

# **Higher Education for the Workforce: Barriers and Facilitators to Employer Engagement**

Dr Marilyn Wedgwood  
Manchester Metropolitan University

DIUS Research Report 08 04

***Higher Education for the Workforce:  
Barriers and Facilitators to  
Employer Engagement***

***Dr Marilyn Wedgwood***

***Manchester Metropolitan University***

**DIUS Research Report 08-04  
ISBN 978 1 84478 992 4**

**The views expressed in this report are the authors' and do not necessarily reflect those of the Department for Innovation, Universities and Skills.**

**With grateful thanks to everyone who  
contributed to this report.  
- Marilyn Wedgwood**

Contact: [Marilynwedgwood@aol.com](mailto:Marilynwedgwood@aol.com)

# CONTENTS

<b>Overall Conclusions</b>	<b>4</b>
<b>Summary of the Survey Findings and Recommendations</b>	<b>5</b>
<ul style="list-style-type: none"><li>• The higher education (HE) operating environment must be fit for purpose</li><li>• The multiple markets demand clear value and impact from their investment in HE</li><li>• Policy coherence with rationalisation and simplification is required</li><li>• Summary of recommendations</li></ul>	
<b>Employer Engagement in the wider HE context - The Wedgwood Diversity with Excellence Model</b>	<b>8</b>
<b>Survey Results</b>	<b>12</b>
<b>Key Emergent Issues - Higher Education</b>	<b>12</b>
<ul style="list-style-type: none"><li>• A facilitating environment to build capacity and capability</li><li>• Innovation in HE is unlocking demand</li><li>• Risk issues for HE</li><li>• Higher Education Funding Council for England (HEFCE) and related funding methodologies</li><li>• Distinctive role for HE</li></ul>	
<b>Key Emergent Issues - Demand</b>	<b>15</b>
<ul style="list-style-type: none"><li>• The market/s</li><li>• Employer perspectives</li><li>• Employees</li><li>• Stimulating market demand</li></ul>	
<b>Key Emergent Issues - Government Intervention</b>	<b>17</b>
<ul style="list-style-type: none"><li>• Incentives and support- the need for underpinning public investment</li><li>• Optimising the synergies with related policy areas</li><li>• Developing HE employer engagement in the public sector</li><li>• National promotions and communications campaign</li></ul>	
<b>An Emergent New Tradition in HE</b>	<b>20</b>
<ul style="list-style-type: none"><li>• Strategic challenges</li><li>• Shaping the new tradition</li></ul>	
<b>Recommendations</b>	<b>22</b>
<ul style="list-style-type: none"><li>• Investment funding to develop capacity and commitment in higher education institutions ( HEIs)</li><li>• National marketing and promotions campaign to raise awareness of benefits</li><li>• Modified operating infrastructure to facilitate the policy area</li><li>• Realistic incentives and interventions to support market development</li><li>• National leadership</li></ul>	
<b>Appendices</b>	<b>24</b>
<b>Glossary</b>	<b>41</b>

## **FOCUS OF THE PAPER**

The work presented in this paper was undertaken for the Department for Innovation Universities and Skills (DIUS) formerly the Department for Education and Skills (DfES) by Dr Marilyn Wedgwood, Pro-Vice Chancellor at Manchester Metropolitan University. It addresses the DIUS employer engagement policy area for HE. The main context is the Leitch report, and particularly the aim to raise HE qualifications in the workforce from 29% to 40% by 2020. The policy area is therefore about growing the market and sustaining it through co-funding. The key stakeholders are: government, HE, the employer and employee. The report does not necessarily reflect the views of the Department.

## **OVERALL CONCLUSIONS**

**The HE sector must do its business of teaching and learning significantly differently if it is to achieve a step change in the delivery of higher education to the workforce market that is recommended in the Leitch Report.**

**There is a market - multiple markets - but it is largely latent, low demand and high risk at present, and HE nationally is not 'set up' to deliver to that market.**

**'Value' is the critical factor for engaging employers and employees, combined with accessibility, flexibility and responsiveness in HE institutions.**

**Practice of engaging employers is growing. Significant and exciting innovations (often in partnership) in a number of institutions are changing the way courses are conceptualised, designed and delivered so they are fit for a 21<sup>st</sup> century workforce.**

**The challenge is one of scaling up such provision and moving into new sustainable markets to generate sustainable demand.**

**The latent market is shown to be released when higher education institution (HEI) providers and employer clients work closely together, and in relation to their complementary strengths, and roles, but communication is the key to generate knowledgeable demand and supply.**

**A 'new tradition' of higher education is emerging of accessibility, flexibility, adaptability, integration and responsiveness to address the varied service needs of employers and employees, relevant to the context of professional practice in the workplace across all employment sectors.**

**Strategic challenges for HE are both to generate the new tradition of higher education that meets the multiple work force markets, and embed it into the culture of HEIs - facilitated by an underpinning national infrastructure with recognised standards of excellence.**

**Targeted government investment could catalyse a step change. Such investment would help raise awareness of the impacts of education and training on productivity and performance in the workplace and help build institutional capacity and capability to address the markets. Building direct relationships between HE, employers and employer organisations would be critical.**

*"Occupational skills turn my business over, intellectual skills move my business on "*

**David Johnson- CEO Laser Rail**

# **SUMMARY OF THE SURVEY'S FINDINGS & RECOMMENDATIONS**

## **THE HE OPERATING ENVIRONMENT MUST BE FIT FOR PURPOSE**

1. Funding models, metrics, staff contracts, quality assurance and esteem models all shape the business mix of HEIs. Current models favour delivery to a traditional market of full time 18-21 year olds on 30 week full-time courses, starting in October in an HEI. This is not an appropriate model for the workforce market which requires a culture of flexibility and responsiveness. The dominant culture of HE is out of alignment with what the market wants. The business model for national higher education should therefore be explored to see where and how government interventions can ensure it is fit for purpose.
2. The workforce markets, whether individual employee or employer, require new models of teaching and learning. These must be accessible, flexible, integrated, responsive, and embrace all aspects of teaching and learning: the content of courses; the way they are delivered, assessed, validated and accredited; the student support system; the involvement of the employer and company or public sector organisation; the administration; and the marketing, costing and pricing. To make the cultural shift, HEIs must commit and invest in a different business mix and develop appropriate capacity and capability. A national 'infrastructure' ( e.g funding and quality assurance (QA) models) must be in place to facilitate an HEI's commitment to employer engagement.
3. There is significant innovation and new practice in HEIs which are giving shape to this new culture, but the scope and scale has to be expanded significantly to meet the Leitch targets.
4. Investment by the HEI is risky. The risk has a number of components: existing funding models; competition; lack of status and esteem measures for this area; new further education (FE) degree awarding powers; the uncertain, unproven nature of the markets; market volatility; and a delayed return on investment, are all part of the risk . This high risk, combined with the comparatively lower risk of working with the traditional markets of 18-21 year old full time undergraduates, compounds the situation. The risk must be shared to enable HEIs to move forward. The state, the employers and the employees can all contribute.

## **THE MULTIPLE MARKETS DEMAND CLEAR VALUE AND IMPACT FROM THEIR INVESTMENT IN HE**

5. The market won't buy products and services that don't suit its purposes. The current culture does not, in general, engender confidence in the markets in HE's ability to deliver effectively courses and services that bring clear, direct benefit to the employer and employee.
6. Value is the critical factor for employers and employees, but it is rarely articulated well and the impacts on the bottom line of the intangible assets of employee education and training are far from clear.
7. Perceptions amongst employers of HE - the irrelevance of courses, lack of flexibility, high cost, poor delivery, concerns of losing staff once educated and trained, the lack of an evidence base of business benefits – undermines confidence in the market in HE's ability to deliver effectively. Poor understanding of the role and value of a higher education amongst employers, and their lack of commitment to education and training undermined confidence in the HE sectors ability to make the workforce market significant in their business mix.
8. However, the study shows repeated evidence of success, and success on a scale that can generate returns, when the HEI has a business focus on these markets and when the HEI and employer are in direct dialogue. Successful dialogue results when each understands the others business and drivers, and when there is a common language and value framework that recognises the value of acquiring knowledge as well as skills and the value of intellectual development as well as competency in occupational skills.

9. Some employers are prepared to engage in development work and to share some of the risk. As a result a range of innovative practices are emerging through joint new initiatives. These give 'shape' to the new models of higher education for the workforce. They increasingly draw out the complementary roles of the employer and HEI and provide leading-edge insights to continuously inform the culture change needed.
10. The markets are multiple. They include employers and employees. They range from the 'high end' provision of leadership and management support for senior executives in complex multinational companies and national public sector organisations, through medium sized enterprises with the capability to support employees educationally, to relatively small to medium sized enterprises (SMEs) in defined localities and sectors and individuals. They also include public and private sector and the segments within them. Individual HEIs are developing their own market niches and are entering into arrangements with FE and other providers to provide the seamless approaches to workforce development that the market requires.
11. Latent markets are uncovered when HEIs commit. Potential market growth appears significant if various factors are taken into account such as: demographics; relatively low HE market share of existing markets; aspirations of individual employees; and improved relationships through the Higher Education Innovation Fund (HEIF). There are many examples reported of market growth when an HEI builds close relationships with employers and there is much existing practice to build on. For example, workforce education is the norm in the health and related services. Business Schools often have traditions of working on employee development with companies. Such examples provide a solid platform of experience to develop the latent markets in both the private and public sectors. However time and resource are needed to grow such markets as well as an understanding of the uniqueness of the 'HE offer'.
12. The unique selling points (USPs) of higher education relate to: their quality assurance capability; the knowledge and skill base they have; their stability and endurance for long term partnerships that link accredited learning with career development; and their ability to research the new models required to educate the workforce in the nascent professions of the knowledge economy. As one business man said, "occupational skills turn my business over, intellectual skills move my business on". These USPs give the HEIs market credibility and market differentiation. However that differentiation requires better articulation.
13. For employees acting independently of employers, personal factors relating to cost and accessibility of courses as well as personal and family circumstances were often cited as critical factors. Concerns were often expressed about the inequities in public funded student support systems (grants and loans) for full time and part time students.

### **POLICY COHERENCE, WITH RATIONALISATION AND SIMPLIFICATION, IS REQUIRED**

14. The employer engagement agenda impacts on many aspects of government skills policy and wider policy – whether student loans, Sector Skill Councils (SSC) work plans, Regional Development Agency (RDA) skills agendas, European Social Fund (ESF) co-funding with HE, FE/ HE progression, or HEIF. There was a plea for a joined up policy and simplification of administration, particularly from employers.
15. The step change required is recognised. The emergent culture needed in HE for delivery to this market is taking shape. The size and scope of the change is increasingly recognised. More HEIs are interested in pursuing this market. Employers working with such HEIs increasingly understand their particular roles and are gaining confidence. It is timely for government to provide a longer-term policy framework with investment in the infrastructure that will create the critical mass in the sector to drive the agenda forward coherently.

