



The Council for Industry and Higher Education



# Graduate Employability:

## What do employers think and want?

Will Archer and Jess Davison



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# Graduate Employability

The views of employers

*"The value of [a student's] international experience goes beyond purely the acquisition of language - it lies in the ability to see business and personal issues from other than your own cultural perspective."*

*Charles Macleod, Head of UK Resourcing, PricewaterhouseCoopers*

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## Foreword

*Employers value graduates who have a global perspective ...*

The CIHE series of reports on international competitiveness<sup>1</sup> have all stressed that our economic future rests on innovation and delivering high value-added goods and services. Universities lie at the heart of our knowledge intensive future through their development of knowledge, graduates, senior management talent and through helping to develop the workforce. Graduates will play a vital role in creating wealth and underpinning the UK's international competitiveness.

In this "race to the top"<sup>2</sup> our report on 'Degrees of Skill'<sup>3</sup> notes how students of all disciplines can develop highly marketable, work related skills during their higher education, skills of tangible and immediate value to employers. Such skills are acquired through learning on degree courses as well as learning through work experience and extra curricular activities. Universities and their career services are working to help their students better understand and articulate the skills they have. Notwithstanding this, it would appear that many employers are not satisfied with the skills graduates bring to the workplace. Research by the CBI<sup>4</sup> shows that almost a third of employers (30%) have problems with graduates' generic employability skills such as team working, communication and problem solving. Employers are also disappointed with graduates' attitude to work (25%), self-management (33%), business awareness (44%) and foreign language skills (49%).

Aside from generic employability we also need to recognise that employers are increasingly going global, and hence need graduates who have experience of different countries and cultures and so can deal with overseas customers and clients. But UK students are less likely to have these experiences – fewer students study abroad than previously. So there is a mismatch between what businesses need and what graduates offer. The number of English students going on European study schemes has fallen from 9,500 to 5,500 in the last ten years. By comparison each year over 20,000 German and French students gain overseas study experience. Our reports on Global Horizons<sup>5</sup> suggest how universities might encourage greater student mobility and greater cross-cultural integration on campus.

This report highlights the findings from a pilot survey of 233 employers and shows that there is a need for action by universities, employers, students and government to address both the reality and perception of the skills deficit in our graduates. The report reinforces the perceived importance of such generic skills as team working and communication skills. It distinguishes between the skills needs of international and non-international businesses and that of small, medium and large companies. The findings from both large and small companies shows that work experience is vital to enhancing graduates' employability skills. It is thus important for business sectors to be more clear, consistent and effective in signalling their requirements to students and universities. We hope this research will add value to the debate on the high levels skills agenda, but also help HEIs to address the needs of business to ensure that our graduates are equipped with the skills and experiences they need to compete in the "race to the top".

We are most grateful to our partner i-graduate for undertaking this study. We would both welcome suggestions on how future surveys can be even more informative and useful.



February 2008

<sup>1</sup> Notably Richard Brown and Philip Ternouth, 'International Competitiveness: Businesses Working with UK Universities', CIHE May 2006; Richard Brown, International Competitiveness: Competitiveness and the Role of Universities, CIHE April 2007

<sup>2</sup> Lord Sainsbury of Turville: 'The Race to the Top: a Review of Government's Science and Innovation Policies', October 2007

<sup>3</sup> Peter Forbes and Bianca Kubler, 'Degrees of Skill: Student Employability Profiles', CIHE, Graduate Prospects and Higher Education Academy, 2006

<sup>4</sup> CBI/Peremps, 'Employment Trends Survey', 2006

<sup>5</sup> John Fielden, 'Global Horizons: Internationalising Higher Education', CIHE, 2007; and John Fielden, Prof Robin Middlehurst and Steve Woodfield, 'Global Horizons for UK Students: A guide for Universities', CIHE, 2007

## Graduate Employability

### What do employers think and want?

#### Summary

- » 86% of employers consider good communication skills to be important, yet many employers are dissatisfied that graduates can express themselves effectively.
- » 'Soft' skills such as team working are also vital and even more important than most 'hard' skills, although numeracy and literacy skills are considered essential by 70% of employers.
- » 65% of international employers indicate that having overseas professional work experience makes graduates more employable.
- » Online recruitment is the most frequently used and most effective method of graduate recruitment.

