



# EMPHASIS ON EMPLOYABILITY.

Equipping graduates with the skills to lead.

June 2016

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## ACKNOWLEDGEMENTS

CMI is grateful to the speakers who shared their insight and perspectives on directions in higher education and employability at the CMI Higher Education Conference in London on 9 February 2016.

At this event, speakers also shared their experiences of developing the Chartered Manager Degree Apprenticeship (CMDA) programme. A separate paper on the CMDA, *The Age of Apprenticeships*, can be downloaded from [www.managers.org.uk/degreeapprenticeships](http://www.managers.org.uk/degreeapprenticeships).

We're also grateful to the other contributors to this paper, especially Abby Ghobadian, Jacqui Thomasen, Angelika Goj and Robert Hester.



CMI's Higher Education Conference, February 2016

# FOREWORD

## ANN FRANCKE



**Ann Francke MBA CMgr CCMi FIC**  
Chief Executive, CMI



*Who wants to fork out tens of thousands of pounds and end up unemployed or in a job that doesn't need graduate-level skills?*

Student employability is one of the hottest topics facing the higher education sector. For good reason. Who wants to fork out tens of thousands of pounds and end up unemployed or in a job that doesn't need graduate-level skills?

As this paper shows, the sector is responding with fantastic new ways for students to develop professional management and leadership skills. Those opportunities are starting to be offered to students in all disciplines, not just those on management, leadership or business courses. The appeal is enormous because when students learn management and leadership skills, they're not only preparing to succeed in their first job but in every job that follows.

Of course, these initiatives deliver value to students – but they're also critical to the economy. Management and leadership is the number one factor in the productivity gap between us and our competitors, lagging 18% below the rest of the G7.<sup>1</sup> Closing that gap is a huge challenge and it's made even more urgent by the fact the UK will need 1.9m new managers by 2024. Improving management and leadership needs to be a priority for employers, universities and professional bodies alike. CMI now works with more than 90 universities and business schools. The demand from students is increasingly clear. As our research shows, many

now recognise that being on a CMI-accredited course has improved their learning experience and their employability. No surprise that CMI accreditation is a factor in their choice of university for more than half.

So these partnerships are a “win-win-win” situation. Students enjoy a better experience and boost their prospects; our partner institutions attract students; and employers get to recruit more candidates with the practical skills that are so badly needed. It's hard to see a better business case than that.

This paper shines a light on some of those great partnerships, drawing on our HE Conference in early 2016 plus case studies and expert commentary. It looks too at how the proposed Teaching Excellence Framework could reinforce the emphasis on employability.

Universities and business schools have a golden opportunity to improve student experience and employability, embed themselves as part of a more productive economy and help create the next generation of leaders we so urgently need.

**June 2016**

<sup>1</sup> *Productivity in the UK*, House of Commons Briefing Paper, 22 February 2016

# THE IMPETUS FOR IMPROVING STUDENT EMPLOYABILITY

## Unemployment and underemployment

Unemployment – and underemployment – has been one of the most significant problems for university graduates and their non-graduate peers alike since the financial crisis of 2008.

The unemployment rate for young people has dwarfed that among older people, running at a level nearly three times as high – the largest gap in more than 20 years.<sup>2</sup> And the latest data show that 631,000 young people aged 16-24 are unemployed – or 13.7% of the total. In June 2015, some 16,730 graduates<sup>3</sup> – 7% of the graduate population who had completed their first degree in the 2013/14 academic year – were found to be out of work six months after leaving higher education (HE), according to statistics published by the Higher Education Statistics Agency.

What's more, many graduates are underemployed – forced to take jobs that are inappropriate to their level of education. In fact, a third of working graduates took low-paid, low-skilled jobs such as cleaner or road-sweeper.<sup>4</sup>

This situation is particularly troubling in light of the high cost of university education. The Institute for Fiscal Studies has put the average student debt at £24,754 and predicted this would rise to £44,035 as a result of the cap for tuition fees being lifted to £9,000.<sup>5</sup> With this cap set to be raised as part of the package of reforms announced in the government's May 2016 HE white paper, future increases in debt are also likely. It's clear that the employability agenda will stay high on the list of priorities for HE.



<sup>2</sup> <http://www.theguardian.com/society/2015/feb/22/youth-unemployment-jobless-figure>

<sup>3</sup> House of Commons Library Briefing Paper, *Youth Unemployment Statistics*, Number 5871, 18 May 2016

<sup>4</sup> <http://www.telegraph.co.uk/education/educationnews/11699095/Thousands-of-new-graduates-out-of-work-figures-show.html>

<sup>5</sup> <http://www.ifs.org.uk/comms/r93.pdf>

## Future leaders

The challenges of unemployment and underemployment are not only about supply but also about demand – specifically, the needs of employers. Nowhere is employer demand stronger than in the field of management and leadership.

According to the latest estimates, the UK needs 1.9 million new managers by 2024 to fulfil the demands of a growing economy and the retirement of older leaders.<sup>6</sup> Meeting this demand means developing the practical skills that employers require. In 2014, CMI, the ABS and the QAA looked into how business schools can best meet employer demand for more business-ready graduates. The evidence shows that:

- 80% of employers thought graduates have unrealistic expectations about the world of work
- 89% of employers believed that embedding work experience within courses would help to make students more employable
- Only 17% of employers looked to using business schools when recruiting managers
- Nearly two-thirds (65%) of employers agreed that graduates lack the interpersonal skills necessary to manage people
- More than two-thirds (68%) of employers believed that business courses are too focused on the agenda of big business rather than on preparing students for working in SMEs.