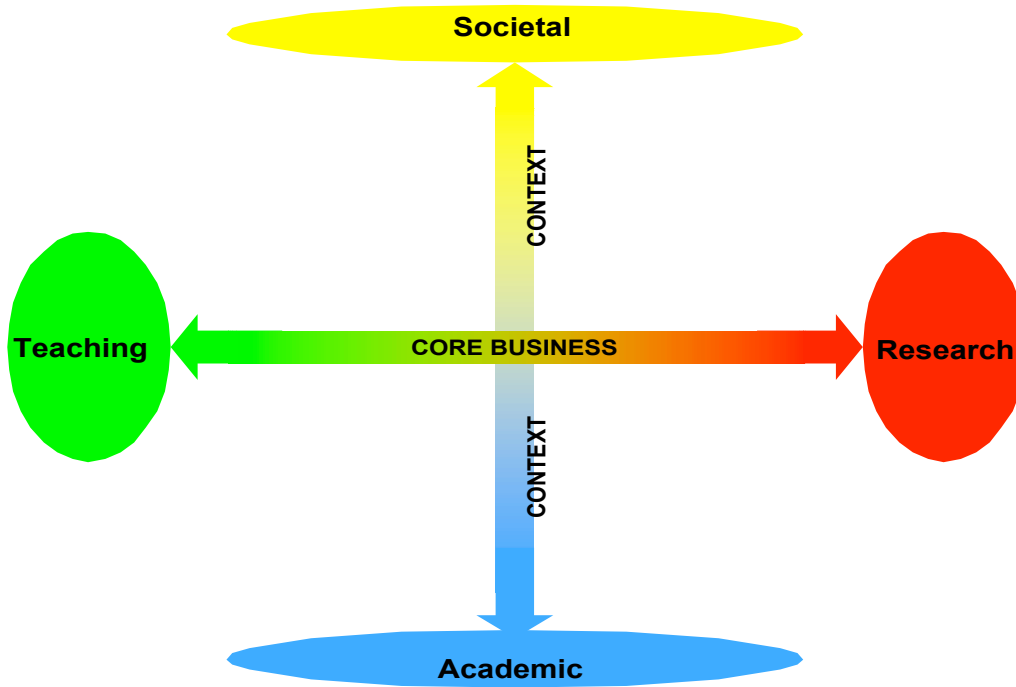
## SUMMARY OF RECOMMENDATIONS

16. Government investment is made in a limited number of HEIs who seek to make this agenda mission critical. The funds would provide infrastructure funding. They would enable HEIs to build their individual capability and capacity to grow their niche markets and become experts and sector exemplars in employer engagement. The funding would contribute to Leitch targets. HEIs would deliver accredited HE learning in the workforce and create sustainable markets for the future.
17. Some funds should be ring-fenced for development work that addresses some common fundamental issues such as: credit accumulation and transfer; funding models; metrics, quality assurance; progression; professional accreditation arrangements linked to Sector Skills Councils (SSCs); quality standards and esteem measures; links with professional bodies; and pedagogic research to inform curriculum planning. This generic work would run through a steering group of those HEIs receiving funding. That steering group would integrate with the Higher Education Academy (HEA) network to explore and spread good practice.
18. A national communications campaign is taken forward under the guidance of an advisory group of experienced business people. It would address the three primary target markets of employers, employees and government agencies. The campaign should emphasis benefits and value by building on a sound evidence base and should encourage the use of a common, and appropriate, language for workforce higher education.
19. The Commission for Employment and Skills should consider the establishment of an umbrella group to ensure that the varied interests, contributions and targets that the different constituencies have in employer engagement from their own different perspectives (such as Higher Education Funding Council (HEFCE), Quality Assurance Agency (QAA), SSCs, Foundation Degree Forward (FDF), The academy (the international academic community that assures the quality and integrity of the academic disciplines), the employer organisations, professional bodies and student loans groups), are brought together in a coherent way to drive the agenda forward to meet the Leitch targets and, additionally, capitalise on developments in HEIs which have ensued that government investment in HEIF has followed.
20. The Commission for Employment and Skills should investigate where and how different parts of the public sector (police, local authorities, government, government quangos) can and should link in with higher education to develop their own workforces and link this learning with the relevant SSCs.

## **EMPLOYER ENGAGEMENT WITHIN THE WIDER HIGHER EDUCATION CONTEXT: THE WEDGWOOD DIVERSITY WITH EXCELLENCE MODEL**

21. Higher education is expected to address an increasingly diverse range of agendas. Not only do institutions have to undertake academic teaching and research they are also required to engage with the economy and society.
22. Teaching and research are well established and understood. 'Engagement' is a relatively new descriptor and is a term which broadly incorporates 'employer engagement', (interpreted in this study as 'higher education for the workforce') and 'knowledge transfer' as exemplified by HEIF activity. Engagement also includes the broader range of activities that fit HEFCE's strategic objective on engagement with business and the community.
23. Institutions place different emphases and interpretations on these agendas, thus generating a diverse higher education sector in which an individual HEI's business mix reflects a particular HEI (or particular type of HEI, e.g. research-intensive) - its culture, strengths and mission. Understanding how the various components of an HE agenda fit together for institutions and nationally, and their relative balances with each other, can be challenging and particularly when resources are limited. Wedgwood has developed the Diversity with Excellence model to address this. It maps the territory of HE in a very simple diagram. The model is increasingly proving to be a useful planning and decision-making tool for institutions and policy makers.
24. The model is simple but can be developed in a multitude of ways (see references at the end of this section). The basic model is exemplified in diagram 1 below. The horizontal line represents the core business of HEIs. It spans teaching and research. The vertical line represents the context in which the teaching and research are delivered and developed. The context spans one which is purely academic to one which is purely societal. In the former the teaching and research is led (driven and validated) by the academy, and in the latter by society's needs and concerns. Teaching and research can therefore be undertaken in the context of the academy or society and each of the quadrants represents the differences. Travelling clockwise from the top left hand side it reflects: teaching in a societal context (societal relevance); research in a societal context (Innovation and applications); research in an academic context (academic research); and teaching in an academic context (academic development).

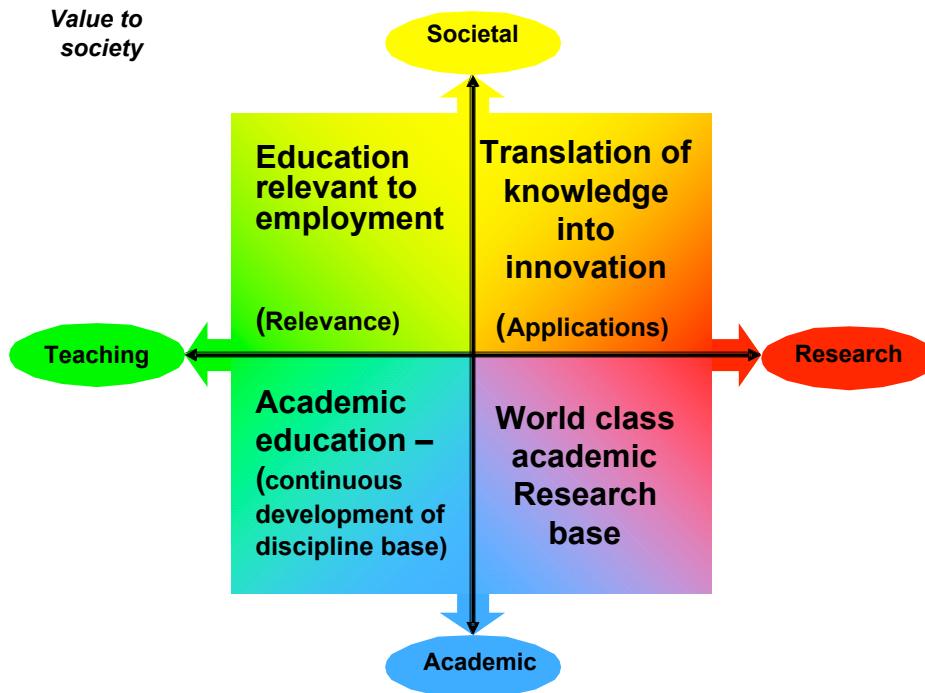
Diagram 1 – the Basic Model



Dr M.Wedgwood, Manchester Metropolitan University

25. Diagram 2 illustrates the broad value of the HE activity to society and diagram 3 shows how different agendas demanded of HE fit into the different quadrants.