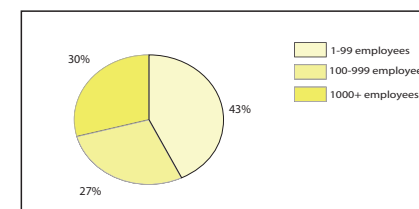
## 1. Introduction

The International Employer Barometer (IEB) is an independent study which provides insights into the needs and perceptions of graduate recruiters by monitoring the opinions of employers from large multinationals to small companies across a range of sectors<sup>6</sup>. It surveys which skills employers value most highly among graduates - including 'soft' and 'hard' skills - and measures satisfaction ratings on how far graduates demonstrate these capabilities. It also surveys which methods of recruitment employers find the most useful and effective.

It is important that such information is analysed by size of company/number of graduates employed as the needs of large companies differ from those of small ones. Equally, the needs of an international company will differ to one that does not trade internationally. Surveys that do not make this distinction can lead to different conclusions. Equally, those that do not distinguish between the skills of school leavers and graduates can blur the picture. For example, by failing to distinguish between those international companies with an increased preference for graduates with overseas professional work experience and those recruiting from a wider pool, we may fail to recognise the different skill sets between graduates and school leavers. Such a nuanced approach to understanding the employability requirements of employers is necessary to an informed debate about the employability skills of potential employees at all levels.

Responses were received from 233 employers representing over 750,000 employees. Of the companies surveyed, 43% were small companies (with fewer than 100 employees), 27% came from companies with between 101 and 1000 employees, and 30% were from large organisations with over 1000 employees. Hence the survey captures views from a wide variety of companies, highlighting views from both large and small companies. The number of small companies participating in the survey is most welcome and highlights the importance of graduate recruitment to these firms.

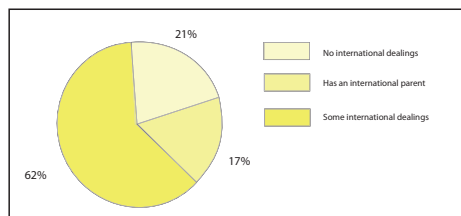
**Chart 1: Response by size of organisation (total number of employees)**



<sup>6</sup> The International Employer Barometer (IEB) is designed and run by the International Graduate Insight Group (i-graduate) and this pilot study was completed in October 2007 by Milkround Online in association with the Council for Industry and Higher Education (CIHE).

Chart 2 highlights that 21% of respondents were involved in graduate recruitment in a company with no international dealings. Almost two thirds of employers had some international customers or suppliers, international partners or overseas offices or subsidiaries, whilst 17% represented a company with an international parent. The involvement in international trade of a significant number of surveyed companies, both large and small, no doubt has an effect on the views of respondents regarding the importance attached to the international experience and skills sets required of graduates to work in these types of companies.

**Chart 2: Response by degree of international dealings**



## 2. Skills and capabilities: importance and satisfaction

Employers were asked to indicate the skills and capabilities they considered important when recruiting new graduates. Table 1 below captures the 'top 10' skills and capabilities they consider important. Interestingly the views are fairly similar across the size of company, with respondents from large and small companies prioritising the importance of 'soft' skills over technical or 'hard' skills.

**Table 1: Top 10 most important skills and capabilities when recruiting new graduates, by size of organisation:**

	Total number of employees			Grand Total
	"1-99"	"100-999"	"1000+"	
Communication skills	88%	86%	82%	86%
Team-working skills	85%	84%	84%	85%
Integrity	81%	86%	82%	83%
Intellectual ability	81%	84%	78%	81%
Confidence	80%	81%	78%	80%
Character/personality	81%	79%	60%	75%
Planning & organisational skills	74%	72%	75%	74%
Literacy (good writing skills)	68%	72%	75%	71%
Numeracy (good with numbers)	68%	67%	69%	68%
Analysis & decision-making skills	64%	67%	73%	67%

The IEB survey confirms that most employers view social skills and personality type as more important than their degree qualifications (60% rate a 'good degree qualification' as important) and IT skills (61% consider these important). 'Soft' skills including communication skills and team working are the most important capabilities sought among new graduates, with over 85% of employers regarding these as important. These findings are not new – many other similar surveys on graduate employability highlight some of the same issues. Even if one goes back to the seminal 1995 report<sup>7</sup> by the Association of Graduate Recruiters (AGR), we find that employers consider these skills to be important. More recent reports by the CBI, the AGR and the NCWE (National Council for Work Experience) find similar employer views.