These findings set out a clear challenge to the HE sector. They were reinforced by the findings of the Commission on the Future of Management and Leadership, which examined the role of management in driving economic growth. It identified three key areas of good practice that formed the basis of its Management 2020 Framework:<sup>7</sup>

- Purpose – why the organisation exists and how leaders are held accountable to its aims
- People – how the organisation prepares managers and leaders at all levels
- Potential – how the organisation supports the next generation of managers and leaders.

Overall, UK organisations were rated 5.9 out of 10 across the framework – the equivalent of “could do better”. This indicates a significant need to improve the quality of management in the UK.

That is especially relevant in the context of the widespread debate on the UK’s economic productivity – lagging 18% behind the G7 average. Analysis by the Organisation for Economic Cooperation and Development (OECD) on the total factor productivity gap has pointed towards management and leadership as the number one driver of this gap.

That analysis is supported by a further OECD policy note<sup>8</sup> identifying the importance of knowledge diffusion, which is shaped by global connectedness, experimentation with new ideas, investment in knowledge-based capital and efficiency of resource allocation, as crucial to propelling global productivity growth. Managers have a critical role to play in supporting this agenda.

The OECD also found that around a quarter of workers report a mismatch between the skills they have and those they need to do their job. A better use of talent could translate in up to 10% higher labour productivity in some economies.

Higher education has a critical role to play in reducing this mismatch, meeting employer needs – and providing the foundation for a more productive economy.

<sup>6</sup> UK Commission for Employment and Skills (UKCES), *Working Futures 2014-2024*, Evidence Report 100, April 2016

<sup>7</sup> [www.managers.org.uk/management2020](http://www.managers.org.uk/management2020)

<sup>8</sup> <https://www.oecd.org/eco/growth/The-future-of-productivity-policy-note-July-2015.pdf>

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# ENHANCING EMPLOYABILITY: THE VALUE OF PROFESSIONAL PARTNERSHIPS

**The productivity challenge was one of the main topics discussed at CMI's Higher Education Conference. It is clear that HE recognises its role in addressing the problem. It has responded by putting a greater emphasis on practical, work-based learning within degree courses forming partnerships with professional bodies, such as CMI.**

These partnerships bring tremendous benefits to all parties involved. Employers get to recruit graduates and postgraduates with professional qualifications and a better balance of real-world experience and subject-specific skills. Universities and business schools increase their attractiveness to students. Students stand out in the marketplace, secure additional accreditations and get more value for money from their degree courses. And professional bodies see their memberships become larger, more diverse and more dynamic as part of long-term strategic partnerships.

But as speakers acknowledged, there is still potential to do much more to make professional partnerships the norm in higher education.

Ian Myson, CMI's Director of HE Partnerships, has led the development of its partnerships with HE institutions. Since CMI's mission is to raise the standards and practices of management and leadership, it has a natural strategic alignment with HE, which results in a strong fit and a broad range of opportunities for collaboration.

Myson explained that the focus is on helping HE institutions increase student engagement and recruitment, enhancing the development of leadership skills, improving the student experience and ultimately making students more employable. The result of the partnership is that the institution is positioned as a leader in innovative education, with the potential to become a centre of excellence for leadership development across all subject areas and faculties.

Myson told the conference that CMI is experiencing rapid growth in delivery of 'dual awards', which are mapped to university qualifications across a wide range of courses. CMI accreditation is also being embedded in a broader range of programmes than in the past. For example, undergraduate students who are affiliates of CMI now have access to all benefits enjoyed by full members, such as online content, networking opportunities, local events and online mentoring.

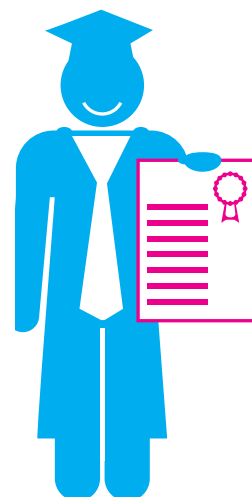


Another important development, said Myson, is the Chartered Manager Degree Apprenticeship<sup>9</sup> (CMDA), a full-time study course that offers work-based experience together with a professional accreditation. “It gives students a unique opportunity to gain work experience, a degree and Chartered Manager status, typically in four years, debt-free, with a job at the end of it.”

CMI is also working with its partners to enhance the student experience by providing a bridge between the university and the world of work. It provides, for example, guest speakers and offers students the opportunity to be a voluntary CMI Student Ambassador – a valuable opportunity to learn practical skills and broaden networks (see box, page 13). Other interventions have included innovation competitions and masterclasses.

One of the main advantages of the partnerships is that they open up development opportunities to everyone, not just the younger generations. The programmes are very flexible, which suits those who are just starting out as well as those who are already working. The case studies on pages 8 to 11 detail how the University of Nottingham, the University of Brighton and the Open University have incorporated CMI’s qualifications and standards in their business schools.

**Ian Myson at CMI’s Higher Education Conference, February 2016**



<sup>9</sup> [www.managers.org.uk/degreeapprenticeship](http://www.managers.org.uk/degreeapprenticeship)



## Making professional partnerships the norm – Nottingham Business School and CMI

*Professor Baback Yazdani, Dean of Nottingham Business School*

Nottingham Business School has been a pioneer of integrating theory and practice using work-based learning for more than two decades, said Professor Baback Yazdani, Dean of Nottingham Business School, at the CMI Higher Education Conference. The school is part of Nottingham Trent University, which was founded during the Industrial Revolution to supply the city with a steady stream of design talent.

Yazdani acknowledged that the way in which business wants to work with universities is changing. “Many different organisations give us the same message: we need well-grounded and well-rounded individuals in the workplace,” he said. “At its most basic level, it’s about being work-ready. It’s about not only having the knowledge of your discipline, but also having a positive attitude as well as being professional and a good time-keeper.”