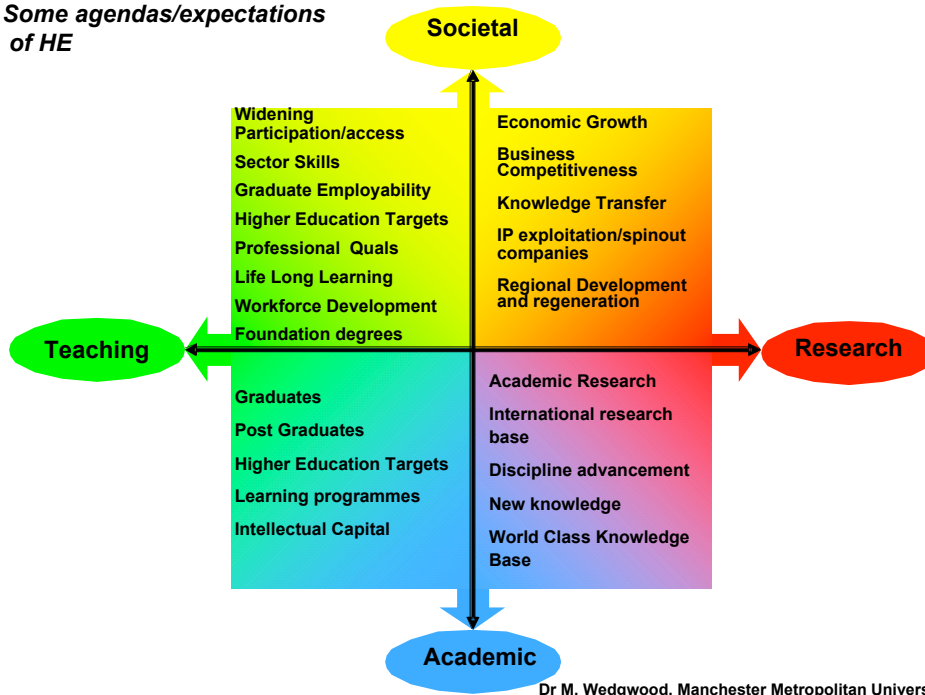
Diagram 2



DR M.Wedgwood, Manchester Metropolitan University

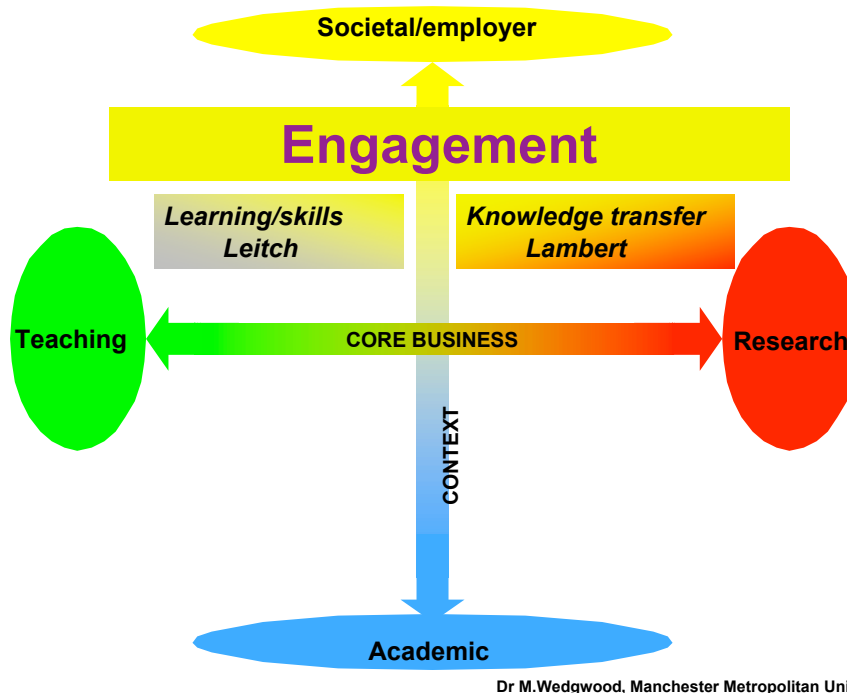
Diagram 3

Some agendas/expectations of HE



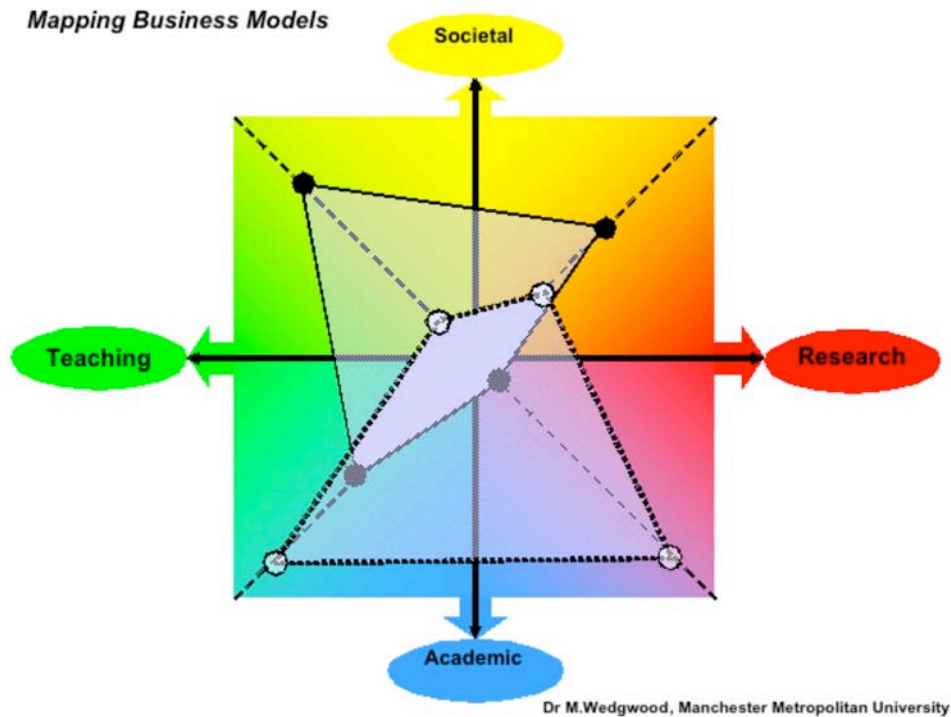
26. The top half of the diagram is the territory of 'engagement'. Employer engagement and the recommendations of the Leitch Report relate to the top left hand side. Knowledge Transfer, as explored by the Lambert Report of 2003 is represented in the top right hand side. Diagram 4 gives a visual representation showing engagement and the mapping of the Leitch and Lambert Reports.

Diagram 4



27. Institutions, faculties and departments can position themselves along both the horizontal and vertical axes in relation to their aspirations culture and strengths. Axes bisecting each quadrant create a measuring scale from which a footprint/map can be drawn which defines the relative emphasis given to each activity. Diagram 5 presents some illustrative examples comparing the possible business model of a post 92 and a Russell Group university.

**Diagram 5**



28. A wide variety of parameters have been mapped on the model including: funding allocations, HEFCE's strategic objectives: policy initiatives; the professional activities of academic staff; quality measures; income sources; preferred positioning; delivery costs; and resource base etc.

29. The type of systems, structures, processes and procedures that are appropriate for each of the quadrants are different, as are the range of staff skills and competencies required. Each requires a resource base on which delivery is dependent. The survey reported here addresses issues that relate to the top left hand side of the diagram

### References for Wedgwood's Diversity with Excellence Model

30. Wedgwood M.A. (2003) *Making Engagement Work in Practice* in Bjarnason, S and Coldstream, P (eds.) *The Idea of Engagement: Universities in Society* (London, Association of Commonwealth Universities).

31. Wedgwood M.A. (2005) 'Mainstreaming the Third Stream' in *From Mass to Universal HE: Building on Experience* (SRHE, Society for Research in Higher Education, ed. I. McNay).

# **SURVEY RESULTS**

## **CONTEXT**

32. The policy area of 'employer engagement' is essentially about building a critical mass of capability and confidence in the HE sector - quickly and effectively so that more institutions treat this agenda as mission critical and more employers and employees commit to higher education with HEIs.
33. The work reported here is a synthesis of views received from 38 interviews/ discussions, involving 67 people, 90 survey responses, and a variety of reports that sought to tease out facilitators, barriers, good practice and suggestions for development in policy and practice. It covers views from 72 HEIs, 3 HE organisations, 34 employers and employer organisations in the public and private sector, 9 RDA/ LDAs, and 7 people in two Government departments (the former Department for Trade and Industry (DTI) and the DIUS)

## **KEY EMERGENT ISSUES – HIGHER EDUCATION**

### **A facilitating environment to build capacity and capability**

34. There is growing innovation in the way teaching and learning is conceptualised, designed and delivered for the workforce within HEIs across the HE sector. However the facilitating environment is out of step with what is required. Extensive practice and experience, which is growing in the sector, show starkly that the workforce market of mature adults is very different from typical 18-21 year old full time undergraduate attending an HEI for 30 weeks. Yet much HE policy, HE support funding and quality systems, as well as metrics, are built on this market. Furthermore, neither esteem nor status measures are available for excellence in this area of workforce higher education. All these components require careful review and refinement to provide the flexibility and responsiveness that is fit for purpose in the workforce markets.
35. HE must be set up in a way that it can capitalise on the multiple workforce markets. It must have a business culture which can address the particular needs of this market, commercial acumen and an operating environment which encourages it. The critical component of that culture is responsive flexibility. To grow the market, HE has to be flexible and responsive in every aspect of its course access, design, delivery, validation, marketing, administration and student support, yet remain HE. It has to understand business drivers and language. Courses must be quality assured, relevant, useful and often tailored to employer practices and requirements which are complex and wide-ranging. However, much of the national funding, quality assurance, metrics and support systems are predicated on a full time undergraduate market of 18-21 year olds. The workforce market is not significantly represented. Continuous professional development (CPD) is not facilitated. However these systems have strongly shaped institutional business models and the balance of their business mix. To achieve results in this policy area it is important that HEIs are able to diversify and specialise, with some adopting a single business focused mission, whilst others seek to become a mixed economy or a strong focus on academic teaching or academic research.
36. In short, the new policy requires a different balance in the business mix of HEIs and new capabilities with high professional standards to make them fit for purpose. The emerging good-practice in the sector is clarifying the kind of facilitating operating framework that is required to be effective. It is clear that HEIs must adopt a more commercial approach with better customer care processes that lead to longer term, more sustainable relationships with employers, where the complementary roles are understood. The HE national 'operating' infrastructure must be conducive to the culture change required. It needs reviewing. So great is the difference in culture and practice required to deliver to this workforce market that it has been referred to as a paradigm shift for HE, with new insights required to both describe and deliver it. Suggestions emerged that it would be timely to review the national business model

driving HE. Such an analysis would help the sector and the policy makers understand where and how current policies and practices facilitate or inhibit this agenda.

### **Innovation in HE is unlocking demand**

37. There is much good practice that is highlighting new and different ways of conducting the business of teaching and learning for the workforce. There is a quiet revolution where the complementary roles of HE and employers are clarifying. In HE there is an emergent flexible responsive culture capable of addressing employer requirements that is gaining strength. Amongst employers, an increasing ability to define job roles and competencies helps inform both the content, and the delivery, of learning pathways for their employees.
38. This good practice is giving insight into the new paradigm, the revised business models, that are required. Using 52 weeks of the year for delivery, starting courses at any time of the year, enabling the transfer and accumulation of academic credits, making HE staff managers of learners/ learning accounts, making employers associate lecturers, focusing on the individual learner, having work mentors, delivering learning in the workplace - are all part of that culture. Blended learning, accrediting prior experience and learning (APEL), accredited work based learning (WBL), work based teaching and assessment and distance learning are critical components, as are different products and services at different prices to meet different requirements. Another characteristic of the new culture is inter-disciplinary content. This is driven by the work roles and gaps in knowledge and competency, rather than by academic subject disciplines. As a result the education is relevant, contextual and meaningful in the workplace, but at an HE level that also embraces the academy.
39. Innovative partnerships between HE and employers or employer organisations are linking HE courses with continuous professional development and career planning and promotion. Delivery is multi-site, incorporating the workplace and company staff learning centres. The network of learning mentors and assessors includes staff in the workplace, who themselves might acquire licence to practice through learning credits for a Postgraduate Certificate of Education (PCGE).
40. In summary, the agenda is about building higher level capability in HE to manage the market volatility to generate income. It is not about paring prices to the bone, but delivering what a business wants and pricing accordingly to make a return. The new climate requires different contracts for academic teaching staff with different descriptions and expectations of the roles. It also requires sophisticated consultancy and diagnostic skills which are essential to ascertain education needs, perhaps organised through a skills one stop shop.
41. This emergent culture is a specialist culture requiring new skills, new approaches and new attitudes as well as development time and resources. It takes time and investment to build this business-like and commercial know how in the sector. Good practice has sufficiently accumulated for a step change to occur, with pump priming government investment to share the risk in building HE capability.