<sup>7</sup> Association of Graduate Recruiters, (AGR) - 'Skills for Graduates in the 21st Century', 1995

What is of significance to this research by i-graduate is (a) it expresses views from a wide range of size of company and (b) comes at a juncture in time when we are considering the implications from the Leitch Review on skills and the Sainsbury Review on science and innovation. These two reports position the debate about high level (graduate) skills in the context of the global competitiveness of the UK economy and the need to focus on high level skills in response to the demands and needs of knowledge intensive businesses which are usually packed full of graduates. In the future, graduate level skills will become increasingly important to employers. The findings here illustrate that universities need to equip graduates with 'deep' intellectual capabilities and a battery of applied practical skills which make them more 'work-ready'.

The NCWE Work Experience Survey in 2003<sup>8</sup> examined employers' attitudes and practices regarding work experience for students. The results confirm that where employers do get involved with offering work experience opportunities, there are specific business benefits to them. Even when recruiting for placements, employers attach greater importance to students' oral and written communication skills as the most important attributes, with 67% of respondents stating this.

Interestingly the i-graduate IEB survey found that the 'hard' skills of literacy and numeracy were ranked 8<sup>th</sup> and 9<sup>th</sup> in terms of importance, viewed as significant by approximately 70% of employers, whilst 61% indicated IT skills are important. It could be argued though that these skills are "considered a given" by graduate recruiters and thus not highly ranked. Although this may be the case, employers rate the ability to work as part of a team as the second most important skill, regardless of the size of organisation. In contrast, leadership skills rank 28<sup>th</sup>. However, size of organisation has a bearing on some findings; 49% of large organisations view leadership skills as important compared with just 19% of small companies. Despite this emphasis on 'soft' skills, employers of all sizes rank 'intellectual ability' fourth on the list, and thus the expectation that universities imbue their graduates with critical thinking skills and deep subject knowledge cannot be ignored. These findings are not disputing the importance of subject knowledge, but highlight the additional value employers are looking for in terms of equipping graduates with a skill set that makes them more employable.

The survey also found that it seems to be more important for graduates to possess a 'good character/personality' in a small company (81% of small companies view personality as important) compared with large employers, 60% of whom rate it as important. "Fitting in" is especially important in small teams. Employers were asked to rate their satisfaction with new graduates against these skills and capabilities:

**Table 2: Top 10 capabilities employers are most satisfied with and their importance ranking:**

	Importance Rank	Satisfaction Rank
IT skills	14	1
A postgraduate qualification	33	2
Good degree classification	15	3
Qualification from an institution with a good reputation	26	4
Intellectual ability	4	5
Character/personality	6	6
Team-working skills	2	7
Relevant course of study	20	8
Integrity	3	9
Cultural fit with your company	19	10

High levels of satisfaction were seen with IT skills and the degree classification, relevance and reputation of qualifications achieved by graduates. However, while communication skills were ranked the most important skill, they were only ranked 16<sup>th</sup> in terms of employer satisfaction. It appears that while many graduates hold satisfactory qualifications, they are lacking in the key 'soft' skills and qualities that employers increasingly need in a more customer focused world.

<sup>8</sup> National Council for Work Experience (NCWE), 'Work Experience Survey, 2003

*"We are experiencing a lot of applications from candidates who are lacking in communication skills, who do not possess the ability to sell themselves in an interview."*

**HR Manager, Monarch Recruitment**

The largest satisfaction gaps are on commercial awareness and relevant work experience. This is particularly worrying in light of the evidence from a Higher Education Careers Services Unit (HECSU) report by Little and Harvey<sup>9</sup> that found that since 1999 there has been a steady decline in the number of undergraduates taking up placements, in both pre-and post-1992 universities. There are many reasons for this decline – both from students and employers (see, for example, the London Metropolitan University research quoted in the HECSU report). However, the difficulties of securing suitable placements for the ever increasing numbers of students entering higher education should not be downplayed. It is this point that we return to later, suggesting that employers can themselves do more to help students address the aforementioned deficiencies in skills sets highlighted in the data. Action is also needed to address the lack of take up in student placements with industry.