“Employers tell us repeatedly that they are not getting these attributes in a lot of new graduates, and we can probably all see it in our own workplaces as well. Graduates need to be able to work in teams, do project work, and manage time and multiple tasks. They need to apply their knowledge in a proactive way.”

Nearly two decades ago, Nottingham Business School created a BA in Business Management, a degree course where students work in industry for two years and study for one year. More recently, it set up the BA in Management and Leadership, the precursor to the school’s new Chartered Manager Degree Apprenticeship. Yazdani predicts that university engagement with professional bodies will become the norm, “so at some point every business degree will have some sort of professional qualification attached to it”.

Nottingham Business School focuses on putting experiential learning, such as internships and apprenticeships, at the heart of its education programmes. “We know from our statistics that students who do placements, an international exchange, or community or enterprise work, gain up to 10% better marks in their attainment,” said Yazdani. “And they get up to 20% better employment in terms of graduate-level jobs.”

Furthermore, Nottingham Business School is looking at how it can use technology to give every student a personalised learning experience. For example, it invited a group of Google employees to give one-to-one tuition to around 600 students. It has also invested around £750,000 in technology and other resources over the past few years in order to enable every student to have a direct path for their own study. To achieve this, the University has entered into a five-year agreement with CMI, enabling the two organisations to develop a combined strategic approach to helping students achieve their educational and employability ambitions.

“I think the ‘massification’ of education is about to come to an end,” Yazdani concluded. “It will take a few years, perhaps, but today’s children do not accept mass-produced activity. They want everything tailored according to their individual needs and this is going to translate into our work.”



*Many different organisations give us the same message: we need well-grounded and well-rounded individuals in the workplace.*





## Employability for everyone – University of Brighton Business School and CMI

*Peter Stock, Assistant Head at the University of Brighton Business School*

Peter Stock, Assistant Head at the University of Brighton Business School, told the conference about the business school's longstanding relationship with CMI. He explained that the school's students had been "guinea pigs" when Chartered Manager was first trialled in 2002. "We helped to get Chartered Manager up and running," he explained.

Today the business school enjoys a strategic partnership with CMI built around the professional accreditation of its programmes. At undergraduate level, there is a BSc in Business with Management with a CMI Level 5 Diploma in Leadership and Management. There is an MSc in Human Resource Management, which carries a CMI Level 7 Award in Strategic Management and Leadership, as well as being accredited to the Chartered Institute of Personnel and Development. What's more, the business school's MBAs carry the CMI Level 7 qualification.

Having qualifications that are mapped to CMI's standards helps the business school to meet the employability aspirations of its students, Peter said.

That doesn't just apply to young graduates at the start of their careers – many are already working. "We consider ourselves to be a professional business school that supports mature, part-time students with their aspirations of employability, progression in their existing careers and professionalising what they do."

The CMI accreditation adds a professional dimension "which engenders the principles of effective management and leadership practice," said Peter. It's a key reason for a number of public sector organisations who train their managers through CMI programmes at the business school, including the East and West Sussex Fire and Rescue Services and the Royal Navy.

Other benefits of the partnership include CMI membership for all staff, full access to CMI's online information and resource portal ManagementDirect – "an excellent suite of learning resources" – and the recognition of excellence among Brighton's students. CMI recognises the best students as part of the annual graduation ceremony. These awards not only support the employability aspirations of the winners, but also help to position the University in the recruitment of the next generation of students.



*Having qualifications that are mapped to CMI's standards helps the business school to meet the employability aspirations of its students.*



## Enhancing the postgraduate offer – The Open University Business School and CMI

Jacqui Thomassen, Senior Manager (external engagement)  
at the Open University Business School

The impetus to provide added value to business and management students doesn't only affect undergraduate provision. For some business schools, like the Open University Business School, there is an increasing focus on expanding the offer to MBA students.

The OU, which has educated more than 90,000 postgraduate students – 25,000 to MBA level – has offered Chartered Manager as part of its postgraduate business and management offer for students and alumni since late 2013.

According to Jacqui Thomassen, senior manager (external engagement) for the OU's business school, Chartered Manager is a "gold standard" accreditation for individuals to combine theoretical learning and real-world application. Says Jacqui:

"The OU business school provides students with a practice-based business education, along with opportunities for development that deliver a beneficial personal, social and economic impact. We partnered with CMI to offer Chartered Manager to our postgraduate students because we saw a strong fit between our respective missions and values."

### Theoretical learning applied in practice

"We have a huge community of postgraduate students and alumni. They come from around the world and work across many different sectors. The one trait they all share is a commitment to developing their management skills and knowledge. We promote Chartered Manager as part of our postgraduate offer because it demonstrates theoretical learning applied in practice and defines standards of ethical and progressive practice."

### Chartered Manager fits our MBA programme

"On a practical level, Chartered Manager fits seamlessly with our MBA programme. The first year of the course counts as the educational component. Our students are able to progress quickly through the process to become Chartered Managers. I think that's because of the synergy between OU and CMI. We both engender reflective learning, and reflective practitioners.

In addition to our current students, our alumni are also taking a great interest in Chartered Manager. Some view an MBA as the end of the line for formal education, but understand the need to stay current with best practice and are now exploring Chartered Manager as a way of staying up to date with the latest."

### A 'gold standard accreditation' for OU business students

"Since we've introduced Chartered Manager, the student and alumni feedback has been overwhelmingly positive. So much so, that we've now rolled out Chartered Manager to some undergraduate programmes too. They want to show what they're capable of outside of the classroom. Chartered Manager demonstrates their success in the workplace, which our students say complements their qualifications and enhances their CVs."

### Alumni reaction – the benefits of Chartered Manager

Students themselves echo Thomasen's assessment of the value of becoming Chartered. One clear theme is the value of the assessment process in prompting reflective learning. Robert Durnford, Business Development Manager at G4S, says that the experience "forced me to truly reflect on both my achievements and areas for improvement" and to "conduct self-analysis, something I now continue".

