finance function in the way a larger business would. So business schools need to teach the nuts and bolts of business finance right through to how not to overtrade. Graduates should understand profit accumulation and generation, sales, budgets and margins, management accounting and financial reporting.

From the workshop feedback, it was clear that SMEs want to be involved with universities, but their owners tend to work long hours, which can make this difficult in practice. Only a third (34%) of SMEs surveyed use business schools for training their staff, compared with half (51%) of large organisations.

Business schools should consider how they can forge closer links with SMEs. Exposure to SMEs is valuable to students since they may get greater responsibility and variety in a smaller organisation due to its flatter structure.

# 68%

OF EMPLOYERS BELIEVE THAT BUSINESS COURSES ARE TOO FOCUSED ON THE AGENDA OF BIG BUSINESS RATHER THAN PREPARING STUDENTS FOR WORKING IN SMEs

## UNIVERSITY OF WORCESTER

Our Space Your Place

The Our Space Your Place initiative has given students at the University of Worcester a chance to gain first-hand retailing experience. Students competed to win a six-week rental of a retail unit at the CrownGate shopping centre in Worcester city centre, supported by a £2,000 grant from Barclays.

Students composed and submitted a short business plan. They needed to demonstrate full understanding of the product or service, including audience, consumer demand and financial management. Groups developed a multimedia communications strategy, a visual merchandising plan, a stock control plan and a customer-service approach.

From the submissions, five groups were chosen to pitch their ideas to a panel of invited experts, including the local MP. The winning group was given a £2,000 business fund to facilitate the business venture.

# SMEs AND ENTREPRENEURSHIP

## UNIVERSITY OF THE WEST OF ENGLAND

### The Finnish Model

The University of the West of England's (UWE) BA in business (team entrepreneurship) was launched in September 2013. It is an innovative three-year degree programme that is team-based and adopts the principles of learning by doing.

#### FOLLOWING THE FINNISH EXAMPLE

Based on the Tiimiakatemia model developed and pioneered in Finland, students (or team entrepreneurs) are put into team companies (with up to 20 members in each) in the first few weeks. They continue to trade as these companies for the duration of their degree. These are real, legally constituted companies in which the university has no stake. All team company members have an equal shareholding in the company and, during the course of the programme, each will take up leadership roles on projects and in different discipline areas, allowing them to find their strengths and passions.

Rather than being taught in a traditional classroom setting, each team company has two training sessions a week with their team entrepreneurship coach for 36 weeks of the year. There are a series of interactive professional workshops covering topics such as customer relationships, finance, marketing, business planning, legal issues, human resources

and project management. Meanwhile, skills development sessions focus on personal development, fostering skills such as coaching and mentoring, team-building, leadership, and giving and receiving feedback.

Regular creative conversations with entrepreneurs and leaders from all backgrounds give students a chance to learn from the experience of others. Academic texts are selected, with guidance from the coaches, and read when they are relevant to a project. Depth of knowledge and understanding is assessed through book reviews.

**'Students gain the most out of placement opportunities where they are involved and are supported to gain skills'**

#### Tom Bromley

Team Entrepreneur Student, Bristol Business School, UWE

## LONDON METROPOLITAN UNIVERSITY'S FACULTY OF BUSINESS AND LAW

### Creativity, culture, commerce and the law in the City of London

London Metropolitan University's Faculty of Business and Law (FBL) offers a full university experience within the City of London. Recognising that exciting new industries are emerging nearby at Old Street's Tech City and creative Shoreditch, the faculty's core curriculum includes an array of choices that enable students to become equipped for careers in the creative, cultural and high-tech sectors.

A practical example of how FBL capitalises on its City location is the special partnership that exists between FBL and nearby Standard Chartered Bank. Students have the opportunity to present to senior executives, and get direct feedback from them, which complements their classroom and virtual studies.