### **Risk issues for HE**

42. Developing this market for HE is risky. The strength of market demand is uncertain even in the public sector. The National Health Service (NHS) is an example where recent changes in levels of commissioning reduced market demand and impacted significantly upon HE suppliers. The true costs for development and delivery are not properly understood and the market value of this component in the business mix is not clear. The cultural change required in the sector to address this market is significant. Funding models, quality models, esteem measures and metrics at best fail to provide incentives, and at worst are disincentives. The process of change takes time and investment, with an inevitable consequent delay in the return on investment.
43. The traditional market for HE is changing which compounds the risk. Private sector

competition, corporate universities, and giving HE awarding powers to FE all add to the risk. The change of a Managing Director (MD) or a Chief Executive Officer (CEO), and the changing targets in the public sector further compound the risk. Training is often first to go when things get tight.

44. Finding ways of reducing, insulating or mitigating risk is required, particularly at this stage of development, both to support those committed to the policy area and to encourage more HEIs to make employer engagement a critical part of their mission.

### **HEFCE and related funding methodologies**

45. A recurring barrier identified was the HEFCE funding methodology. It was not felt to be in alignment with the culture of part-time provision for mature adults in the workforce. Respondents wanted a funding methodology which allowed for: closed courses (those for one employer); a system funded on success in achieving academic credits in the region of 20-30 credits rather than 120; which supported part-time postgraduate and professional courses; recognised the true costs of providing flexible part time courses and the short life cycle of the learning products; and reflected the higher levels of support required for work based learning. In addition investment was needed to help institutions build capacity and capability, particularly where the aim was for this agenda to be mission critical.
46. Reporting processes and metrics were also highlighted as in need of review for this market. One Vice Chancellor (VC) in the Russell Group explained how CPD was inhibited because he had to ensure all staff were reported with a high research output in order to both optimise research funds from the HE funding council, and benefit from the funding leverage that such high esteem in research generated from other sources. In broad terms HEFCE and QAA make the point that mostly the opportunities are available in the current system. But the point is that the systems are not focused sufficiently well enough to make it easy for institutions to operate in this area as a significant part of their missions focus. Clearly there are gaps in perceptions which must be directly addressed if institutions are to be confident that the flexibility they require is sufficient for significant and long term investment in this market.
47. The funding and QA model require review and careful modelling and development, to at best, encourage growth in the workforce provision, and, at the very least, to avoid unnecessarily or inadvertently inhibiting it.

### **Distinctive role for HE**

48. An underlying theme in discussions was the particular role for higher education – its unique selling point. One significant and distinctive role was the accreditation of learning (including prior learning) through the HE quality assurance process, whether in the workplace or at the HEI, combined with assuring subject discipline standards. This assures quality for the employer and provides the employee with an HE award. For both, it provides credibility and recognition. Another role relates to the linkages between HE accredited learning, CPD and career progression (sometimes combined with professional recognition). Whilst there is long-established practice in some traditional professions, such as law, medicine, and allied health professions, and long-standing experience in the business schools, there is now development in other professions such as the police force, the retail industry or quarry management. These arrangements combine occupational knowledge, experience and skills with underpinning intellectual frameworks, knowledge and skills from HE. A third role for HE is to work with the nascent industries and sectors which the knowledge economy is generating to understand, through research, synthesis and analysis, the nature of these new professional areas, their knowledge and skills needs and how to meet them.
49. Higher education is more than skills training. It is also about education and knowledge. The 'connect' with the 'academy' (the international academic community that safeguards the integrity of the academic disciplines provides an intellectual context and environment for

thinking and learning in the workplace, and a rigour and objectivity from which new insights, understanding and creativity can arise. The critical factor for teaching and learning for the workforce is that it integrates learning in practice with learning in academe. Professional/ trade/ technical bodies and employers themselves provide an understanding of work contexts and work roles for which the education is required. The SSCs are developing their own sector qualifications for HE accreditation. HEIs provide the skills to design educational pathways and curricula and combine that with assessment that affirms HE level. The combination of occupational and academic knowledge, skill, experience and understanding is a powerful force in meeting the continuously challenging work environment which is the reality for both public and private sector employment. HE must safeguard its 'HE-ness'.

## **KEY EMERGENT ISSUES - DEMAND**

### **The Market**

50. Respondents often commented on the importance of recognising the heterogeneity of the markets as well of HEIs. The market is complex and dynamically changing. It consists of employers and employees. The public sector market is different from the private sector and within these there is market segmentation. Segmentation is complex: relating to sector, size, geography, and the type of market a business is engaged in whether international, national or local. The CPD for the professions could usefully be explored and developed with the professional associations to provide a more rigorous set of learning opportunities which update skills and link with changing professional requirements of practitioners. There is not therefore one market but multiple markets with different requirements and therefore different responses.
51. In the 21<sup>st</sup> century economy, businesses have to adapt to the dynamics of their markets which challenge their business models and the consequent suitability of their knowledge base. Customer expectations change, new technologies overturn business processes, and new legislation and regulations demand adaptation to meet new legislative and regulatory requirements. In short, new skills and knowledge are required to compete but requirements for education and training vary in the market from the executive end of complex organisations to SMEs with different requirements. More sophisticated thinking is needed about what an educated workforce is, what it is capable of, and what intellectual knowledge and skills and assets are required to address the complex environment in which businesses and the public sector operates.
52. For HE this generates its own challenges. To supply the right services and products it has to be in tune with this dynamism, be business-like and commercial and responsive to the multi-markets, yet maintain the essence of a higher education. It has to understand the costing and market pricing and in terms of value and business benefit to all stakeholders. Shared funding models between government, employers and employees are likely to emerge but the costs and the return on investment have to be explicit. To develop workforce provision effectively HEIs have to understand their business customers, whether private or public sector, and become experienced and skilled at not only reaching this market, but also in analysing and meeting the 'knowledge' needs of the business and in understanding how to support the development of the employees. HEIs have to understand the dynamic environment in which business operates and the implications this has for both diagnosing what is required and developing people as the business models and processes change. Employers have to understand the culture and operations of HE and what it particularly has to offer them.
53. Excellent communication is critical, as are very good relationships. Time and again in the study examples of success were cited when an HEI and employer were in direct dialogue with each other.

## **Employer perspectives - business benefit and value**

54. The most significant thing employers seek is value for money. They want a return on their investment wherever it is and to be able to identify and define it. If HE is to provide learning and training services and products, then employers want, from HE, impacts on productivity and performance and a commercial business-like approach. Currently this is not as generally available as they would want.
55. HE provision must be closely aligned to the needs of employers, delivered flexibly, perhaps work-based, and through negotiated provision that would link with business need. Though they want courses that help improve business performance they don't necessarily want qualifications. Linked in would be clear progression pathways and links with FE, common approaches to key elements of delivery such as APEL, work based learning and accreditation of employer training. Clearly an HE infrastructure that is financially supported by the state to deliver flexibly and responsively to the workforce would create the professional climate within HE to address such issues.
56. However employers identify a number of inhibitors. They recognise there are two different pathways – one for the employer and the other for the employee. HE has to understand which customer it is working with. But no matter which market is considered there are common inhibitors. They include: financial (costs); credibility (demonstrable value to employer and employee); time (its availability); student support in the workforce; lack of HEI flexibility and responsiveness (too slow, too static); complexity (complicated systems and bureaucracy), lack of relevance and outdated curricula. There is no common language or understanding. Comments were made about the outdated nature of the curriculum and the processes that support the teaching and learning. Different, and sometimes conflicting, expectations of employer and employee were also noted. A number of respondents also recognised that the unrelenting pressures of change meant employers did not necessarily have time to create a stronger climate of learning in the organisation, and felt HE could help.
57. Awareness raising and communication to understand each others business is often required to overcome many of these issues. The business benefit must be clearly articulated in the language of the private or public sector business, and built on an evidence base of impact. Such a campaign would help develop the right language for conversing across the interface and help create the intelligent knowledgeable demand and supply that this agenda requires.

## **Employees**

58. The needs, aspirations and drivers from employees are not necessarily the same as, or in line with, the employer. Employees don't necessarily have the full support of their employers and may not seek or want it. The situation for them is multi-faceted. They pursue HE for a multitude of reasons ranging from being a leisure activity to linking it with career progression where portability and or transferability is important. They have concerns which generally relate to confidence, time and costs. Respondents often commented on the inequities of the student support system for full time and part time students.
59. To redress the balance, suggestions commonly included providing loans, career development loans, tax incentives, vouchers, and advice and guidance. Concerns were expressed that full time student fee rises may dis-incentivise students, employers, employees. Paying fees up front was a problem particularly in deprived areas and areas of low salaries and wages. For HEIs up front fees, combined with the HEFCE funding model, make it more economically sensible to pursue the full time market rather than the part time. Part time student support could be considered in the framework of full time student support methods. More realistic equitable support for part time students is required. In addition there would be merit in exploring current understanding of the employee and the employer/ employee relation, in terms of national programmes of support, to check if the policy is in touch with reality.

60. More research is needed to understand the client group and their relationships with their employers. Furthermore, there is considerable scope to help employers improve the way they handle graduate placements and their employees undertaking HE. Mentors and coaches can help maximise the benefits for all involved.

### **Stimulating market demand – HEI perspectives**

61. Stimulating market demand is a key issue identified by the HE community and some identified it as THE key issue. Though there appears to be a market for training as Leitch points out, the demand for HE provision is low and the market is complex. In general terms, respondents often commented on: employers' lack of interest in investing; a lack of understanding and awareness about HE; a reluctance to meet real costs; the lack of plans or enlightened plans for developing staff ("Can they look beyond this financial year?"); and the inability of employers to articulate their training and learning needs. Activities which promote long term skill development and personal development are not a priority. Furthermore employers generally were out of touch with developments in HE and the sector's particular role in developing the workforce.

