



NEWS RELEASE

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“Universities develop questioning minds. They are not in the training business. They are not just there to respond as suppliers to what businesses say they want.”

“Effective employer influence on what universities deliver in terms of higher level learning does not come through a simple customer-supplier model but through active collaboration... it involves a partnership approach that requires effort and commitment from both sides” said **Richard Brown**, Chief Executive of the Council for Industry and Higher Education (CIHE) in launching a new report on how businesses and universities interact in addressing the needs for higher level skills in business and the economy.

The report **“Influence through Collaboration”** shows that businesses need graduates and staff with higher level skills so they can continue to develop high value-adding products and services and ensure improved management and leadership in business. But their demands for higher level learning are diverse and are they often need to address very specific skill shortages. These demands can be met in a number of ways: by universities and colleges, by external private training providers and by in-house company resources.

Universities are used and valued by employers for their particular strengths which are generally different from those of private training providers. Universities must play more to these strengths: the development of intellectual and personal capabilities and specific areas of knowledge often at the leading edge. Employers need to appreciate these and use them better, to help improve both the performance of their current workforce and ensure their future pipeline of talent.

The CIHE report focuses on how business demands for higher level learning is articulated to universities and colleges, and how this influences the HE curriculum and the subsequent development of new learning provision.

Bill Rammell, MP Minister for Higher Education said... *“I welcome this report which provides a valuable insight into how employers can work constructively with universities and colleges to raise the skills of those already in work and also ensure graduates are equipped with the knowledge and abilities that British businesses need to compete globally.*

“Our higher education system is already world class but we can do even more to equip our people with the high level skills demanded by employers. Every university, college and business should be thinking hard about how it can respond to this important challenge.”

Sir Michael Rake, Chair of the UK Commission for Employment and Skills (UKCES), said *“Universities and colleges have an important role to play in helping to up-skill the UK workforce. It is important that they better appreciate both what employers seek and how they can best meet their needs. This report stresses the importance of active collaboration by both businesses and higher education learning providers, of building trust and really working at the relationship so that both sides know precisely what each side wants and can deliver.*

“UKCES is committed to making the system simpler to navigate and help businesses and universities work closer together. This report is candid in saying that employers have to be clear about what they want and recognise what universities and colleges are best at delivering - and where they are less suitable. I look forward to developing the themes in this important report at the forthcoming CIHE conference at the Royal Society on 16th October.”

Notes for Editors

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Through exploring a range of practical examples of where employer demands have been met by universities, ranging from management and leadership development through to postgraduate study in new technologies and undergraduate programmes integrating academic learning and practical skills, the research concludes that real employer influence on HE learning provision comes through a model of active collaboration and partnership working. To make engagement really work for the benefit of employers, employees and HE requires the parties to acknowledge and address a range of issues of strategic and practical 'fit' from the outset. There needs to be greater clarity and understanding of each other's needs, capabilities and constraints. And there is also an important 'people fit' dimension, recognising that institutional relationships and commitments are driven by people. It is not likely to work through a simple 'supplier-customer model'.

A number of key factors contribute to getting a "win-win-win" including:

- Businesses identifying clearly their needs, in terms of jobs, skills and people
- Choosing the right HE partners to work with
- Having clear points of contact within universities, and within businesses
- Taking account of learner needs (the main customer)
- HE Providers having the capabilities and capacity to deliver what employers require, which may mean bringing in external resources to deliver to these requirements
- Making and sustaining relationships – mutual trust, respect and commitment are key
- Building in governance arrangements from the start, also reviewing and adjusting arrangements to accommodate changes over time

Helen Connor, the lead co-author of the report said: "*Universities need to make it easier for employers and employees to find out what can be offered through better marketing, having easier points of contact for employers both centrally and in departments or at subject level, and encouraging more informal contact with business where they have shared interests with employers.*"

Hugh Tollyfield, Special Adviser for Employer Engagement at HEFCE said "*This report offers important insights for universities on how they can best engage with businesses. It suggests that they can benefit from taking a more strategic approach and joining up internally the various contacts they might have with an employer perhaps on research, teaching, the development of their workforce or the senior management team.*

"We are supporting universities to develop this more integrated approach and recognise the importance of them having clearly signposted points of entry for all interested in doing business with them."

Notes to editors:

1. The research was undertaken between September 2007 and April 2008 by the Council for Industry and Higher Education (CIHE) with support from a consortium of funders: the UK Commission for Employment and Skills (formerly the Sector Skills Development Agency (SSDA)), the Department for Innovation, Universities and Skills (DIUS), the Higher Education Funding Council for England (HEFCE), the Welsh Assembly Government (WAG), Universities UK (UUK), Edge and London South Bank University. We are most grateful to them all.



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2. The research sought to explore employer demands for higher learning and skills, how these are articulated to higher education (HE) providers and have influence on the HE curriculum and development of new HE provision. It was undertaken in the context of the Leitch report's recommendations for the UK to achieve world-class skills through the development of a more employer-led focus in the skills system. Through a number of case studies of employer-HE engagement, 30 in all, the research sought the views and experiences of the parties involved in developing the business-HE relationship. It captured employer engagement with HE for the purposes of influencing the supply of new graduate recruits as well as for meeting employee development needs, at undergraduate or postgraduate/post-experience levels.
3. The interviews focused on five contrasting business sectors: construction, engineering, financial and business services, IT and creative industries/media. They covered a range of businesses of varying sizes and structures, as well as universities and colleges in England and Wales. Although the case studies represent a sample of the interactions between business and HE that take place, the evidence gathered helped to identify some broad conclusions and illustrates a number of more generalised themes.
4. CIHE is a high level partnership between leading people from a wide range of businesses, universities and colleges. The Council leads in developing an agreed agenda on the learning issues at higher education level that affect our international competitiveness, social cohesion and individual development