#### BIG IDEA

At the opposite end of the business spectrum, FBL students get an opportunity to pitch to the Big Idea Challenge, where ideas for new enterprises are assessed by an independent expert judging panel. The 2014 first-prize winner, Giorgia Bacco, came up with a business proposition to offer Italian women gynaecological care in London equal to that which they receive in Italy. Giorgia set up Dottore following a survey that indicated some 40% of the 40,000 Italian women living in London would prefer to return to Italy rather than seek care from local providers that they were not sure about. She was awarded a £20,000 grant to develop Dottore and build on the work she had already done.

#### STATE-OF-THE-ART FACILITIES

Both undergraduate and postgraduate students at FBL have access to state-of-the-art facilities. Our Bloomberg-simulated trading floor and IBM suite help students to understand how the financial markets and technology sector operate, and lead to our graduates landing rewarding jobs.



# 4.4 GLOBAL MINDSET ATTUNED TO DIVERSITY



Having international and cultural knowledge is fundamental in a diverse business world. It is also critical in terms of driving the UK's ability to be competitive in international markets and grow our exports. So employers expect graduates to appreciate cultural diversity, have an international outlook, understand universal business language and be familiar with globalisation. However, in terms of having a global mindset, nearly a quarter of employers (24%) rated graduates as weak in this area.

A similar Confederation of British Industry survey found that 47% of employers are dissatisfied with graduates' international cultural awareness and 55% with foreign-language skills. According to Higher Education Funding Council for England data, currently only one UK student studies abroad for every 15 international students in the UK, and only 2% of UK students study abroad, compared to 6% of German students.

Just over half of the managers surveyed felt that more UK students should be encouraged to work or study abroad (54%) and similar numbers (52%) felt that too few UK graduates have any international experience.

In our workshops, employers said their ideal management candidate would be expected to display some international and cross-cultural experience, although

this did depend on the nature of the hiring company. Middle managers need to be able to form partnerships both internally and externally, as well as to manage people from a variety of different cultural backgrounds. Exposure to other countries also means that individuals understand what 'good' means in their sector against a global benchmark. Many employers also noted that, currently, there is a lack of multilinguists within management.

One group of delegates observed that it was important for the Southampton region to have managers who can manage diversity. For example, CooperVision, a leading manufacturer of soft contact lenses, employs people from 43 different nationalities. Moreover, there are 20,000 Polish nationals in Southampton and a large Nepalese community in Farnborough.

Northern Ireland has a large number of small and medium enterprises, which value enterprise skills, a good awareness of the international environment and a global mindset. In Wales, Angela Griffiths, Head of Learning and Development at Grŵp Gwalia Cyf, noted: "Organisational cultural awareness, as well as cultural awareness in wider society, is an important feature of effective leadership, as is the development of emotional intelligence to enable leaders and managers to apply their skills and knowledge in a wide range of situations."

'Language skills are very important to SMEs as they look to develop'

**Michael Rayner**  
Director,  
TURRIS-UK

# GLOBAL MINDSET ATTUNED TO DIVERSITY



## SHEFFIELD HALLAM UNIVERSITY

### Placement in China

*Deepak Gulrajani is studying for a BA (Hons) in business and marketing with Sheffield Hallam University. He undertook placements in China during the academic year 2012/13 with two companies: Fine Born China and the ODM Group.*

Commenting on his experiences, Deepak says: "During my placement year in China, I spent my time in two completely different organisations. The first placement was with Fine Born China, a Chinese-owned media company that had the main platform for online magazines. The second was with the ODM Group, a Western-owned sourcing company. As part of my experience in China, I also attended language lessons to learn Mandarin Chinese over eight months.

"Working in China was a lifetime experience that has impacted my degree in my final year. I see things in a more professional way and it has opened various opportunities to me as I apply for graduate schemes since I have a distinctive language capability and I can demonstrate to the employer that I have the courage to face new challenges. Going to China shows you are eager to learn about a completely new culture and have the mettle to live for a year in a country where English is not the main language. Networking and getting to know people around the country can always help you in the future. Attending events such as the Canton Fair is just remarkable. Throughout the year there are lots of public holidays, so I could travel around China and to other places such as the Philippines because the flights to get there are low-cost. That was the fun part."