62. However market opportunities are there and often local. They are within the vicinity of the HEI and more commonly with corporate and public sector clients than with SMEs, which were often reported as difficult to both access and work with. Medium sized enterprises are likely to be another potential target market as they often have the infrastructure to develop this area but not the experience. There is considerable scope to build markets around large companies and their supply chains, as well as groups of businesses within particular geographical locations, as reported examples show.

63. HEIs are uniquely well placed to stimulate demand. The scale and diversity of their relationships with industry, commerce, business and the public sector create excellent marketing opportunities on which to capitalise. Some universities have done this. Such latent market demand was released from HEI's committed to workforce development, particularly where there were enlightened employers or employer support organisations willing to share in the risk. The role of brokers is unclear and reactions to brokers were mixed. What is clear, however, is that any brokerage role must be carefully thought - through to ensure brokers have the business background and HE knowledge to be effective. Though some are excellent, experience of brokers is very variable. Similarly the role of various government agencies and business support organisations requires clarification.

64. Providing the right incentive and support framework to enable HEIs to grow the market in relation to their own latent and explicit capability and capacity could address a number of these issues. Furthermore demographic trends make it imperative that HE can interact effectively with this market.

## **KEY EMERGENT ISSUES – GOVERNMENT INTERVENTION**

### **Incentives and support – the need for underpinning public investment**

65. Overwhelmingly, respondents identified the importance of providing incentives to pump prime, catalyse and drive this policy forward. They specifically identified the need for public funding to explicitly target investment at this agenda to address the areas of market failure and potential risk.

66. For respondents from HE, the suggestion was for such investment to be focused on helping institutions build their capability, capacity and confidence, and for the investment to be significant to achieve critical mass. It would create a step-change in interest and provision. Such funding would have to be flexible enough to give individual institutions the opportunity to build their markets independently and thereby avert the danger of 'one size fits all'. However it should at the same time create the circumstances for building a community of

expert practitioners that create common frameworks wherever they make sense e.g. funding methods, metrics, credit transfer and esteem factors. Investment should be light touch, not over regulated, and able to grow the market appropriately to an HEI.

67. The state would then be 'buying' an HE underpinning infrastructure which supports the learning and teaching capability and delivery of HE. Employers and employees would contribute for example to the tuition and APEL costs and to development costs for customised provision. However, costs for both employers and institutions are not explicit and a number of respondents referred to the hidden costs for employers and employees which models for co-funding should recognise and acknowledge.
68. In addition potential incentives such as tax exemption, tax relief, training levies, grants and payment for delivering new Level 4 for employers and institutions, were all identified as helping to support and grow the market. Employer levies were not favoured by the employers.

### **Optimising the synergies with related policy areas**

69. Respondents commented on the range of initiatives in this policy area which were related or which overlapped. They additionally observed that that 'skills' in government policy terms seemed not to integrate well with the HE perspective. They noted that there would be merit in understanding the interrelationships, in maximising the synergies between them in explicit ways, and in ensuring the skills agenda in relation to HE was an integral part of the skills policy as it operates on the ground.
70. Various examples were cited. On a very basic level, HE representation on the SSCs and LSCs would ensure that HE was in the 'skills frame'. Setting targets for government agencies, such as Regional Development Agencies (RDAs) and the Learning and Skills Councils (LSCs), that address workforce development through HE is another. Getting better collaboration between government departments and agencies was another – whether promoting collaboration between key agencies such as HEFCE the LSC and SSCs; or encouraging better working partnerships between FE and HE to provide employers with a seamless approach to workforce education and training; or improving coordination between departments such as DfES, Department for Work and Pensions (DWP) and DTI to achieve better alignments between business support, skills development and employability. ESF provides support for training and the HE projects for ESF could be optimised through matched funding with the employer engagement agenda.
71. Other opportunities for creating better links with existing activity were identified by respondents. They included links with: Investors in People (IIP); professional institutes; skills academies; Trade Unions; Careers Advice and Guidance support agencies for employees; LSC and RDA targets. The RDAs and Regional Skills Partnership (RSPs), of which HEIs and HEFCE are members, operate within the overall context of the Regional Economic Strategies where global competitiveness and step changes in economic performance can only be achieved if investment in skills is seen as an integral part of the wider investments in innovation, enterprise, infrastructure and competitive markets. The increases in gross domestic product (GDP) that are expected from the successful implementation of the Government's Ten Year Science and Innovation Framework 2004-14 cannot be achieved without investment in skills and competencies. The Commission for Employment and Skills could initiate an exploration into the potential.

### **Developing HE employer engagement in the public sector**

72. Respondents saw merit in creating a better alignment between workforce planning, at national and regional level, and careers in the public sector. The NHS has done this for many years but opportunities exist for other sectors such as: local authorities; police; government; and education. There is perhaps an interesting case in providing CPD for the extensive community of professionals – both public sector and private sector – that are

engaged in skills development at the policy or operational level. Both national and regional approaches could be taken.

73. A number of respondents went further and suggested that recognised and validated workforce development (up to and including HE) should become a requirement in the publicly funded sectors. This would require a clear policy and strategy at national and regional level to create the educational provision in HE that would support career development for the different facets of the public sector. However, protected funding streams for workforce development were required to ensure demand, level recognition, and achievement in career terms.
74. The Commission for Employment and Skills might be a suitable place to discuss the ways in which synergies can be maximised.

### **National promotions and communications campaign**

75. The study highlights a widespread lack of knowledge, appreciation and understanding of the value of higher education for the employer and the employee. Therefore, a common recommendation was for a national communications campaign to raise awareness about HE and its value in the workforce and to communicate messages which create confidence in HE services and products to generate 'sales'.
76. Such a campaign would target three main market segments (and the segmentation within these) and emphasise benefits and accessibility: employers (public and private sector); employees; and support agencies (particularly business support agencies). For employers it would emphasise added-value impact on business performance and productivity through, for example, raising productivity of individual employees, retaining staff or generating efficiency gains. For employees the campaign would emphasise value and impact in terms of their personal and professional development. The campaign would use appropriate language to reach the market, and reflect the USP of higher education. It is therefore likely to refer to: education as well as skills and training; professions and occupations and not just vocations; and the importance of developing knowledge and experience as well as skills. A spin off would be a refined language for communicating.
77. The campaign would be dependent on having an evidence base of impact to substantiate key messages. Collecting the evidence would be part of the campaign.
78. An Advisory Group made up of independent successful business people could provide a reference point both to advise on both the communications messages and the kind of case studies that would be effective for the private sector. Targeted campaigns for the public sector could be taken forward with the different parts of the public sector.

## **AN EMERGENT 'NEW TRADITION' OF HIGHER EDUCATION**

### **STRATEGIC CHALLENGES**

79. HE is at a critical point. This paper is articulating a new tradition for higher education in which there is a much more widespread culture of engagement - of business focus, of 'close connect' with professional employment and practice.
80. The strategic challenges are both to generate the new tradition of higher education that meets the multiple work force markets within existing and nascent professions, and to embed it into the culture of HE – its policy and operations - and at the same time engendering the development of a more intelligent, well-informed, sophisticated employer market with increasing confidence in HE to deliver. But it must remain 'higher education', where the quality and integrity is underpinned by the rigours of the academic and professional communities.
81. It means thinking and acting differently and perhaps re-defining what is meant by higher education and its relationship with academe and with the professional communities. Subjects studied at the HE level now extend beyond the traditional academic disciplines. New disciplines emerge, and new professions are generated, that are strengthened by the objectivity and the in-depth analysis and synthesis of academe. Digital marketing and media studies are examples.

### **SHAPING THE NEW TRADITION**

82. The survey shows time and again, that the new culture is one of accessibility, flexibility, adaptability, integration and responsiveness. This new culture will be pervasive, permeating all aspects of provision from the business model of an HEI, through the nature and content of the curriculum (and its delivery and assessment) and new pedagogies for workforce education, to individual employment contracts for HE staff. It will impact on the way employers engage with HE.
83. The new tradition will encourage the harmonious, concurrent, integrated development of intellectual and occupational knowledge and skills in the context of employment. Work-based learning with an academic backbone is the critical component. The new tradition demands an ability to address the service needs of employers at the same time as safeguarding 'HE-ness' – its objectivity, rigour, creativity and imagination.
84. The new tradition will require higher education to be looked at not in subject disciplines, but through the multidisciplinary approaches that make sense in professional occupations, where the practising modern professional requires imagination, creativity, objectivity and adaptability (as well as knowledge and skills) to meet the constant challenges of a working environment. It means combining leading edge knowledge and understanding of practice with leading edge knowledge and insight from the academic disciplines. It requires developing courses from the perspective of employment and then working backwards to deliver them to the standards required for higher education.
85. The key is integration. Integration of: practice and theory; academic and occupational practice; subject disciplines; learning in the workplace and in the HEI; different services and products; career progression and achievement with academic progression and achievement; practice and academic bodies of knowledge; insight from practice as well as theory to inspire teaching and research; and integration of academic and professional qualifications (accreditation) to give a licence to practice.
86. The new tradition will bring together a wide range of 'transactions' with employers, whether courses, knowledge transfer activity or participation in student learning, through placements and live projects. It will be about employer engagement in its widest sense, capturing both the Lambert and Leitch agendas to impact on society and the economy.

87. The new tradition must have an associated enabling infrastructure that looks beyond the 'straight jacket' of HE for the 18-21 year old full time market attending at the university for 30 weeks a year and starting in the Autumn term.

## **RECOMMENDATIONS**

### **INVESTMENT FUNDING TO DEVELOP CAPACITY AND COMMITMENT IN HEIs**

88. In order to achieve the Leitch targets in a sustainable way, the most overwhelming recommendation is to provide targeted funding support to help HEIs grow their market, build their capability and capacity to deliver and become excellent in this market. The funding should focus support on a limited number of HEIs committed to this agenda to drive forward the cultural change required. Their aim would be to develop the standards of excellence that would build a high reputation and standing in the provision of learning and teaching for the workforce. A critical mass of leaders and champions in the sector would then be created to drive the agenda forward both individually and collectively. Their focus will increasingly inform the exemplification of excellence to raise standards, and generate the status and esteem of HEIs with this mission focus.
89. Some of the funding should be ring fenced for a collective approach to common issues such as: credit accumulation and transfer; metrics; esteem measures; funding and quality assurance models; developing HE training modules for brokers and trainers; research programmes; and representation on SSCs and LSCs. The central function could also ensure that there is a wider network (e.g. the HE academy's Pro-Vice Chancellors network) to help share good practice, develop new approaches, undertake research, and connect with an international community of professionals to drive forward workforce education.
90. A consequence of such a step-change would be the identification of excellence. The status of excellence in this market would help to generate clear kite marks of esteem which employers and employees would recognise. As a result the market would have a quality measure in which it could have confidence, and institutions would have an esteem measure which contributes to their reputation and standing amongst employers, and, if well managed, league tables.