Achieving Chartered Manager status is seen as a significant achievement. Krisztina Gaál, an Environmental Officer at Princess Cruises, says that "earning the title definitely increased my confidence and my belief in myself".

Meanwhile Glenn Daly, a Business Operations Manager at Retronix Semiconductor, says that Chartered Manager "lends additional credence to my qualification and reinforces the MBA learned, as it recognises the same core values that are taught in the Masters programme".

That helps alumni to keep learning as they progress in their careers. Sarah Bradbury, Principal Operations Director at Bright North, reflects that continuing learning "can sometimes be hard post-MBA, with no access to all the online course facilities and forums, or regular tutorials and assignments". For her, access to CMI's comprehensive learning resources helps to "build on your MBA knowledge base and also track your learning and development objectives in its online CPD tool".

Bradbury became a Chartered Manager a couple of years after completing her MBA but would recommend doing it sooner. "I wish I had become a CMI member as soon as I started working in business."

This sentiment is echoed by Robert Durnford. "I would encourage anyone to get it done as soon as they can – it's worth the investment in time and effort."



*Chartered Manager is a "gold standard" accreditation for individuals to combine theoretical learning and real-world application.*

### Building a management and leadership MOOC

Building on the success of their existing partnership, OUBS and CMI are now working together to broaden the base of learners for management and leadership knowledge and skills by collaborating on two new MOOCs (Massive Open Online Courses) that will provide an introduction to the foundation skills and knowledge needed to be a manager in the 21<sup>st</sup> century. They are designed for new or aspiring managers who wish to supplement their experience with formal training and begin a path of continued professional development.

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# CAREERS AND EMPLOYABILITY: THE YOUNG PERSON'S VIEW

The value of integrating work experience into education was also touched on by Daisy Powell-Chandler from market research company Populus. Speaking at the conference, she gave an overview of qualitative research that Populus had conducted among 10 young people in Bury on behalf of CMI and the EY Foundation. This research is part of a major study of young people – the results of which will be published by summer 2016 – and provides context for higher education and its role in supporting employability.

“For most of these young people a career is quite a puzzling thing,” Powell-Chandler explained, “partly because they don’t know what’s available.”

The interviews revealed that the young people had not been equipped with the skills to make career decisions. Careers advice at school was based on the idea that students had a clear direction – “if you tell us what career you want, we can tell you how to get there” – rather than enabling them to explore different options. While students were given support with basic

tasks like drawing up a CV and filling in application forms, the value of such support was diminished by the fact that students did not necessarily know the career direction they wanted to move in. They would therefore struggle to understand how they could tailor their CV to a specific job.

The way in which schools approach careers guidance had a big impact on the way that the young people viewed leadership and management. “They don’t understand or believe that ‘soft’ skills can be taught in schools,” said Powell-Chandler, “and if they do, it hasn’t been linked into the career possibilities that could be open to them afterwards.”

Since the young people did not feel that their school had prepared them well for the world of work, they appreciated the value of work experience. “In particular, they really liked the concept of learning on the job,” Powell-Chandler explained. “Given that they saw a disconnect between school and work, it seemed a much more sensible way of learning how to do a role.”

This emphasis on creating practical opportunities to learn, complementing traditional academic areas of strength, is at the heart of professional body partnerships in higher education.

Echoing the interviews conducted by Powell-Chandler, the demand from students is clear. Among an initial student survey conducted by CMI, 50% say that being on a CMI-accredited course has significantly improved their learning experience. As students like Laura Ruaux (page 13) testify, that is in great part due to the focus on practicalities.

The appeal is also significant: 69% of students said that they were aware their course was CMI-accredited before the survey was taken, and of those, 63% said CMI accreditation had a significant impact on their university choice. Also, 53% agree that engaging with CMI significantly improves their employability.<sup>10</sup>

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<sup>10</sup>Based on survey data from 234 students, spring 2016. Further large scale evaluation among students across CMI's HE partners is under way.

## Exceeding Expectations – The student perspective

The partnership approach has been well-received by students like Laura Ruaux, who took the BA (Hons) Business Management at Brighton University. Already inspired by Brighton's career-focused approach to course design, she registered for the CMI dual accredited course "with the hope of learning new skills, finding new perspectives and improving my own employability".



**Laura Ruaux, BA (Hons) Business Management at Brighton University**

The benefits were clear, according to Ruaux. "The introduction of the additional CMI qualification really exceeded my expectations of the career development opportunities that the university provided."

"I came to the University of Brighton to learn, but could never have imagined the sheer wealth of information that awaited me, as the dually accredited course enabled me to learn from academics, professionals and peers alike."

The course incorporated a wide variety of experiences from taught lectures to group discussion in seminars and hands-on practice. It meant that "every task and every module taught me to learn and study in a new way and it always felt fresh and innovative".

Riaux concludes: "The dual accredited course has not only provided me with both the theoretical and practical application understanding that I hoped for, but has also helped me to develop professional skills and confidence, essential for graduate employability and career development."

## CMI Student Ambassadors

Another aspect of CMI partnerships is the Student Ambassador programme, which offers students more opportunities to experience the world of work and a chance to develop key skills for life after university.

The programme is led by CMI's volunteer members through the Regional and Devolved Nation Boards around the UK. Student Ambassadors work closely with the Boards on a range of activities, including high profile events and engagement work with other students and staff. While the Ambassador scheme is in its infancy, student reaction has been highly positive so far.

Angelika Goj became a CMI Student Ambassador in the second year of her accountancy degree at the University of West Scotland. For her, networking has been an important benefit: "The greatest benefit for me is the positive connections that I have built with the people I have met through CMI. Going out and speaking to professionals and other people in the business world has given me so much more confidence. I now know that I can go out there and do what I want to do."