Employers said that business schools should give greater emphasis to all aspects of internationalisation in their curriculum due to its importance as a skill for future competitiveness. They particularly focused on cultural awareness, having a global perspective and language skills, especially for mature students and postgraduates. New models of leadership are developing, based on communication, consultancy, inclusivity and transparency. In Manchester, employers suggested that business schools should take advantage of the diverse student population to introduce international perspectives into courses. A few employers also commented that business schools could use case studies from a wider range of different countries, as it can seem that too many case studies are from the US.

Experiential learning is key to helping business students to develop a global mindset – for example, by undertaking placements abroad. But at present, according to the Association of Business Schools survey, just 10% of students take up options to spend time abroad as part of their course. For a case study on how an overseas placement can benefit a student's development, see the example of a student at Sheffield Hallam University, right.

Many of the business school respondents commented on how an internship abroad

has a positive impact on students' employability, citing reasons such as preparing students for a global job market. One respondent said that students who took an internship in the US created a Business Network student society and another one said that they "believe in internationalisation not only of the curriculum, but also of individual students".

Twenty-six per cent of the business school respondents also reported that they have branch campuses abroad. However, only one institution reported that they are actively using this campus to enhance the career prospects of students from the home institution and did this by sending the students out for either short-term projects or a full year of study.

In general, employers feel that the UK's education system can be a barrier to students developing a global mindset. They believe that serial education (from school to college to university) and the three-year undergraduate degree system can be restrictive in comparison to European institutions, which provide good opportunities for placements, work experience and, importantly, international study. According to EU Commission data, only 0.5% of UK students qualified for Erasmus funding, well below Spain (1.9%), France (1.4%) and Belgium (1.5%).





**YVONNE BUYSMAN**  
Regional Director,  
Apple Inc

“I am en route to graduate from Hult International Business School’s Executive MBA programme in London. After 15 years of business experience in the mobile technology sector, the chance to participate in leadership courses, dynamic teamwork with 35 different nationalities and challenging multinational business cases offered a step forward in my career and personal growth.

“Rotations for elective classes in Shanghai and Dubai exposed us first-hand to business within emerging markets. Completing an action project with Coca-Cola for a new international supply solution pushed our team’s innovation skills. The project required coordinating client-facing sessions over multiple time zones, as actual global projects demand. Simulations in business execution encouraged us to build an international company from product concept through to factory operations and marketing programmes. Classes on topics such as global strategy, international managerial economics and management communications have sharpened my analytical, presentation and strategic skills.

“My classmates have opened up a global conversation. Before the Executive MBA, my job search did not include positions in Singapore, Cape Town or Mumbai. Now I am curious, comfortable and confident about global roles that the Executive MBA’s partnering recruiters may suggest.”

## CASE STUDY

### The perspective of a global headhunter

**Dr Elisabeth Marx**

Partner in Leadership Advisory and Board Practice, Stonehaven, and author of *The Power of Global Teams* (Palgrave Macmillan, 2014)

In my practice advising global companies on succession planning, top team development and non-executive director searches, I have seen an increased demand for internationally experienced executives to fill top-level roles in multinational companies. To progress to board level, many multinationals require executives to have had at least two international assignments. Moreover, Western boards are increasingly trying to attract non-Western directors, especially from Asia and Africa.

The effect of the economic crisis and the increasing complexity of global businesses requires executives with a different set of leadership characteristics from the past. In advising on succession management and in searches, I have identified five key leadership characteristics that global companies need:

- International literacy or a global mindset: the ability to move between cultures, understand and work with the differences effectively, and deal with international customers and business partners successfully.
- The ability to manage paradoxes and diversity: integrating the extreme demands of leadership between the operational and the