The IEB findings are particularly interesting in light of a recent Institute of Directors (IoD) report<sup>10</sup> which highlights the following 'top ten' skills and qualities IoD members rated as being most important for recent graduates to possess: Honesty and integrity; Basic literacy skills; Basic oral communication skills (e.g. telephone skills); Reliability; Being hardworking and having a good work ethic; Numeracy skills; A positive, 'can do' attitude; Punctuality; The ability to meet deadlines; and Team working and co-operation skills.

IoD members were particularly impressed with their graduate recruits' honesty and integrity, ICT skills, reliability and ability to team work. The proportion considering recent graduates 'always' or 'often' demonstrated these skills was 93%, 85%, 85% and 82% respectively. Over three quarters of graduate employers also considered recent graduates 'always' or 'often' demonstrated a positive attitude (79%), a good work ethic (77%) and punctuality (77%). Foreign language skills (21% 'always/often'), leadership skills (31% 'always/often') and business acumen (32% 'always/often') were among the employability skills graduate employers witnessed least frequently.

*"... IoD members whose organisations recruit graduates tend to think highly of their overall quality. They set great store by graduates' employability skills when recruiting and, broadly speaking, are complimentary about what they see in their recruits... There are, though, areas of concern, particularly on the basic skills front where there are clearly problems ... although equally clear is the acceptance that businesses have a central role in working with the education system to help develop students' employability skills."*

These findings, and those of the CBI highlight the difficulties of research in this field. This i-graduate survey has revealed a different list of 'top ten' skills and capabilities, with different emphasis on the importance attached to these skills and the levels of satisfaction by business. To some extent the differences reflect different types of businesses and to some extent the views of the person responding. So, for example, a recent report<sup>11</sup> by the Council on International Educational Exchange (CIEE) on overseas study notes that HR professionals are more likely to value graduates who have studied abroad over others when searching for graduate talent for future senior management positions because they are looking for future business leaders. As the next set of findings show, there clearly are satisfaction gaps, but rather than just highlighting these, businesses and universities need to consider how they can better work together to address them.

<sup>9</sup> Brenda Little and Lee Harvey, 'Learning Through Work Placements and Beyond', a report for HECSU and the Higher Education Academy's Work Placements Organisation Forum, July 2006

<sup>10</sup> 'Graduate Employability Skills', Institute of Directors Skills Briefing, December 2007

<sup>11</sup> Steve Trooboff, Mick Vande Berg and Jack Rayman, 'Employer Attitudes toward Study Abroad', in Frontiers: The Interdisciplinary Journal of Study Abroad. Vol. XV, Winter 2007.

**Table 3: Largest importance-satisfaction gaps in capabilities of new graduates:**

	Importance Rank	Satisfaction Rank	Gap
Commercial awareness	13	33	-20
Analysis and decision-making skills	10	26	-16
Communication skills	1	16	-15
Literacy (good writing skills)	8	23	-15
Passion	12	25	-13
Relevant work experience	17	30	-13
Planning and organisational skills	7	17	-10
Confidence	5	13	-8
Personal development skills	21	28	-7

Whilst a good degree classification is considered important by 60% of employers, just 38% of employers placed high importance on the reputation of the university itself. When asked to indicate what they considered to be a 'good' degree, 93% of graduate recruiters thought a 2:1 or higher was a good degree.

*"What I consider to be a good degree classification varies from university to university. Also there is a difference between a high 2.1 and a low 2.1; I would say that a high 2.1 from a reputable university was a good degree."*

**HR Manager, International law firm**

### 3. International organisations

When seeking to employ new graduates, it seems that international organisations are generally looking for similar skills to companies based only in the UK. All types of organisation regard communication skills as important, and team-working skills seem especially important for companies with an international parent. International companies value a good degree classification more highly (70%) than companies with no international dealings (52%). Literacy, numeracy, IT skills and a good degree classification are also seen as less important by UK-only employers; it appears companies with no international dealings are less discerning about the quality of graduates that they employ whereas international organisations generally seek a higher calibre of employee.