**Angelika Goj, CMI Student Ambassador, University of West Scotland**



**Robert Hester, final year Politics, Philosophy and Economics student, University of Stirling**

Robert Hester, a final year Politics, Philosophy and Economics student at the University of Stirling, highlights the value of the experience gained: "The opportunity to sit on a Board for the first time and help shape the direction of CMI Scotland was a great opening to the world of running an organisation. Gaining exposure to a Boardroom has been vital to my personal and professional development to understand the dynamics and difficulties of running an organisation and I have developed vital soft skills such as stakeholder management."

Angelika echoes that becoming an Ambassador has been an opportunity to put skills into practice at an early age. "At university, you learn about the fundamentals of managing, but you also need to learn about professional management: how to be a better manager and leader, and how to invest in people. That is where CMI gets involved."

Robert argues that employers need to make more of an effort to listen to the younger generation, something that he has seen in practice with CMI. "The integration of my generation into the CMI Scotland Board allowed for alternative viewpoints to be voiced which can only be beneficial for the future of CMI. More organisations should listen to the voice of generations Y and Z, as they are the future workforce."

# THE INTERNATIONAL OPPORTUNITY

UK business schools are internationally renowned and large numbers of international students come to the UK every year to study business and management. At the conference, Andrew Crisp, founder of education market research consultancy CarringtonCrisp, explored what employability means for international students.

Quoting the 2013 *Erasmus Impact Study*, which looked at the effects of mobility on the skills and employability of students, Crisp noted that 64% of employers said that graduates with an international background are given greater professional responsibility more frequently.<sup>11</sup>

He also highlighted the huge global potential for online education in the field of business and management. Citing the example of the Open University, where free downloads of course materials help to raise awareness of its offer, Crisp said: “Here’s a new model of education and learning; you have to give something away for free to get something back in the future. The potential for international reach is obvious.”



**Andrew Crisp, founder of education market research consultancy CarringtonCrisp**

Concluding, Crisp said that Masters students want to know how career planning and job searching are integrated into the student experience. They also want help finding an internship or placement during their studies – “especially international students who know they can’t work full-time in a country after they complete their degrees”.

The University of Derby was the first UK university to achieve CMI

accreditation for its international work with its partners: HELP in Kuala Lumpur and the EU Business School in Barcelona and Munich. Gail Thrippleton, International Partnerships Manager for the Derby Business School explains:

“This accreditation adds a new dimension to the delivery of our Business Management programmes overseas as it will introduce international networking and promote employability. The extension of the CMI mentoring scheme to overseas partnerships will also facilitate the formation of valuable international business contacts.”

“The University of Derby has clearly reached a leading position in terms of professional recognition of management education delivered overseas and this is also an endorsement to the high quality of our international partners – EU Business School and HELP Academy. It is a very exciting initiative with endless opportunities.”



<sup>11</sup> <https://esn.org/erasmus-impact-study>

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# TEACHING EXCELLENCE AND STUDENT OUTCOMES

The link between graduate employability and teaching excellence was also explored in depth at the CMI Conference, reflecting the most recent developments in government policy.

Core to the government's strategy for improving standards and making the sector more student-centric is the proposed Teaching Excellence Framework (TEF) as outlined in a November 2015 Green Paper from the Department for Business, Innovation & Skills (BIS).

Subsequently embedded in the May 2016 white paper, *Success as a Knowledge Economy*, the aim of the TEF is to raise teaching standards and put greater focus on the creation of work-ready graduates who can improve the UK's productivity.

Note that the outline of the TEF below is to be read in the context of the subsequent technical consultation and the May 2016 white paper.

The core proposals of the TEF include:

- Rating institutions by their teaching excellence, with the best-performing institutions receiving higher TEF levels and having the opportunity to charge higher fees to new students. There will be up to four potential quality ratings overall.
- Since there are no agreed definitions or recognised metrics of teaching quality, TEF assessments will be



based on three metrics where there is data already available: employment/graduate destination, retention and student satisfaction, as measured by National Student Survey data. This will be supplemented by written submissions from HE providers.

- The TEF will be implemented in stages. In Year One, all providers with satisfactory quality assessments will automatically achieve a rating of 'Meets Expectations', which will allow them to maintain their fees in line with inflation.
- During the first year of TEF, only a Level 1 rating will be available to institutions. This will be awarded on the basis of a recent Quality Assessment review. TEF Level 1 awards will last for three years.
- Higher TEF levels will be awarded from the second year in which the TEF is in operation. Awards could last for up to three years.

- The TEF is also intended to encourage more individuals from disadvantaged and underrepresented groups to participate in higher education, open up the sector to new high-quality education providers, and ensure that higher education is delivering better value for money for both students and taxpayers.

## Raising teaching standards

Speaking at the conference, Philip Lomas, head of the TEF Stakeholder Engagement Team in the Higher Education Directorate at BIS, said that while the UK already had an excellent higher education system, the government wanted to make it even better. "Every student should have the right to a quality experience and to know what they're getting and how that equips them for life after university in its fullest sense," he explained.

Using the TEF, the government will monitor and assess the quality of teaching in England's universities to ensure that teaching does not take a backseat to academic research. High-performing institutions will be entitled to raise their tuition fees above the current £9,000 cap.

While initially focused on employment/graduate destination, retention and student satisfaction, additional metrics may be added as the framework

develops, Lomas said. There will also be other prerequisites such as a successful Quality Assessment review and compliance with consumer law, although the overall aim is to keep bureaucracy to a minimum.

