



The Council for Industry and Higher Education

Developing Entrepreneurial Graduates

The Council has previously stated that the competitiveness of the UK will rest more than ever on enterprise and innovation in products, services and management. Hence we need to develop graduates that are inspired, confident, and even more enterprising and able to transform organisations in the public, private and not-for-profit sectors.

Developing entrepreneurial graduates is therefore essential to our future success. Universities and other Higher Education Institutions (HEIs) are ideally placed to expose students to environments which foster entrepreneurial mindsets.

CIHE, NESTA, and the NCGE brought together a panel of international experts to share their insights and explore these challenges. With their help we have outlined a new approach to entrepreneurship education in HEIs that moves its focus and purpose from transmitting subject knowledge to developing graduates who have the knowledge, skills, motivation and entrepreneurial capacity to address economic and social needs, both in the workplace and in their communities.

The *'Developing Entrepreneurial Graduates'* report offers a framework to help every HEI create an enabling environment as part of a cross-campus approach. Our report has three main conclusions:

- top-level leadership and ownership of this agenda is required;
- academic faculties and students need to find innovative ways to appropriate entrepreneurship in their subject discipline; and
- it is crucial to involve entrepreneurs and entrepreneurial organisations.

The report calls on vice-chancellors, academics and entrepreneurship educators to work together with entrepreneurs, businesses and students to create a new emphasis toward enterprise and entrepreneurship across UK higher education institutions.

Employer Demand for Higher Level Learning

Businesses have diverse and multiple needs for higher learning. Universities are one of the players in a system embracing universities, colleges, private training providers, in-house training and professional bodies. It must be an aim of policy to join these often fragmented elements into a more coherent whole including via comprehensive qualification and credit frameworks and funding – especially in England.

One of the clear messages from our report *"Influence through Collaboration"* is that employer demand for higher learning is more likely to get converted successfully into HE supply if there is genuine collaboration and mutual benefit. We question the validity of a 'supplier-customer' type of contractual model of employer-HE engagement. Employers and HE providers need to develop the trust and understanding that comes from building long term relationships. This takes time and effort.

The research suggests:

- HE is seen by employers as being good at certain things and not others, and so should play to its strengths in developing reflective practitioners who can help transform the organisations they join.
- Employers can have little real influence on HE supply without both parties being reasonably engaged and committed – being in it *'for the long haul'*. This requires resources from both sides being expended on making the partnership work.
- Few HE providers can seriously offer a lot of very bespoke workforce development products and rarely on short timescales. HE can work with Further Education Colleges and private sector training organisations to add value.
- Few university staff are familiar with the more informal learning in the workplace and the more experiential and facilitative style of company learning that employers increasingly prefer for their staff.
- Universities are continuing to evolve to meet the opportunities businesses are presenting. There is much good practice that can be shared.

Developing Globally Aware Graduates for Global Business

Global businesses are increasingly seeking graduates who have a global awareness. They value those who have the initiative to study overseas as part of their learning. Such study helps them be more culturally aware, more able to work in multicultural teams and more able to move around the world as part of their career. But UK graduates are missing out as they are now less likely to study overseas than they used to.

These are some of the conclusions in our report *Global Horizons and the Role of Employers*. The report also reveals for the first time how international students feel about the benefits of studying at UK universities. The results are very encouraging. International graduates consider that they are more likely to have higher paid jobs at more senior positions and spent less time seeking those jobs either than UK graduates or those in their home country who did not travel to the UK.

The report notes how global businesses have global competency models and recruit globally. Some operations in Asia, for example, ask their UK colleagues to recruit from UK universities a quota of Asian graduates on the basis that those who have the drive and language skills to study in the UK are a self-identifying elite.

The report argues that the UK can be the preferred worldwide location for mobile students and global recruiters. It reiterates what CIHE has previously found namely that business leaders think the UK develops some of the best graduates in the world. We need more who are of the highest quality. Our home-grown graduates need to get a wider global perspective and universities can help them by developing more partnerships with overseas universities that involve more student and staff exchanges and joint curricula development. The Government can help through more consistent and welcoming policies on visas and work permits.

There is a responsibility on employers to get the message across on how they now need graduates who are globally aware, and can demonstrate this through international study, travel and work.

Universities, Business and Knowledge Exchange

Universities are central generators and repositories of knowledge in our society. How that knowledge is developed, disseminated and applied affects not only the cultural richness of our society, but also our global competitiveness. To meet the challenges of the latter, we need policies that encourage and facilitate closer understanding and joint working between universities and businesses. To be effective, these policies need to be based on evidence of what works and why and the processes that need to be in place to enable the dialogue and interaction to be most productive. Our work with Cambridge University illuminates those issues.

Valuing relational approaches, not just transactions

Our cases highlight the importance of relational rather than contractual interactions. These relationships are often built up through common networks.

The importance of “public space”

Many projects developed from a business identifying a broad problem area or challenge rather than specifying a narrow technical issue. Indeed just solving a problem does not necessarily enhance the capability of a business.

Businesses value the broad perspectives of academics

The relationships which are most valued stem from the contributions of knowledge and expertise and the ability of academics to take a wider view.

Investing in internal capacity

To gain most value from a relationship, the knowledge has to be embedded in a business. Many may lack the absorptive capacity to know what they need, to engage in a productive relationship and then internalise the knowledge. The report highlights some good practice.

The use of narrow instruments (such as tax credits) that seek to encourage R&D can too easily ignore many of the varied ways by which universities and businesses together influence innovation and business performance. Also, it ignores some of the greatest challenges and difficulties which are concerned with absorbing and embedding knowledge within businesses.

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