**Table 4: Top 10 most important skills and capabilities when recruiting new graduates, by degree of internationalisation of organisation:**

	Has an international parent company	Some international dealings	No international dealings	Grand Total
Communication skills	82%	87%	86%	86%
Team-working skills	91%	82%	88%	85%
Integrity	85%	85%	76%	83%
Intellectual ability	79%	87%	67%	81%
Confidence	64%	84%	81%	80%
Character/personality	73%	71%	88%	75%
Planning and organisational skills	70%	71%	86%	74%
Literacy (good writing skills)	67%	77%	60%	71%
Numeracy (good with numbers)	73%	69%	62%	68%
Analysis and decision-making skills	76%	64%	71%	67%

As would be expected, a greater number of employers from companies with international dealings or with an international parent indicated that they saw international mobility and language skills as important capabilities in a new graduate. 21% of employers consider language skills an important capability among new graduates; this rises to more than a quarter (26%) for multinational employers (including those with overseas offices, subsidiaries, partners, customers

or suppliers.) Perhaps not surprisingly, only 5% of UK-only companies valued language skills highly. Equally, whether the graduate attended a university which gave them an international exposure is of greater value for companies with international dealings. 30% of employers with an international parent value a degree from such a university, whereas no respondents from UK-only companies indicated that this was an aspect of a degree they would consider important.

When asked to compare a UK graduate who had completed their full degree overseas against a UK-educated graduate with the same academic qualifications, one in six employers indicated completing a full degree overseas made the candidate more employable. One third of employers viewed a graduate with any overseas study experience as more employable. Employers viewed professional work experience overseas as very desirable by employers, with 65% of employers indicating that having this experience would make the candidate more employable.

*"Within BT's research community of 300 people, 39 different nationalities are represented - and almost every member of the team has worked internationally. Our cultural diversity and international experience is a significant benefit as we pursue open innovation opportunities across the globe."*  
Ivan Boyd General Manager, Research, BT Group Chief Technology Office

*"Any graduate with additional life experience, whether it be working overseas or within the UK is considered to have added value. It shows they have developed some skills which can be useful for the role we are recruiting for either directly or transferably."*  
Project Manager, Recruitment Agency

## 4. Recruitment media

The survey also asked a number of wide-ranging questions related to the graduate recruitment process which employers use. Employers were asked which methods they use for graduate recruitment and how effective they found each media. Unsurprisingly, online recruitment was named as the most frequently used and most effective method of recruitment, with 91% of employers stating they use online recruitment and 94% valuing it as effective.

**Table 5: Percentage of employers who use graduate recruitment media and ratings of effectiveness:**

	% Use	% Effective
Online Recruitment Media	91%	94%
Recruitment Fairs	65%	78%
Careers Advisory Services	74%	78%
Recruitment Agencies	78%	72%
Annual Directories	54%	66%
Student Magazines	54%	60%

Online recruitment seems to be working well for large organisations in particular, with 90% of respondents from large companies describing it as 'effective' or 'very effective', compared with 78% of respondents from small and medium enterprises (SMEs). Universal access to technology and the relative in-expense of online recruitment has helped SMEs. Although the six categories highlighted in Table 5 were specifically covered in the survey, a small number of companies (11) also mentioned using other recruitment methods such as word of mouth, job adverts, university visits, recommendations from staff and sponsoring university prizes.

Other forms of recruitment media in comparison with the internet were perceived as being of significantly less use. The second most effective forms of recruitment media were recruitment fairs and careers advisory services, which 78% of employers felt to be effective methods of graduate recruitment. Almost half of the employers surveyed stated that they did not use annual directories or student magazines and these two forms of media also received the lowest scores for effectiveness with fewer than 70% considering them effective media.

Large companies were significantly more likely than SMEs to recruit graduates through the use of annual directories and student magazines than small companies. The survey showed that 89% of large companies (with +1000 employees) indicated they used recruitment fairs compared with just 45% of SMEs. The data showed that SMEs are more likely to recruit graduates through the use of recruitment agencies, with 80% using this method compared with 69% of large companies.

## 5. University careers services

Employers were asked to rate the service they receive from university careers services. The data on employer satisfaction reveals findings that are of considerable concern. Notwithstanding the significant variability in levels of importance by size of company, overall the results underscore the high levels of the use and effectiveness of online recruiting, and by contrast the rather worrying finding that employers are not satisfied with the levels of service delivered by university careers advisory services. As Table 6 illustrates, the total average levels of satisfaction mask some of the ratings attributed to degree of importance attached to the service, by size of company.