TEF assessments will initially be made at institutional level but it is hoped that they can be made at subject level at a later date, Lomas said. He added: "Assessments will be made by an independent panel of experts including providers, employers, and students. There will be an annual assessment cycle, but awards will last between three and five years."

### Driving engagement with professional bodies

Given the perspective of the Quality Assurance Agency for Higher Education (QAA), Director of Quality Development Ian Kimber highlighted the focus on employability in the TEF. He said: "Employability is embedded in TEF Level 1, as are our expectations that institutions would be working with professional bodies in developing programmes and curricula and plans for their delivery."

Professional bodies will have a key role to play in the TEF, Kimber added, because they help to ensure that "graduates have the necessary competencies, skills and knowledge to practice in a given profession and meet the expectations of the employers in that field".



Denise Skinner at CMI's Higher Education Conference, February 2016

### View from the universities

Professor Denise Skinner, Executive Dean at Coventry University, said that she supported the TEF's aim to recognise the importance of teaching excellence. She noted that the student experience has always been central to the work of Coventry and many other universities that are not classed as research-intensive. She also pointed out that universities such as Coventry already work very closely with employers. The difficulty lies in clearly identifying what employers want from university courses. "The needs of employers are often talked about in very general terms," she said.

Professor Baback Yazdani said that while he welcomed the aim of achieving a balance between research and teaching, he didn't see the two as completely separate activities. "This is about knowledge creation and dissemination, and imparting that knowledge to others."

Yazdani also pointed out that "student expectation in all subjects is increasing as they realise that they should receive what their fees have paid for and universities must ensure a fair distribution of value to students".

### A student perspective

What will the TEF mean for students and what is their perception of the government's plans? Bethan Dudas, Policy Engagement Manager for the National Union of Students (NUS), said that students had reservations.

Dudas pointed out that there is very limited empirical information regarding what students perceive to be learning and teaching excellence. She disputed whether the National Student Survey should be used as a core metric for assessing teaching excellence, saying: "What's clear to us is that the National Student Survey is not a measure of student learning, it's a measure of student satisfaction. So it cannot be used as a proxy for teaching excellence."



Bethan Dudas at CMI's Higher Education Conference, February 2016

While the NUS is "really pleased that the government is putting a spotlight on supporting better teaching in universities", Dudas emphasised that students are concerned about the TEF on both principle and on a practical level. "The biggest principle for us is that we don't feel that competition and markets drive and improve quality in higher education. Collaboration will foster improvements across the sector, not competition."

On a practical level, students are worried by some of the metrics proposed as a basis for assessment, particularly the employment metric, since this is influenced by factors outside the classroom such as the economy and the student's socioeconomic background and gender. They are also concerned by the prospects of a rise in tuition fees.

For the NUS, there are five key aspects to excellent teaching, Dudas explained.

Excellent teaching:

- Takes place at disciplinary level;
- Is inclusive – it enables all students to learn and be successful;
- Supports students to take risks and to innovate;
- Creates the right physical and intellectual environment to promote independent study; and
- Happens in a team – excellent teaching is a collaborative process.

Ultimately, Dudas said that while it is crucial to redress the balance between teaching and research, there might be better ways of achieving this than through the proposals currently outlined in the Green Paper.





## A golden opportunity for business schools

*Abby Ghobadian, Professor of Management at Henley Business School and Past President of the British Academy of Management*

*Abby Ghobadian, Professor of Management at Henley Business School and Past President of the British Academy of Management, says that UK business schools are a huge success story – but they must embrace new models to stay relevant in the years ahead.*

Business schools are relatively young, created only in the late 1960s. Yet they are the success story of the UK's world class higher education. In 2013/14 they generated £2.8 billion in fee revenue, or £200,000 per academic: four times the average salary. Their direct contribution to the economy was £3.1bn, the same as the private banking and wealth management sector.

They have led the UK's higher education internationalisation drive, accounting for more students than any other subject area. The staff to student ratio is 20:1 compared to the national average of 12:1, representing a 66% productivity gain.

As such UK schools are only outnumbered by those in the USA in the Financial Times' rankings, while independent research puts the UK's business and management academics' share of papers published in the top journals globally second only to the USA. All this is in spite of an inclement environment with, for example, business schools receiving less than 10% of the ESRC's research grants.

But past success does not guarantee the future. Factors contributing to success tend to become core rigidities, dragging down the once mighty – and UK business schools now face many challenges. New entrants from emerging countries are challenging the dominant position enjoyed by the USA and UK while new private organisations, such as Minerva and the Do School, are nibbling away at business schools' market share.

Perhaps more fundamentally, the 2008 economic collapse has called into question the role and curricula of business schools. The digital revolution has given rise to a sharing or generative economy requiring new thinking and insights. Employers expect more of graduates and students expect more from their schools. Transparency and pressure on the public purse compels business schools to demonstrate their value and relevance more clearly.

Nonetheless I believe that UK business schools are well positioned to respond to these challenges. It will require them to adapt to and actively re-shape the new landscape. Firstly, the traditional business model where programmes are "pushed" at learners using predefined content, context and schedule needs to be augmented by the "pull" system allowing learners to manage their learning linked to practice. Schools need to find more innovative ways of immersing students into practice.

The new Chartered Manager Degree Apprenticeship is a good example of an immersive "pull" system giving UK and its schools a competitive advantage. Digital technology also offers easier routes to innovative immersion, such as crowd funding platforms and more personalised experience.

Secondly, economic turmoil has given UK business schools the opportunity to challenge the dominant North American model by placing purpose, environment and societal impact at the heart of their teaching and learning. They now need to go further.

In today's connected world, schools need to develop closer relationships with professional bodies, business intermediaries and businesses to ensure their offering remains relevant. They need to develop alliances and partnerships, locally and internationally. They need to become hubs of activity, not only places of learning, by bringing together key stakeholders and addressing big questions such as poverty alleviation through economic activity, improving productivity and prosperity, alternative business models to address food security, responses to ageing populations, and greater innovation.