### **NATIONAL MARKETING CAMPAIGN TO RAISE AWARENESS OF BENEFITS**

91. DIUS to work with the Confederation of British Industry (CBI), Institute of Directors (IOD), Chambers of Commerce (CoCs), SSC's, other professional associations, RDAs and the Department for Business Enterprise and Regulatory Reform (DBERR), to spearhead a communications campaign which promotes the benefits. This should be supported with a small advisory group of successful independent business people. Government should ensure that the campaign aligns with HE capability to deliver.
92. Build the evidence base of the impact and value of higher education for the workforce through a synthesis of case studies.

### **MODIFIED OPERATING INFRASTRUCTURE TO FACILITATE THE POLICY AREA**

93. The recommendation is for the Commission for Employment and Skills to co-ordinate modifications in current operations to facilitate the development of employer engagement:
- HEFCE and QAA to review funding, metrics, quality and reporting processes to ensure these do not inhibit employer engagement;
  - Ensure that government agencies address explicitly HE workforce provision in their strategies, particularly RDAs, LSCs, SSCs, and that targets are set;
  - DBERR with DIUS to review the opportunities for HE co-funding of ESF to develop this area and maximise investment; and,
  - DIUS with DBERR and RDAs to review the way in which current operations (Business Links, Regional Skills Partnerships etc) can be modified/ improved to address employer engagement.

## **REALISTIC INCENTIVES/ INTERVENTIONS TO SUPPORT MARKET GROWTH**

94. The overall recommendation is for the CES to oversee the examination of complementary incentives from the demand side.

- DIUS with H.M. Treasury to explore ways in which part time students can be supported through loans, grants and tax relief to give more equitable and realistic support.
- DBERR with DIUS to explore ways of incentivising companies through rewards for each employee achieving an HE qualification including tax incentives. Levies were also suggested although these may prove unpopular with employers.
- DIUS, with relevant Whitehall Departments, to address the merits of making workforce development (with HE targets) and planning for staff a requirement in the public sector, undertake alongside exploring the value of providing protected funding for the education and training their staff.

## **NATIONAL LEADERSHIP**

95. A coherent national policy is required to bring together the different components of a policy on engagement with employers, in its broadest sense, to create the new tradition of higher education that is naturally and easily integrated with professional practice both in relation to the 3-4 year undergraduate degree (pre-employment) and the 30-40 years of employment that follow. Multiple transactions across a fluid interface between employers and HEIs will create the sophisticated intelligent demand and supply that the policy areas of Lambert and Leitch demand.

The recommendation is that:

- An umbrella group for employer engagement is established, within the remit of the CES , to drive the agenda forward in a focused way. It will ensure the varied interests, contributions and targets that the different constituencies have in employer engagement from their own different perspectives (such as HEFCE, QAA, SSCs, Foundation Degree Forward, the HE academy, other employer organisations, professional bodies and student loans groups) are brought together in a coherent way to drive the agenda forward to meet the Leitch targets.
- This will drive national policy in a way that brings together the interests of employers with the growing and emergent practice of HEIs to create natural relationships across the employer/ HEI interface where business of value to each side can be conducted in a professional way.

# APPENDICES

There follows a set of appendices which reflect some of the authors thoughts about the culture of universities committed to employer engagement (in its broadest sense) and reference papers and triggers for thinking and discussion.

<b>1. MOVING ON - THE BASIC ARGUMENT FOR CHANGE AND DEVELOPMENT</b>	<b>25</b>
<b>2. THE CULTURE OF EMPLOYER ENGAGEMENT</b>	<b>26</b>
<b>3. LANGUAGE OF COMMUNICATION</b>	<b>29</b>
<b>4. TABLE COMPARING THE TRADITIONAL AND NEW PARADIGMS FOR THE DESIGN AND DELIVERING OF HIGHER EDUCATION COURSES</b>	<b>30</b>
<b>5. REFLECTIONS ON DIFFERENTIATING CHARACTERISTICS OF HEIS</b>	<b>31</b>
<b>6. BUSINESS-ENGAGED UNIVERSITIES - IN PURSUIT OF EXCELLENCE</b> (a paper produced for Lord Sainsbury and Sir Keith Onions on alternative missions through a Vice Chancellors Discussion Group in 2006)	<b>33</b>
<b>7. RATIONALE FOR PUBLIC FUNDING</b>	<b>37</b>
<b>8. BRIEF FOR STRUCTURED DISCUSSIONS WITH EMPLOYERS</b>	<b>39</b>

## APPENDIX 1: MOVING ON - THE BASIC ARGUMENT FOR CHANGE AND DEVELOPMENT

1. Providing higher education for the workforce to generate a step-change in participation requires a paradigm shift within the sector to create a sustainable culture for the different workforce markets.
2. The new culture is one of accessibility, flexibility, adaptability, integration and responsiveness to address the varied service needs of employers for education that is relevant and contextual. It permeates all aspects of provision from the business model of an HEI, through the nature and content of the curriculum and its delivery and assessment to individual employment contracts for HE staff. The knowledge and skill set must be developed, building on expertise in curriculum design, to develop the new pedagogies required.
3. The strategic challenges are both to generate the new tradition of higher education that meets the multiple work force markets, and embed it into the culture of HE – its policy and operations. It demands looking at higher education not in subject disciplines, but through the multidisciplinary approaches that make sense in professional occupations, where the practising modern professional requires imagination and creativity and adaptability to meet the constant challenges of a working environment. It questions what we mean by academic. It means starting with a clean sheet and working backwards, generating the new tradition of HE but at the same time safeguarding 'HE ness' – its objectivity, rigour, creativity and imagination. Appendix 2 suggests components of the new paradigm. Appendix 3 is addressing the new language of employer engagement.
4. For employers and employees, work-based learning with an academic 'backbone' is the 'attractant' to engage with universities. Knowledge and experience are as critically important as skills and competencies. Harmonious development of intellectual and occupational knowledge and skills in the context of employment is the aim. The key is integration – integration of practice and theory, integration of the academic and occupational practice, integration of subject disciplines, integration of learning in the workplace and in the HEI, integration of career progression and achievement with academic progression and achievement and integration of academic and professional qualifications (accreditation) to give licence to practice.
5. The agenda is getting crowded. The employers, the HEIs, the intermediaries: government quangos, professional/ trade/ technical associations, employer organisations and university organisations. These are all part of the supply - demand mix and each has different specific focused agendas. But HEIs are the professional experts in designing and delivering higher education. What is being asked for is for that community to take on the risk and apply itself to a different market and its multiple segments, and build the capability, the competency and the skills to generate a parallel tradition of teaching and learning, fit for the purpose of educating the workforce.
6. But there is no single body with the specific purpose of driving this paradigm shift. There is no single body charged with addressing the wide variety of changes required in a coherent way that assures common learning and collective transformational change. There is no coherent body making sure that the SSCs, the funding models, the metrics, the QA systems and the pedagogies are mutually reinforcing.
7. I would recommend that serious consideration is given to the establishment of an 'umbrella group' which ensures the varied interests, contributions and targets that the different constituencies have in employer engagement from their own different perspectives (such as HEFCE, QAA, SSCs, FDF, The HE academy, the employer organisations, professional bodies and student loans groups) are brought together in a coherent way to drive the agenda forward to meet the Leitch targets. Such a Group could link in with the Commission for Employment and Skills.

Marilyn Wedgwood March 6<sup>th</sup> 2007

## **APPENDIX 2: THE CULTURE OF EMPLOYER ENGAGEMENT**

1. The agenda is about building higher level capability in HE to manage the market volatility to generate income. It is about building well-informed markets amongst employers and the workforce.
2. HE must have a business 'culture' which can address the particular needs of the workforce market, commercial acumen, and a culture and 'operating' environment which encourages employer engagement.
3. The critical components of that culture are accessibility, responsiveness and flexibility. This emergent culture is a specialist culture requiring new skills, new approaches and new attitudes as well as development time and resources.
4. The text below aims to identify some of the components of the culture needed.

### **5. The Learning Programmes**

Relevant, contextual learning combining the service needs of employers with the rigour and objectivity of academe allowing for:

- Using 52 weeks of the year for delivery
- Courses starting at any time of the year
- Enabling the transfer and accumulation of academic credits
- Making HE staff managers of learners/ learning accounts
- Making employers associate lecturers
- Focusing on the individual learner
- Having work mentors
- Delivering learning in the workplace
- Blended learning
- APEL (accrediting prior experience and learning)
- Accredited WBL (work based learning)
- Work based teaching and assessment
- Distance learning
- Range of different products and services at different prices to meet different requirements.
- Inter-disciplinary content - it is 'driven' by the work roles and gaps in knowledge and competency, rather than by academic subject disciplines.
- The linking of HE courses with continuous professional development and career planning and promotion
- Multi-site delivery
- Incorporating the workplace and company staff learning centres
- A network of learning mentors and assessors which includes staff in the workplace
- Workplace supporters of learning acquire licence to practice through learning credits of a PCGE (post graduate certificate of education)

### **6. Broad Culture in HEIs**

Higher education in the context of the employer/ business world – validated by both the academy and the users reflecting:

- Partnership working
- Collaboration
- Integration
- Responsive
- Practice informed work
- Inter-disciplinary
- Multi-disciplinary
- Mutually respected
- Participative
- Customer focused

## **7. Institutional Characteristics**

Business model with engagement a significant part of the business mix showing:

- Shifts in income profile with less dependency on HEFCE
- Significant 'part time' provision
- Senior staff roles related to engagement
- Appropriate financial and HR models, systems, procedures, processes
- Appropriate/ modified staff contracts
- Career structure for staff
- Significant partnerships/ collaborations with employers / employer organisation, professional/ trade/ technical associations

## **8. The National HE Operating Environment/ Infrastructure**

Appropriate and incentivised 'regulatory' and support environment through the right kind of:

- Funding models
- Quality assurance models
- Metrics
- Reporting procedures
- Esteem measures
- Staff development provision - Leadership/ management/ support

Once Embedded there will be changes evident in:

- League tables
- Core funding for teaching and learning, HEIF
- National policy
- Partnerships/ collaborations with a wider network of professional groups
- Ministerial pronouncements
- Higher proportion of HEIs where employer engagement is mission critical

## **9. Institutional Services/ Capabilities**

Professional capability to operate across the HE/ employer interface through:

- Contract management
- IP management
- Commercialisation service
- Market development services
- Gateways/ one - stop shop
- Proposal/ bid/ project production capability
- HR responsive systems
- Finance responsive systems
- Project development capability
- Incentives for staff - career path?
- Staff release/ capability
- Opportunities for inward and outward activities e.g. secondments, presentation of case studies, visits etc.