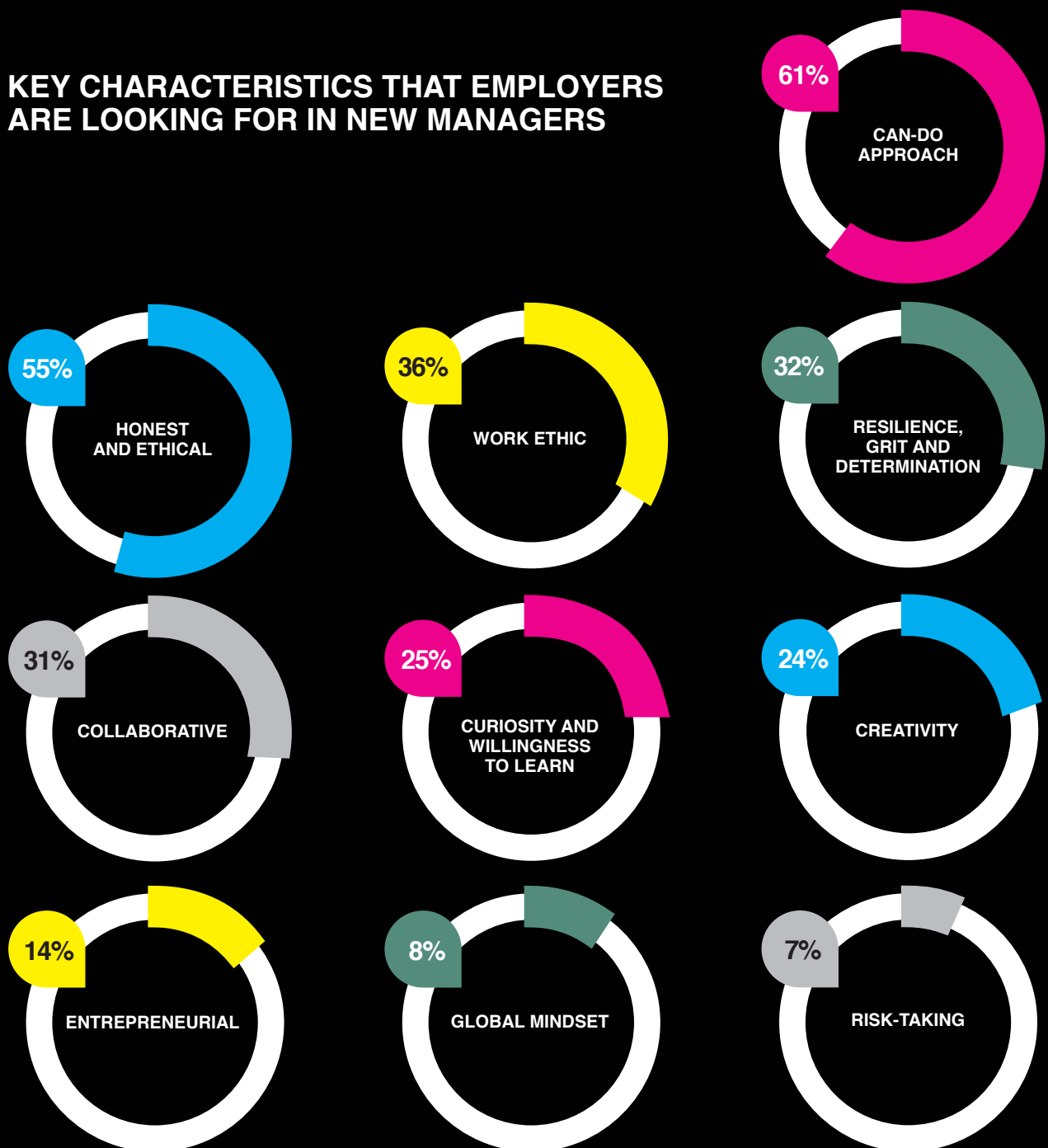
strategic, the short- and long-term, and being able to cut costs while at the same time expanding and delivering growth.

- Resilience: the holding of tension in dealing with these demands and managing the personal and organisational stress levels.
- Social agility: having the social fluidity to adapt to different cultures while at the same time understanding one’s own values and the way these play out.
- Team leadership: the complexity of current businesses requires a much more cooperative style; the experiences, skills and abilities of the entire team need to be pooled to develop innovative solutions and use the collective brainpower. This favours a highly cooperative as opposed to an autocratic leader who can adapt to constant changes.