Finally, it is time for business and management to shed its social science badge and take its place among the key vocational subjects such as engineering, medicine and law. This means pushing in partnership with organisations such as CMI for the wider professionalisation of management. Policy makers may be sceptical but at the very worst business and management can contribute as much as STEM subjects to UK's economic and social success.

Adapt to these challenges and there's every reason to think that the decades ahead will be even brighter for UK business schools than those behind us.



*Employers expect more of graduates and students expect more from their schools.*

# RECOMMENDATIONS FOR ACTION

## Making employability a reality: preparing students for success

As speakers at our 2016 Conference affirmed, there are significant innovations underway across Higher Education as institutions embrace the challenges of student demand for a greater focus on employability.

The following recommendations for action are based on CMI's previous research, the contributions of key speakers at our Conference, and our experience of what works in practice through working with more than 90 universities and business schools.

They outline some of the key ways in which universities and business schools can make student employability a reality and develop business-ready graduates who are fit to become 21<sup>st</sup> century leaders.

## Experiential and practically-based learning to develop skills and business-ready mindset

1. Ensure that every student has the opportunity to acquire practical management and leadership skills as part of their course – either through a period of work experience/ internship, or participation in real life scenarios and consulting projects.
2. Develop and recognise practical management skills through professional accreditation of courses that give students the chance to put theory into practice – and allow them to earn professional recognition that demonstrates this capacity to employers.
3. Support employability across all disciplines by ensuring that opportunities for professional accreditation are available to students on any course, not just those on leadership, management and business courses.
4. Use professional body accreditation to attract students and demonstrate the value of courses. Significant numbers of students report that professional accreditation was an important factor in their choice of degree, and that it has enhanced their experience.
5. Use the flexibility of new models such as Degree Apprenticeships to embed higher education in organisations, providing students with new opportunities to learn and to develop practical skills.
6. Ensure that students are placed on professional development pathways with support for continuing development and progression to appropriate levels of professional status, so that they have habits of learning and development and professional/ethical conduct that they take with them into the world of work.

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## People and general management skills

1. Develop skills as well as impart knowledge. Work with professional bodies to ensure that these skills are developed effectively. Work with employers to engage students and shape course content so that it develops the practical skills at the heart of good management and leadership in the 21<sup>st</sup> century.
2. Make sure practical leadership and management skills are a dimension of the range of taught subjects. With universities increasingly offering employability modules across the student population, it will be important to make clear the universal value of core management skills like managing self, relationships with others and managing resources. Ensure that the value is contextualised for students in disciplines where the benefits of such skills might not be fully appreciated.
3. Create more opportunities for students in other disciplines (e.g. STEM subjects and the humanities) to take leadership, management and business modules. Those students will benefit from opportunities to improve their employability and to gain effective work experience whilst studying.
4. Strengthen alumni relationships by providing students with stronger pathways into continuing professional development. Identify and create connections with relevant professional bodies that make the degree the start of a longer learning experience sustained by further professional accreditation opportunities such as CMI's Chartered Manager.
5. Encourage take up of mentoring schemes to support personal development and people management skills that can complement formal business courses.

## Global and ethical mindsets

1. Encourage students, especially business students, to do a period of study and/or work abroad.
2. Draw on the globally-recognised value of the Chartered 'brand' to reinforce the standing of the UK's universities and business schools around the world. Universities are increasingly using professional body accreditation for courses offered through international campuses – use it to your advantage.
3. Support employability by meeting employer demands for global and ethical mindsets, Make management ethics and sustainability a core aspect of all leadership, management and business education, for students in all disciplines, and build cross-cultural communication and awareness more deeply into the curriculum.

## Drive value through partnership

1. Maximise the value added by professional body partnerships by exploring the full range of options available. A wealth of accreditation and support options is available including “dual award” qualifications, online content, mentoring, access to networks and events as well as a range of curriculum enrichment and academic engagement interventions. Utilise the expertise of professional body partners to develop capabilities among the university's own staff and become management and leadership role models.
2. Ensure that your professional body collaborations differentiate you from your competitors. The range and flexibility of support, and the options available for applying it, enable each professional body partnership to be unique and to become an important element of your value proposition.
3. Take the long view. Universities and professional bodies are both purpose-driven organisations with long-term goals. This can provide a strong platform for close and collaborative working; staged, progressive development over a period of time; and with multiple touch-points and engagement of a range of stakeholders from both sides.
4. Identify opportunities to collaborate and generate new research and insights. Universities and professional bodies are likely to have similar research interests creating potential for collaboration and mutual benefit.
5. Evaluate partnerships by collaborating to capture data and generate insights. Assess the impact of the partnership on factors such as student recruitment, experience, satisfaction and employability and use these insights to validate return on investment and assist decisions on future directions.

# WHAT OUR PARTNERS SAY ABOUT CMI

CMI has recently conducted a survey of its HE Partners. Here is a quick overview of the results:

**+63**

A Net Promoter Score of +63 and no detractors

**97%**

of partners agree that the partnership with CMI has a positive level of impact on student achievement

**95%**

say the partnership with CMI has a positive level of impact on student recruitment and students' learning experience

**90%**

say that the partnership with CMI has a high level of impact on student employability

**95%**

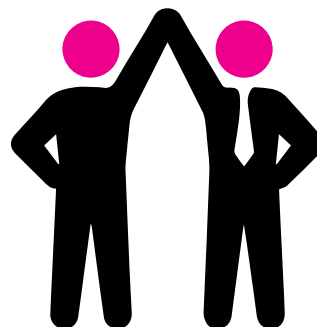
agree the partnership has a positive impact on staff engagement

**100%**

of partners are satisfied with CMI'S Quality Assurance process

**92%**

are very satisfied with CMI's ongoing administrative support



And here's what our partners had to say:

## ual:

"CMI's accreditation of our BA Fashion Management and MSc International Fashion Management (integrated Masters) has been positively received by staff and students alike. Our student body values the added kudos CMI accreditation gives to their award.