## **10. Knowledge and skills required in HE staff**

Staff with 'interface' development capabilities of:

- Facilitators
- Synthesisers
- Connectors
- Deal makers
- Enablers
- Relationship builders
- Inter-disciplinary academics

Staff with knowledge and experience of business such as:

- Business drivers
- Business language
- Business operating environment

Staff with key generic skills of:

- Sophisticated consultancy and diagnostic skills
- Pedagogic capability - flexible, responsive course design, delivery assessment skills
- Academic knowledge, skill,
- Commercial nous, knowledge, acumen
- Market orientated approach

### **11. Knowledge, Skills and Competencies required of the Employer**

Staff with 'Interface' development capability as:

- Facilitators
- Synthesisers
- Connectors
- Deal makers
- Enablers
- Relationship builders

Staff with Knowledge and Experience of HE reflecting:

- HE environment and offerings
- HE culture and drivers
- HE language
- HE operating environment

Culture and operations such as:

- Commitment to education and training
- Plan for developing people
- Willingness to take risks and to be involved in developing a relationship and new ways of working
- Realistic assessment of the 'place' of HE in supporting business development – intelligent sophisticated demand for the knowledge base and people

**Marilyn Wedgwood**  
**March 6<sup>th</sup> 2007**

### APPENDIX 3: LANGUAGE OF COMMUNICATION

- Education and training not just training
- Knowledge and skills and competencies not just skills
- Intellectual knowledge and skills combined with occupational skills and knowledge
- Thinking, analysing, synthesising, adapting, achieving, improving
- Professions and professionals as well as or instead of vocations and vocational
- The new and nascent professions as well as the traditional professions
- The new professional worlds in all occupations
- Practical experience with academic insight
- Practical insight with academic experience
- Combining work-based learning with an academic 'backbone'
- Imagination, creativity, innovation 'grounded' in relevance, value-added, business benefit
- The combination of practice with theory to move the organisation on
- Relevance, value-added, business benefit informed by academic endeavour, discovery, frameworks
- Reality, practicality, relevance and usefulness enriched by academic insight, understandings, rationality and objectivity
- Graduates not learners
- Talent management not training
- Shared responsibility of investment
- The body of knowledge for the 'business sector' as well as the body of knowledge in a subject discipline
- Integration of practice and theory, integration of the academic and occupational practice, integration of subject disciplines, integration of learning in the workplace and in the HEI, integration of career progression and achievement with academic progression and achievement and integration of academic and professional qualifications (accreditation) to give licence to practice.
- Not a single discipline approach but a multi interdisciplinary approach

***“Occupational skills turn my business over, intellectual skills move my business on “***

David Johnson- CEO Laser Rail

**Marilyn Wedgwood  
March 15<sup>th</sup> 2007**

**APPENDIX 4: TABLE COMPARING THE TRADITIONAL AND NEW PARADIGMS FOR THE DESIGN AND DELIVERING OF HIGHER EDUCATIO COURSES**

	<b>Traditional Paradigm</b>	<b>New Paradigm</b>
<b>Market</b>	18-21 year olds/ school leavers	Employers and employees
<b>Starting point</b>	Subject discipline	Work context
<b>Entry qualifications</b>	GCSE/A levels	Multiple NVQ, APEL, GCSE, A level
<b>Exit</b>	Degree qualification	Learning credits
<b>Importance of Accrediting Prior Experience and Learning (APEL)</b>	Low	High
<b>Location of teaching delivery</b>	HEI	Workplace and HEI
<b>Learning material</b>	Ready made syllabus	Individual learning packages
<b>Typical learning style</b>	Lectures, tutorials, self directed	Blended learning
<b>Assessment</b>	HEI based assessment	Work based assessment
<b>Learning support</b>	Lecturers	Lecturers and workplace mentors
<b>Teaching staff</b>	Lecturers	Managers of learning
<b>Quality assurance</b>	HE delivery model	Mixed delivery module, credit based
<b>Funding</b>	FTEs on award programmes Closed programmes	Defined credit modules completed Open programmes
<b>Typical mode</b>	Full time	Part time
<b>Typical student profile</b>	18-21	Mature
<b>Student funding support</b>	Loans, bursaries, means tested grant	Tax concessions for employees

**Marilyn Wedgwood**  
June 2<sup>nd</sup> 2007

## **APPENDIX 5: REFLECTIONS ON DIFFERENTIATING CHARACTERISTICS OF HEIs\_(with particular emphasis on courses/learning)**

This paper is a reflection on the differentiating characteristics of an HEI which has a commitment to employer engagement (in its broadest sense) as a **core value** which pervades the culture of the institution, and characterises its behaviours, its structures and attitudes.

**A Mission Focus** which is

- Business facing
- Business engaged
- Engaged ( with society, with business and the professions)
- Economic and community Engagement
- Economic and society engagement

### **Core Business**

The core business of teaching and research will be delivered in the context of employer engagement, and therefore with close attention to professional practice, with economic and social drivers, with business and the community.

The products, services and graduates will be relevant to issues, concerns, needs of professional and commercial practice.

### **Overall ‘validation’ - evidence of high reputation and standing**

The overall validation will be evident in

- Growth in demand (and repeat business) from the employers for all the university’s services and products and graduates
- Significant proportion of income generated from learning services, with employers
- Growing SME demand from the locality/city region
- Very significant employability of graduates
- Demand from the workforce for courses – increased market share
- A very rich landscape of kite-marking by the regulatory and professional bodies and SSC’s combined with ‘license’ to practice qualifications.
- Academic staff undertaking professional practice, and holding prestigious positions in their professional and business (non academic) networks
- Employer investment-/giving/sponsorship/time commitment in employer engagement activity
- National employer engagement centres that relate to particular business or public service sectors
- Strategic partnerships and collaborations with business and the professions and their intermediaries and professional associations

### **The Characteristics of the University (aspirational at moment)**

#### **Products and Services**

- Significant flexibility in the design, delivery and assessment of learning and in the medium and location for delivery – in fact in every sense
- Learning available in ‘bite sized’ packets certificated, accredited and transferable within an overall quality assurance framework
- Extensive use of modern technology for learning packages
- Capability to provide customised learning packages
- Learning underpinned by relevant, practice informed research which contributes to performance, productivity and efficiency in business and the public sector
- Highly professional ‘brokering’ one stop ‘skills’ shop, competent in assessing employer and employee needs and providing solutions and approaches for meeting them - on time, at competitive process. It would link with HEIF one stop shops for knowledge transfer.
- Highly professional and fit for purpose support and administrative services

- Located amongst the employers – have a ‘shop’ for university products and services located in the business parks, in the public places
- Repeat business
- Business School focus is on being a business school **for** business, and fit for the purpose of working with business particularly SMEs and the middle market

### **The student experience**

- Opportunities to undertake placements, casual and temporary work and live projects i.e. a variety of experiences that enhance insight into employment and employability.
- Accreditation of this ‘work experience’ e.g. in open learning or additional NVQ credits.
- Opportunities to obtain professional qualifications as part of the course
- External professional practitioners making inputs into the learning experiences and the curriculum
- Sponsorship of students by employers
- Use of relevant case studies in the teaching and learning
- Proficient APEL and WBL activity
- Access to employers as mentors, coaches etc.

### **Staff**

- High proportion of staff have worked outside academe in a non HE business or professional context
- High proportion have or are working towards professional qualifications and or positions
- Agreed proportion of time to engage with professional commercial activity in relation to their professional area
- Employment contract references *management of learners* not class contact hours
- Staff have skills, competencies and motivations as managers of learning, able to assess need and customise learning in relation to employers and employees
- Staff have a track record of employer engagement in relation to their professional subject area

### **Research**

- Relevant, live, near market research focused on live issues for practising professionals
- Research which combines academic discovery with practical relevance and value
- Joint prescient/ relevant research inspired by practice to yield returns for academe and the business simultaneously

### **Structures/processes/systems**

- Fast track course validation and quality assurance processes
- HR and finance systems fit for the purpose of delivering to the ‘employer’ market
- Partnerships with associated FE colleges to present a coherent education and training ‘face’ to employers where accreditation, credit transfer and progression are facilitated
- Strategic Planning - defined markets, clear targets, defined products and services, a number incorporate government funded/driven initiatives e.g. Foundation Degrees, Train to Gain,
- Dialogue, conversations, contract and relationship management with employer
- Staff who are specialist brokers, with skills of assessing need, managing relationships negotiating deals and monitoring delivery
- One stop shop

**Marilyn Wedgwood  
December 2006**

## APPENDIX 6: BUSINESS-ENGAGED UNIVERSITIES IN PURSUIT OF EXCELLENCE

***‘Research into R and D shows that customers are the best source of ideas for commercial products. There is partly an illusion that modern technologies emerge exclusively through research and inventions – many frequently come from a series of improvements attractive to the customers, although even the process of evolution requires knowledge of science and engineering. Product innovation more often than not comes from others realising how such knowledge could be applied in the commercial world and in the improvement of non-market services.’***

Ref: The Enterprise Report 2005 – *Making Things Happen*. (p 103, referencing Lord Broers)

### STRATEGIC COMMITMENT

A number of universities and departments choose to develop excellence in their engagement with the ‘user’ communities as a significant primary strategic objective. This commitment imparts a distinctive mission focus for the university which permeates teaching and research to generate high quality relevant learning programmes for students and a fundamental knowledge base that is intimately connected with practicalities of ‘real world’.

The commitment is tangible, real and measurable. These universities draw on their own resources and a variety of funding sources to work with partners external to the university to deliver economic and social impact in both their immediate communities, the wider region and the UK more generally. Their reach is also international. They have built up experience and expertise that distinctively exemplifies both the process and the impact of this particular mission focus.

### A DISTINCTIVE EXCELLENCE

#### ***Inspired by practice to generate return for academe and business simultaneously***

The economic and social context drives the focus and the detail of the collaborations. Issues, problems and opportunities are generated from the necessity of a company or organisation to improve and or diversify a product or service to meet customer or client needs or targets in the public sector. The teaching, learning, research and knowledge transfer of business engaged universities all address this. The approach is characterised by the relevance and importance of the users of the university’s knowledge - the ‘market place context’.