In leadership reviews and competency assessments, many executives lack a sufficient understanding of cultural and psychological issues in business. Despite a strong focus on organisational behaviour in business schools, executives do not have the practical knowledge on how to build effective teams, particularly in a global context.

# 4.5 ETHICAL MINDSET

## KEY CHARACTERISTICS THAT EMPLOYERS ARE LOOKING FOR IN NEW MANAGERS



Source: CMI 21st Century Leaders research

‘Enduring  
credibility  
comes  
from integrity –  
meaning what  
you say’

**Elaine Clarke**  
Associate Dean,  
Aston Business School

The importance of ethics in business cannot be underestimated and the focus on ethics has only strengthened since the global financial crisis. Employers across the UK agree that having an ethical mindset is a key characteristic of a good manager. Indeed, honest and ethical was the second-most sought-after characteristic that employers seek in a new manager, cited by 55%.

What is an ethical mindset? According to the feedback from the workshops, an ideal management candidate should have strong values, be ethical and have an understanding of what is right. Specifically, they should:

- **understand the organisation’s values;**
- **have strong values, be ethical, consistent and fair;**
- **display integrity – be honest and trustworthy;**
- **set an example for others to follow;**
- **be authentic – they do as they say they will;**
- **take responsibility for their own actions and decisions; and**
- **listen to others and take feedback on board.**

Employers expect even higher standards from their senior managers. A senior manager needs to build and lead effective teams. They act on behalf of, and in the interest of, their team, and they maintain fair, professional and moral standards. They will be influential, they lead by example, and their team will be loyal to their direction and values. Bill Manson, Director at Podiem Ltd, said candidates who apply for more senior roles need to be courageous and have defined their own set of values.

In reality, ethical traits are not always evident. During discussions it emerged that managers’ competence is closely examined during the recruitment process, but little attention is paid to values and behaviours. Employers rate accountability and believe there is a need for people with a moral compass, who have strong principles, as well as a passion for their work. Elohor Andrea Akhuemokhan, Legal Practitioner at Forthright Chambers, and Robert Graham, a Senior Fellow at Heriot-Watt University, expressed concerns that some senior managers currently lack moral values. However, there are some specific sectors, such as the military, that place a heavy emphasis on values.

Employers expect business ethics to form an important part of the curriculum and they believe that professional bodies have a key role to play in influencing how ethics are addressed in business courses. Many also commented on the value of feeling accountable to Codes of Professional Practice to uphold ethical standards.

Among the subjects that they expect to be taught are:

- **corporate social responsibility;**
- **ethics;**
- **law;**
- **moral obligations as a leader;**
- **social enterprise;**
- **sustainability; and**
- **understanding the ramifications of decisions for others.**

Employers feel that a focus on sustainability (building a business that balances the needs of people, the planet and profit), is missing from the curriculum, but should be a top priority, now and in the future.

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# ETHICAL MINDSET

## ULSTER BUSINESS SCHOOL

### Forensic accounting

Accountants often find themselves in positions where they are responsible for fraud risk, regulatory compliance and wider governance within the organisation in which they work. Therefore, they must be prepared to meet the challenge of spiralling levels of fraud, litigation and economic crime.

With this in mind, the Department of Accounting, Finance and Economics within Ulster Business School has introduced a new degree in accounting and law to provide students with two very distinct, yet complementary, skill sets for today's professional business environment. It has also teamed up with advisory firm PwC to

offer a new module in forensic accounting in their accounting degree. The module will give students a deep grounding in issues relating to commercial disputes, fraud and economic crime risks, governance and business ethics, as well as providing an insight into specialist areas such as bribery and corruption, cybercrime and computer forensics.

#### NEED FOR IMPROVED PROFESSIONAL SCEPTICISM

In the aftermath of many of the recent corporate failures and bailouts, there have been calls for accountants to have a higher level of professional scepticism.

As the business school is conscious of the importance of developing a sceptical skill set, students studying the forensic accounting module within Ulster Business School have been given access to Investigate!, an electronic investigation simulation developed by PwC. The simulation is as close to a real-life economic crime investigation as can possibly be recreated in the classroom, with videos, interviews, laptops and electronic data to be interrogated and data analytics to consider when tracking down the fraudsters.