**Table 6: Importance and satisfaction with services provided by universities:**

	Importance (by no. of employees)				Satisfaction Total
	"1-99"	"100-999"	"1000+"	Total	
Fast responses to requests/queries	76%	66%	73%	72%	72%
Being able to position your company as an employer of choice (branding opportunities)	45%	79%	92%	69%	63%
Pre-selection of candidates (CV screening)	75%	68%	53%	66%	71%
A single point of contact for recruitment	70%	62%	63%	66%	80%
Email bulletins to students giving details of your company/roles available	63%	60%	73%	65%	64%
Staff with knowledge of industry requirements	64%	66%	57%	63%	62%
Opportunities to build relationships with careers service staff at universities	46%	49%	86%	59%	69%
Access to students	43%	57%	82%	59%	70%
Staff with experience of recruiting in industry	60%	47%	57%	55%	66%
Opportunities to build relationships with students	36%	47%	71%	50%	66%
Being able to monitor and analyse sources of applications	28%	43%	53%	40%	60%
Searchable CV library	31%	36%	35%	34%	45%
Assistance in arranging recruitment presentations at universities	16%	36%	53%	33%	73%
Being able to interview throughout the year at universities	18%	34%	24%	25%	48%
Staff with knowledge of diversity issues	16%	21%	39%	25%	78%
Help in managing and responding to applications	25%	11%	31%	23%	72%
Opportunities to network with other recruiters	10%	21%	35%	21%	62%
University interview facilities	19%	19%	16%	18%	62%
Assistance in arranging interviews away from your offices	7%	6%	18%	10%	86%

Employers feel the most important services they receive from universities are fast responses to requests and queries, being able to position their company as an employer of choice and CV screening to pre-select candidates. For large organisations, opportunities to position the company as an employer of choice are essential (92% indicated this was important). Overall, employers with over 1,000 employees are more demanding in terms of the service they expect and value opportunities to build relationships with both careers service staff and with students. Having a single point of contact for recruitment was considered an important service by two thirds of employers and most employers (80%) are satisfied with this. Other services that receive

high satisfaction ratings among employers include assistance in arranging interviews away from their offices (86% satisfied) and staff with knowledge of diversity issues (78%).

Employers are least satisfied with the availability of a searchable CV library (45% satisfied) and the ability to interview throughout the year at universities (48% satisfied); this service is especially important for large organisations.

The challenge for many university careers advisory services though is trying to respond to the high levels of variability attached to the levels of importance of different service. It is thus very difficult to provide a holistic service to small and large companies when the ranking scores for different services are often at opposite ends of the spectrum. There is no surprise therefore that the overall satisfaction rankings are so variable. Ongoing work by i-graduate with university careers advisory services highlights their centrality to the learning experience of the student and their levels of preparedness for the workplace. Notwithstanding this, and given the high levels of use by employers of the internet as a recruiting device, i-graduate is finding careers advice to be the 'cinderella' of the student experience. The findings on satisfaction levels seem to be symptomatic of the lack of resources assigned to careers advisory services by universities, the Government and by employers. This has to be a worry in light of employer demands for graduates to be more 'work-ready' and come into employment with more commercial awareness and with relevant work experience. There is work to do here for both universities and employers.

## 6. Recommendations

### *Employer involvement needed*

Graduate employers can use the findings of this report to inform future recruitment and consider how their perceptions compare with those of others. Employers will also want to consider what steps they might take to better inform universities of their needs (including through Sector Skills Councils) and work with them to develop even more employable graduates who can add value even earlier in their careers. The impending CIHE report on business demand for learning will shed some additional light on these issues<sup>12</sup>. More employers might:

- » offer skill sessions on campus;
- » take more students on placements both in the UK and overseas;
- » develop and even deliver business case studies that bring the issues they face in front of students and academics so as to better inform and refresh the curriculum.

Work by the Higher Education Academy's Subject Centres and the Centres of Excellence in Teaching and Learning (CETLs) is having a bearing on increasing the scale of this activity, but there is no doubt that more employers, both large and small, are needed to take the workplace into the learning environment of higher education institutions.

### *Recruiting talent from a wider pool*

It is too easy for some employers to bemoan the lack of work experience in graduates while not offering it themselves. Some lament the lack of practical or vocational skills or appreciation of commercial realities yet recruit from a narrow set of universities rather than fish for talent in the wider pond where graduates with these skills can be found. Research by CIHE<sup>13</sup> shows that companies can be a lot more proactive in widening their approach to recruitment.