It is telling that in the year of its introduction the National Student Survey score for the question on 'Quality of the course' rose significantly from 77% to 85% overall satisfaction."

**Andrew Hughes CMgr MCMI,  
Dean, Fashion Business School,  
London College of Fashion, UAL**



"We are delighted to be working with CMI to deliver value-added professional qualifications to our students. Professional qualifications in leadership and management will support our graduates in securing high-quality jobs in an increasingly competitive employment market. Our students currently earn on average £10,000 above the national average and the ability to demonstrate professional skills in leadership and management will continue to enhance our graduates' prospects."

**Dr Phillipa Towlson,  
Head of Operations and Administration,  
International Business School, Anglia Ruskin University**



"We are very excited to be working with CMI. To be able to embed the benefits that CMI offers into our Accelerated Development Programme is of real added value for our participants. The significance of a British chartered institute is something that our international participants will recognise as a great advantage to them in the workplace."

**Arnold Longboy,  
Managing Director of Executive Education  
(EMEA & APAC), University of Chicago Booth  
School of Business**



"We are delighted to have become a Higher Education partner of the CMI. This partnership reflects our commitment to providing our Business Management students with a high quality academic and vocationally orientated programme. Their CMI membership and certificate will maximise their graduate employability and will clearly add value to their overall student experience."

**Chris Hull,  
Head of the School of Management and Social  
Sciences, St Mary's University, Twickenham**



"Working with partners like the CMI will help us improve the quality of management training and support the region."

**Professor Steve West,  
Vice-Chancellor, University of the West of England**



"The University of Lincoln is very proud of the close academic partnership that it has developed with CMI. Our engagement with the Institute means that our programmes are based on a clear appreciation of the on-going strategic challenges that professional managers must be prepared to face up to, and the mapping of our courses against CMI awards has created a number of terrific opportunities for our students to achieve appropriate professional recognition as they complete their academic studies."

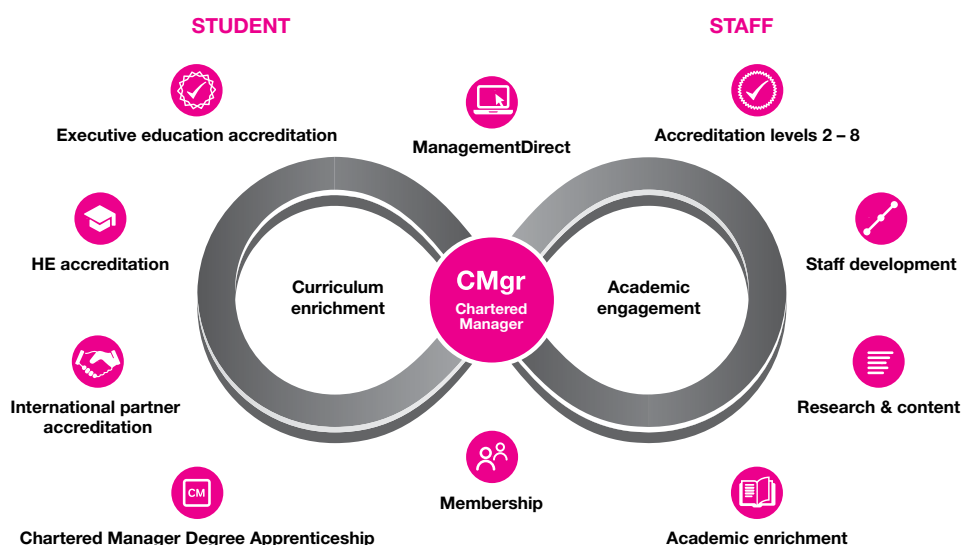
**Dr Gary Ramsden,  
Senior Lecturer, University of Lincoln**

# FIND OUT MORE

**Our focus for universities is on providing enterprise-wide solutions. Our unique framework enables us to provide a range of solutions across your university to enhance your brand. Our focus is on students, academics and support staff, all of whom are integral to your success.**

CMI's flexible approach will enable your university to create a bespoke offer that will set you apart and will enrich your offer.

As part of the process you will have a dedicated Relationship Manager who will help you to maximise your partnership with CMI. You will also have available marketing support to make it easy for you to promote CMI's benefits to your stakeholders.



To find out more how you can work with CMI to enrich your students and staff experience visit [www.managers.org.uk/hepartners](http://www.managers.org.uk/hepartners)

Contact us today to discuss partnering with CMI

Call: **+44 (0)333 220 3141**

Email: [partnership@managers.org.uk](mailto:partnership@managers.org.uk)

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## Chartered Management Institute (CMI)

The Chartered Management Institute (CMI) is the only chartered professional body for management and leadership, dedicated to improving managers' skills and growing the number of qualified managers.

Our professional management qualifications span GCSE to PhD equivalent levels, including the unique Chartered Manager award, which increases earning potential and improves workplace performance.

We provide employers and individual managers with access to the latest management thinking and with practical online support that helps them to embrace change, create high-performing teams and keep ahead of the curve.

With a member community of more than 120,000 managers and leaders, we promote high standards of ethical practice through our Professional Code of Conduct, and help managers to build their expertise through online networks, regional events and mentoring opportunities.

Visit [www.managers.org.uk/hepartners](http://www.managers.org.uk/hepartners) for more information, and follow us on Twitter @CMI\_managers

**Chartered Management Institute**  
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