As the teams progress through the investigation and categorise

their evidence correctly, further information and so-called smoking guns are automatically released so that further fraud may be uncovered. The amount of fraud and evidence uncovered and categorised is assigned a score. Besides putting theory into practice, the whole experience creates a dynamic and competitive learning environment. The feedback from one student was as follows: "Investigate! has brought the subject to life. I would definitely recommend this simulation to anyone who wants to understand the weaknesses in businesses and how they could monitor their company more effectively to prevent fraud."

## OPEN UNIVERSITY BUSINESS SCHOOL

### Chartered Manager – an opportunity to demonstrate commitment to ethical standards within MBA programmes

The Open University Business School offers students on its MBA programme the opportunity to study for Chartered Manager in six weeks. Students need to have at least three years' practical work experience and have completed the first part of their MBA to qualify. This reinforces the MBA programme's focus on putting theory into practice, applying learning to an individual's context. But Chartered Manager is also now offered to Open University MBA alumni and is seen as a powerful way of encouraging that group to continue their development in the workplace.

Professor Rebecca Taylor, Dean of the Open University Business School, says: "We're committed to providing lifelong learning and development to our students and graduates, and the partnership with CMI perfectly complements the

qualifications we offer, since CMI shares this ethos of lifelong applied learning. This partnership ensures that our students and alumni can maximise their propensity to learn and keep abreast of best practice. The CMI membership packages provide access to a wealth of management resources, through a variety of channels – online, face to face, reports and magazines – which meets the many needs of our diverse community. The CMI network and resources is a valuable part of the services we provide to our students and alumni."

One such alumnus who is also a Chartered Manager is Richard Byford, Director. He says: "One of the benefits I found with the Open University MBA is that it is a commitment to lifetime learning, more than an episode in one's life. It's the same with the Chartered Manager status; it's an

endorsement of your ability to consistently make an impact in the workplace; it's a commitment to lifetime learning, lifetime effectiveness and an ethical standard."

Another Open University Business School alumnus who has become a Chartered Manager is Graeme Reekie, an independent consultant. With ethical standards also a key part of the Chartered Manager award, Graeme highlighted the importance of CMI's Code of Professional Practice.

"Another benefit is the credibility that you get, particularly from the Code of Practice. I was able to send my client a PDF of the Code and say, 'this is what I'm sticking to, and if I don't you can make a complaint about me'. That helps give me reassurance."

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# 5. CONCLUSION

**So how can we create 21st-century leaders who will drive growth and innovation in our businesses?**

**The answer is that business schools need to produce graduates who have the right skills to succeed in the workplace, as well as integrity and knowledge about business and management.**

**They can do this by:**

## **1. WORKING WITH EMPLOYERS AND PROFESSIONAL BODIES**

It was clear from the research that those graduates who are work-ready come to the workplace with knowledge (which is taken as a given by employers) and skills that are developed both inside and outside of the classroom, preferably aligned to an appropriate professional standard or accreditation. The more that employers, business schools and professional bodies work together to achieve this, the more effective this was felt to be.

Employers expect business schools to work directly with employers and with the appropriate professional bodies to ensure that their courses are relevant to the world of work, meet professional standards and inculcate ethical codes.

## **2. EMBEDDING MEANINGFUL WORK EXPERIENCE IN MANAGEMENT AND BUSINESS COURSES**

Employers believe skills are most effectively developed through a period of meaningful experience in the workplace, so business schools should ensure that substantive work placements and meaningful work experiences are incorporated into their courses. If it is not possible to provide a placement for all students, the curriculum should ensure that experiential learning opportunities (such as the consulting projects referred to in the case study from the Cass Business School, see page 11) are included, to develop to necessary work-ready attributes.

It is also clear that students need a better appreciation of the impact that work placements can have on their employment prospects. Placements could be built into the business model for employers and made an integral part of the students' courses so that students get credit and take work experience more seriously.