### *Stronger signals from employers to students*

Employers should invest time and effort in getting their profiles across via online recruitment as this is the most effective method of graduate recruitment. Employer organisations also need to work in partnership with universities to ensure their degree programmes and the overall student learning experience meets the needs of business. We also need stronger signals – and more consistent signals – from employers that the 'soft' skills they value are of greater importance to them. These messages are also needed at the pre-entry period to university, so that parents and students can be better informed of the employability demands of businesses. The CIHE is already working with UCAS to publish their report on 'Degrees of Skill – a guide on employability skills' on the UCAS website.

<sup>12</sup> See the summary of the project on our website under Latest News following the link to current projects

<sup>13</sup> L Barber, D Hill, W Hirsch and C Tyers, 'Fishing for Talent in a Wider Pool: trends and dilemmas in corporate graduate recruitment', CIHE and the Institute for Employment Studies, 2005

*For universities  
& university  
careers services*

*For employers*

### *Building student learning oriented links with business*

Universities will want to continue to build close relationships with employers. Many employers remain concerned about the lack of certain 'soft' skills and universities will want to consider where the curriculum can address these (e.g. through problem solving in teams to build team working skills) or where the wider university experience can help (e.g. with presentation skills and work experience where students set learning aims). Of course, questions remain about the level of take-up by students of these opportunities.

Universities can assist students through raising their awareness of what employers seek in graduates, thus helping them acquire these skills throughout their university career. Universities can also help students marshal their experiences and skills in personal development plans and CVs, thus facilitating students to articulate these skills at job interviews.

### *Responsive careers services*

Many careers advisory services work closely with employers on the development of employability skills but more organisations need to be attracted to play a greater role on campus. Careers services can reciprocate by providing employers with services such as fast response to queries and CV screening.

### *Reflective learning in placement design*

Higher education careers services (in universities and FE Colleges) have an important role to play in ensuring that students on placement programmes set learning objectives, reflect on their experiences and what they have learned and can then articulate those learning lessons to employers<sup>14</sup>.

### *Demonstrating employability through university experience*

Employers who responded to the IEB indicate the top three most important skills and qualities they seek are communication skills, team-working skills and integrity. These returns are consistent with other surveys. Graduates therefore must find ways to demonstrate these skills on their CVs and at job interviews. This requires them to be more proactive in their use of careers services.

### *Expanding global horizons in student experience*

Two important hard skills are literacy and numeracy, and there is a large importance/satisfaction gap. Large discrepancies are also seen for satisfaction with commercial awareness and relevant work experience. When applying to a large company it is more important for graduates to demonstrate leadership skills. When applying to a company which has an international parent or some international dealings, graduates might reflect on the finding that 65% of employers indicated that professional work experience overseas make applicants more desirable.

In terms of seeking employment, online recruitment is the most widely used medium and therefore the best way to find the widest range of jobs.

*For students/  
graduates*

<sup>14</sup> See Brenda Little, 'Developing Key Skills through Work Placement', CIHE and CHERI, November 1998

## Some closing remarks ... the overarching policy context ...

Given the overarching policy context outlined in the foreword, this report confirms a number of prevailing views on the employability of graduates, but also brings to light new evidence on the requirements of internationally trading businesses. The report also reinforces the consideration students need to give to exploring opportunities for having some form of international experiences as part of their studies. The report also emphasises significant differences in the requirements and levels of satisfaction of employers – universities, employers and students need to take account of these and give consideration to the recommendations in this report.

The rational underpinning the CIHE's support of i-graduate undertaking this type of research lies in our recognition that business leaders are of the view that the UK develops some of the best graduates and best research anywhere in the world. However, the continued international competitiveness of the UK rests on the continuing supply of high quality graduates and postgraduates who have the knowledge and capabilities that knowledge intensive businesses need. This will require closer partnerships between businesses and universities so demand can be more informed and supply better geared to the needs of the high value-adding sectors of the economy which will secure our future prosperity.

## Organisations

### *The Council for Industry and Higher Education (CIHE)*

The CIHE is a unique high-level partnership between leaders from businesses, universities and colleges. We were established in 1986 so that businesses and universities could talk, develop a shared agenda, influence Government policies and undertake joint projects. Our mission is:

"To advance all kinds of learning and research through the fostering of mutual understanding, co-operation and support between higher education and business."

Hence we:

- » develop an agreed agenda on the learning issues that affect our global competitiveness, social cohesion and individual development;
- » commission research so that policy can be better based on evidence;
- » debate our agenda and research with the Government and its agencies and
- » work with them and others to effect change.