## **3. MAKING BUSINESS SCHOOLS MORE ACCESSIBLE, PARTICULARLY TO SMEs**

Employers often do not know how to engage with business schools, where to go or who to talk to. This is particularly the case for small and medium enterprises that may have more to gain by engaging with business schools, given that they have limited resources. As a result, employers who want to recruit managers can overlook business schools as a source of high-quality staff.

Our research found that employers would be more prepared to offer work placements and internships if there was increased information on how to approach business schools and an easy point of contact for them. They want the process of organising a work placement to be quick and straightforward, and they want to understand that there is a clear business case for having an intern. For example, they would benefit from someone who brings a fresh perspective and performs high-quality work. Also, by offering placements, employers have a great opportunity to talent spot individuals who have the potential to be recruited as permanent staff.



# 6. RECOMMENDATIONS FOR ACTION

## How to prepare business-ready business students

The following recommendations, which are based on our research, outline some of the key ways in which UK universities and business schools can produce business-ready students who are fit to become 21st-century business leaders.



EXPERIENTIAL  
LEARNING  
TO DEVELOP  
SKILLS AND A  
BUSINESS-READY  
MINDSET

1. Ensure that every student has the opportunity to acquire practical business skills through a period of work experience/internship, or participating in real-life scenarios and consulting projects, as part of their course.

2. Make it easier for local employers and small and medium enterprises (SMEs) to provide work placements or internships by:

- **providing one-stop portals for employers;**
- **offering a single point of contact for employers to call;**
- **removing barriers such as excessive form filling;**
- **addressing employers'**

**expectations about the level of pay for student placements or internships;**

- **providing swift and effective support for employers, for example, vetting and preparation of candidate students to ensure they are likely to be a good match; and**
- **being prepared to adjust the teaching year for courses designed to meet the needs of specific industries (for example, accountancy).**

3. Develop practical management skills through a professional accreditation track for every business school course, ensuring the involvement of a relevant professional body.

4. Encourage take-up of mentoring schemes to support personal development and people-management skills that can complement formal business courses.



## SMEs AND ENTREPRENEURSHIP

1. Business schools should invest in developing practical ways of building closer relationships with local employers, especially SMEs. For example, this could be in partnership with stakeholders such as local enterprise partnerships and local chapters of professional bodies.
2. Business schools should seek accreditation for the new Small Business Charter Award.
3. By working with SMEs, business schools can co-design or co-deliver courses that will be relevant to small businesses.
4. More business schools should consider teaching entrepreneurship skills. Models that evidence learning by doing appear to be the most effective.



## PEOPLE AND GENERAL MANAGEMENT SKILLS

1. Business schools need to develop skills as well as impart knowledge. Employers and professional bodies need to engage with business schools to work with them to ensure that these skills are developed effectively. Employers, as well as universities, need to engage with these students to ensure that graduates support their future business needs. Every business bachelor's degree graduate should be capable of demonstrating the following core skills:

- **work effectively in a team;**
- **manage and lead a project;**
- **develop a plan;**
- **communicate confidently (written and oral);**
- **use numbers to make decisions;**
- **work effectively in a cross-cultural or multicultural environment; and**
- **network.**

2. Furthermore, universities need to expand the opportunities for graduates from non-vocational disciplines (for example, science, technology, maths and the humanities) to take management and business modules to help improve their employability, and to gain effective work experience while studying.



## GLOBAL AND ETHICAL MINDSETS

1. All students, but especially business students, should be more strongly encouraged to undergo a period of study and/or work abroad.
2. Cross-cultural communication and awareness needs to be built more deeply into the curriculum.
3. Business ethics and sustainability should be made a core aspect of all business and management degrees.

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# 7. ABOUT THE RESEARCH

1,065

MEMBERS RESPONDED  
ACROSS THE UK TO  
UNDERSTAND THE SKILLS  
AND CHARACTERISTICS  
THAT THEY SEEK IN  
NEW MANAGERS





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In 2013, CMI, the Association of Business Schools (ABS) and the Quality Assurance Agency (QAA) came together to develop a shared vision for a curriculum for business and management taught by business schools in the UK. In this groundbreaking initiative, employers and line managers from all parts of the UK were given the opportunity to make a significant input into the curriculum for business and management.

A key part of the initiative was a series of events co-hosted by CMI's Regional Boards and local business schools

between November 2013 and April 2014. These workshops in each of the 10 regions or devolved nations of the UK brought together business schools, employers, entrepreneurs and managers to agree a consensus on the changes that are required to improve the curriculum for management and business to meet the needs of learners and the wider economy.



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## ABOUT THE RESEARCH

While the workshops took into account local employment issues and concerns, their discussions primarily had the following scope:

- **The curriculum for business and management taught at business schools at all levels, as defined by the QAA subject benchmark statement for business and management.**
- **A focus on a global curriculum for all management and business studies students, whether they are UK or international in origin.**

The initiative was supported by a social media campaign using the combined resources and channels of CMI and ABS to raise the profile of the project, engage a wider audience and disseminate findings.

As part of this, we also undertook an online survey: 1,065 members responded across the UK to understand the skills and characteristics that they seek in new managers.

At the same time, ABS also carried out a survey on graduate employability across its membership of 118 business schools in the UK; 38 replied, which was a response rate of 32%.

The results of the statistical research, workshop discussions and online forum discussions have been drawn together into this report.

## THE 21st CENTURY LEADERS WORKSHOPS

HOST	DATE
Nottingham Business School, Nottingham Trent University	13 November 2013
Bristol Business School, University of the West of England	19 November 2013
Ulster Business School, University of Ulster	4 December 2013
Cardiff Business School, Cardiff University	21 January 2014
Cass Business School, City University London	29 January 2014
University of Edinburgh Business School	4 February 2014
Southampton Solent University	4 February 2014
Manchester Metropolitan University	19 February 2014
Hertfordshire Business School, University of Hertfordshire	5 March 2014
University of Birmingham Business School	19 March 2014
Faculty of Business and Law, London Metropolitan University	27 March 2014
Oxford Brookes University	10 April 2014
Sheffield Business School, Sheffield Hallam University	10 April 2014



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## EVENT SUPPORT

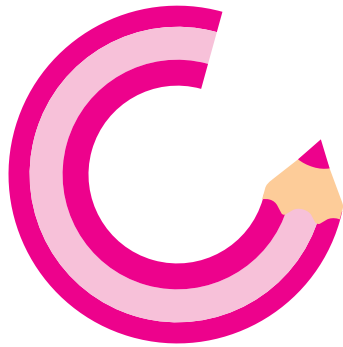
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[www.thinkpublishing.co.uk](http://www.thinkpublishing.co.uk)



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The Chartered Management Institute (CMI) is the only chartered professional body in the UK dedicated to promoting the highest standards of management and leadership excellence. CMI sets the standard that others follow.

As a membership organisation, CMI has been providing forward-thinking advice and support to individuals and businesses for more than 50 years, and continues to give managers and leaders, and the organisations they work in, the tools they need to improve their performance and make an impact. As well as equipping individuals with the skills, knowledge and experience to be excellent managers and leaders, CMI's products and services support the development of management and leadership excellence across both public and private sector organisations.

Through in-depth research and policy surveys among our member community of more than 100,000 managers, CMI maintains its position as the premier authority on key management and leadership issues.

Further information is available at

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The Association of Business Schools is the voice for the UK's business schools and independent management colleges, and sets the agenda for business and management education in the UK within an increasingly international environment.

It develops influential policies and promotes, communicates and lobbies on these at local, regional, national and international levels.

We work with more than 130 UK business schools and partners around the globe.

Further information is available at

[www.associationofbusinessschools.org](http://www.associationofbusinessschools.org)

### The Quality Assurance Agency

The Quality Assurance Agency is an independent body, safeguarding the public interest in the quality and standards of UK higher education.

We check how UK universities and colleges maintain their academic standards and quality. We review and report on how they meet their responsibilities, identify good practice and make recommendations for improvement.

We publish guidelines to help UK universities and colleges develop effective systems to ensure students have the best learning experience.

Further information is available at [www.qaa.ac.uk](http://www.qaa.ac.uk)

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