We aim for our policy papers to be strategic, rigorous and accessible. While we want to lead thinking, we also want to work with others to put that thinking into practice for the benefit of businesses, universities, colleges, learners and the wider society. We want world-class learning and research in higher education to improve our international competitiveness and raise the capabilities of graduates and those already in the workforce.

### *i-graduate*

The International Graduate Insight Group (i-graduate) is an independent research service specialising in the development and delivery of world-class insight tools and studies for stakeholders in education. i-graduate has worked with over 140 institutions worldwide, providing research and consultancy services for a number of prestigious universities including the University of Oxford, London School of Economics and King's College London. We currently work with 90% of the UK's top universities and four in five of the world's leading institutions - including universities in Australia, New Zealand, the Netherlands, Belgium, Ireland, North America and South Africa.

i-graduate was established in 2005 with the aim of ensuring recruitment targets of institutions and the expectations of their students were met and exceeded. Our primary mission is to assist international educators to plan, understand, adapt and to measure more accurately the opinions, expectations and experience of the students who will determine their future success.

We deliver an advanced range of dedicated market research and consultancy services for the education sector. The i-graduate network brings international insight, risk assessment and reassurance across strategy and planning, recruitment, delivery and relationship management.

### *Milkround Online*

Milkround Online was launched in 1997 with the aim of bringing students and graduates together with fantastic employment opportunities. The website provides an efficient information and search service, facilitating the recruitment process for candidates and employers alike. We are now the UK's leading graduate recruitment site. We have over 400,000 registered students and graduates, and work with a range of employers from multinational blue-chips through to charities and start-ups. Our clients recruit from 1 to 1,000 people and we can tailor our service accordingly.

Graduate recruitment remains our core but we aim to build the UK's leading recruitment business. We want to provide candidates with services and support throughout their professional careers. We want to help recruiters find the best people as efficiently and cost-effectively as possible. To fulfil our goals we're developing new products that will revolutionise job hunting.

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## Notes

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## Notes

## Recent CIHE Publications

### Using Public Procurement to Stimulate Innovation

Takes forward the proposal from the Government and the Opposition that public procurement in the UK could usefully build on the US experience to drive the innovation process, including in small businesses.

Phillip Ternouth (£6) November 2007, ISBN 1 87422 67 X

### Global Horizons for UK Universities

Offers guidance for universities on the issues they face as they internationalise with a range of examples on current good practice.

John Fielden (£10) November 2007, ISBN 1 874223 68 8

### Global Horizons for UK Students: A guide for Universities

Offers guidance for universities on how they might increase the numbers of students studying overseas as part of their course.

John Fielden, Professor Robin Middlehurst & Steve Woodfield July 2007, ISBN 1 874223 66 1

### Workforce Development: What works and why

Provides a range of examples of universities and businesses working together to upskill the workforce

Helen Connor (£6) July 2007, ISBN 1 874223 65 3

### International Competitiveness: Competitiveness & the Role of Universities

Notes the importance that graduates and research play in underpinning the knowledge-intensive businesses that drive the UKs international competitiveness.

Richard Brown (£6) April 2007, ISBN 1 874223 64 5

### STEM Review: the Science, Technology, Engineering, Maths Supply Chain

Focusing on these strategically important subjects, this review examines the actions taken to implement previous Government commissioned reports on increasing the supply of STEM graduates and what further steps might be taken.

Hugh Smith (£6) April 2007, ISBN 1 874223 62 9

### Internationalising Higher Education: A financial or moral imperative?

Report of a consultation at St George's House, Windsor Castle, in January 2007. Summarises the presentations and discussion on the values that should underpin universities as they internationalise.

(£6) March 2007, ISBN: 1 874223 61 0

### Workforce Development: how much engagement do employers have with higher education?

This report brings together the evidence on employer demand for higher level workforce development. As such it highlights the challenges faced by businesses and higher education in trying to meet the Leitch target of enhancing workforce skills.

Madeleine King (£6) March 2007, 1 874223 63 7

### Oxford Entrepreneurs

Entrepreneurs are vital to the British economy and politicians from all parties are committed to providing a platform where they can flourish. In this book Sir Douglas Hague tells the story of over 30 entrepreneurs in the Oxford area, capturing the core characteristics of successful start ups and spin offs - lessons which can be replicated.

Sir Douglas Hague and Christine Holmes (£10) September 2006 ISBN: 1 874223 60 2

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