The knowledge base is distinctive. It combines academic research (and its associated equipment and facilities) with know how. It is an excellent knowledge base that is relevant to the utility context. It is driven by satisfying the concerns of the users whether public or private, rather than being driven by the necessity of satisfying the criteria of peer review, but the outcome is multiple. The new ideas and the problems that arise from practice create new insights and results that satisfy the peer review process. There is therefore added-value from the public investment in the universities.

#### ***Research with the users for the users to move academe and business forward***

The academic staff involved therefore have a distinct integrated knowledge base in terms of the ‘market’ (or social) context. They understand the commercial drives and market forces in businesses or the target/output drives of public service delivery, whether that is for example for the police, the fire authority, health authority or local authorities. They are also active researchers. Their key skill is in producing impacts on company or organisation performance that moves the company or organisation forward, by being able to produce customised solutions (rather than ‘off the shelf packages’). They focus on producing functional, workable applications to specified problems that draw on the body of knowledge that is continually unfolding in academe, and to which they also contribute. Their creativity is in linking practical solutions and new ideas with fundamental peer-reviewed academic research and in generating new knowledge and discovery relevant to product enhancement, new product development

and service delivery. There is a mutuality, an interchange that is above and beyond simply doing 'fixing jobs' for industry. And most important of all, this is done in 'real time'.

## **MULTIPLICATION OF VALUE**

### ***The virtuous continuum of interaction that drives business and the university forward***

When working at its best, there is a continuous virtuous continuum of knowledge exchange, transfer and development that integrates 'business' success with teaching, learning and researching in the university and back into business success. The process builds capacity on each side. It is mutually reinforcing and moves knowledge forward in both the 'business' context and the academic context, as the knowledge becomes an integral part of the teaching, learning and the researching in HE and integrated into the business processes of firms and public organisations.

This business-engaged approach provides the basis for longer term relationships that generate a wider variety of opportunities and returns. The new insights generated from working together contribute to both the peer review of research and the business need. Student learning is enriched and prepares them for future employment as they gain exposure to live problems and solutions through the curriculum and placements. Relationships become stronger through an expanding portfolio of transactional arrangements from student projects and placements to ambitious partnerships and collaborations that bring benefit to the business and the academics.

The economic impact is evident in increased sales, in safeguarded and expanded markets, in enhanced productivity and efficiencies, and greater capability of people in the business to meet the changing demands of the market place. This virtuous interchange becomes the reality of working together to drive forward innovation that generates the economic and social return sought by government.

### ***High quality relevant delivery builds the Reputation and drives continued association***

Reputation is a key driver for developing the market. Large corporate companies seek out academics with international reputations that will support their business. Smaller companies act more locally. SMEs are more likely than the larger corporate companies to source expertise from their local university. Organisations value a reputation for quality and relevant delivery that remains focussed on the organisation's issue rather than the academic's academic research output. Confidence and respect is engendered in the companies and business people because the academic staff 'speak the language' of business, the language of the 'users'. The respect arises from the ability to focus on providing workable solutions with the company or the organisation.

A significant part of the reputation is built on the ability to address the problem or issue in a very direct way combined with responsiveness and flexibility in delivery. Having access to specialised equipment and facilities (that would otherwise be unavailable) as well as people is often critical to the success. The support is very practical, of high quality, grounded in the realities of a commercial competitive world. The usefulness of the support then generates trust, increasing confidence and respect, which provides the basis for building ever stronger and richer interactions.

## **THE MULTIPLICITY OF DEMAND AND IMPACT**

### ***Dynamic market place requires the agility to adapt***

Competition and a customer base drive the need for continuous innovation to meet the customer demand, and often at reduced cost. Organisations that are not equipped to adapt to new technologies and new demands will find it harder to compete. The demands are many. New legislation or regulatory requirements demand adaptation of products and services. They generate risks for the business. Competition from Asia is intensifying. Traditional supply chains are breaking down. The modern commercial paradigm is one where ideas are critical for success. Agility and responsiveness in taking those ideas forward creates the competitive edge. In short, the dynamic changing market place

generates continuous challenges for innovation to stay in business. Access to expertise that supports innovation is critical to ensure the orders are generated and cash flow secured. There is latent potential in the business engaged universities to address a wide variety of issues that are critical for business success from the development of people to new product development. Releasing that potential is an important imperative for UK plc's ability to compete in the new economy.

### ***A university infrastructure that helps meet the demands of a fast changing market place***

Universities and departments that have business engagement as a central core objective have drawn on a mixture of funding sources to underpin delivery – their own, government schemes, private investments and economic development funds, European funds and so on. Such business-engaged universities and departments generate and maintain a knowledge base that is informed by business requirements and that creatively brings together business need with academic discovery. Their work impacts on the economic landscape in a multitude of direct and indirect ways.

The business-engaged universities and departments provide a resource base, a specialised knowledge and equipment base, that is relevant to the needs of business and other users. They often act as brokers creating enhanced capacity between businesses and networks of business to 'do business', creating orders, increased turnover and profits. Their integration with SMEs and large companies, and the diversity of their capability means they are interconnected with supply chains and that they work across different sectors. Their specialist centres, often combining different disciplinary strengths in an industry context, and networked with other specialist practical researchers, become significant R and D and teaching and learning provides for an industry sector. Their knowledge becomes important to economic planners and developers who require insight into future needs.

### ***The diversity of university intervention and multiplicity of impact***

The case studies presented begin to exemplify some of the particular characteristics of work undertaken by business engaged universities and departments. Collectively they show the business value, and subsequent economic impact, of work in the universities that is dependent on a research and teaching base. Collectively the case studies show the real tangible impacts on a company's performance. They exemplify the multiplier impacts of the work and the brokering role. They show the intimate association of the universities with the market place and the way the specialist knowledge, expertise and equipment within the universities helps to generate increased sales, new markets, new industries and new ways of using and applying existing discovery to support business development and growth.

## **THE CHALLENGES and WAYS FORWARD**

### ***Scaling up for sustainability***

There is latent demand and latent capacity. The major challenge is to scale up the work for sustainability to move it from a marginal to a mainstream activity. There is a major challenge in building a critical mass of business experienced academics with experience of working with external organisations, and having the appetite and commitment to get engaged. The ambition is to create a larger pool of companies working with the university who have a significant pool of academic staff, with the right facilities and equipment, to work with them.

### ***Addressing the barriers***

But there are two big barriers in achieving this, apart from availability of time. One of these is reputation and the other is reward. Academic staff require a career structure, and the certainty of that, to commit to this agenda. Parallel to that is the necessity of building intelligent demand, as Lambert pointed out. The transaction costs of dealing with lots of smaller companies and their limited capabilities is a barrier. Metrics for public funds that rely on income generation will affect the focus.

***Targeted investment to build the business engaged knowledge base***

Investment in the infrastructure in HE to deliver innovation would help to create stability and continuity for the market to rely on. That investment would provide for the underpinning resource base that supports business engaged activity to raise the innovation capacity of companies and public organisations, particularly SMEs in the local economy. It will release the universities to develop an imaginative and creative knowledge base that drives innovation created by customers and clients with increasing demands and higher expectations.

**Extract from paper for Lord Sainsbury and Sir Keith Onions on Alternative missions**

**Dr Marilyn Wedgwood January 16<sup>th</sup> 2006, Manchester Metropolitan University**

## APPENDIX 7: RATIONALE FOR PUBLIC FUNDING

This paper provides a summary of a rationale for HE funding, mainly in the context of developing higher education provision for the workforce. It is relevant to the broader interpretation of employer engagement.

### What the investment would be needed for?

- Building the stronger sustainable culture
- Building staff capacity
- Building APEL and WBL capacity
- MLE/VLE – IT learning packages
- Developing the markets – business development
- Taking staff out to build the courses
- Product and services development
- Developing fast track systems for validation
- Getting the financial and human resource systems right
- Building a network of external employers who would support the teaching
- Training the workforce assessors
- Working on a costing model
- Collective work on validation, excellence, research pedagogies
- Setting up the one stop shop, building diagnostic skills
- National EE centres

### What would be delivered for the investment?

- Numbers of learners following credited modules/bite sized learning – achieve Lord Leitch's target
- Good transferable practice for the sector
- Market growth and diversification
- Higher proportion of professionally 'kite-marked' accredited learning - with professional bodies, SSCs etc.
- Sustainable growing market for flexible, adaptable HE/CPD
- New CPD programmes for nascent professions and traditional professional more up-to-date accredited and linked with career planning and progression
- Sustainable commercial markets
- Higher proportion of income from this area in the business mix
- A special relationship with the city for developing employees – NB three years initial higher education followed by 30-40 years of CPD
- Special relationships with professions, with business support organisations ( IOD, Chambers of Commerce etc) – strategic relationships
- Partnerships with FE
- Links with economic strategy to focus on key sectors of the economy
- Links with economic strategy of city for inward investment – constant replenishment of skills is a key factor
- Joined up pathways with FE and other HEIs (and perhaps private and chamber of commerce and IOD training schemes) to provide seamless provision
- Models of credit transfer, funding, assessment etc
- Common agendas addressed by a collective of successful universities – research in the new pedagogies, credit accumulation and transfer, funding and QA models, esteem measures
- FT courses better linked in with employability – 3 years first degree FT, 30-40 years of CPD.
- Penetration of SME market
- National EE Centres, networks www site (like google – ref: SSC for Creative and Cultural Skills).

**How the costs would be shared in the future?**

- Institution provides staff, buildings, IT platform, student support services, etc
- State provides frameworks for accreditation, funding models, Credit Accumulation and Transfer, training to specialise in this area etc
- Employer provides fees and in kind services – learning centres assessment
- Employee perhaps some fees
- Stronger commercial set of learning programmes

**How the markets could be sustained?**

- Proper cost analysis
- Commercial courses
- Defining niches and pursuing them
- Obtaining national validation from professional/trade/technical bodies
- Careful niche marketing with strategic alliances with major employers
- Flexible adaptive course portfolio

**How, with the developments, the normal provision would not be put at risk?.**

- Parallel development
- Parallel development tests and develops new ways of working – staff contracts, validation models etc
- Take the best of what is appropriate for current provision and adapt for the mature employed market
- There is a long history of this kind of provision in certain professional areas such as health, perhaps teacher training, and law and medicine (maybe). This provides 30-40 years of methodology and good practice to draw on and build on. It is not new. What is new is the focused development in other markets particularly the private sector
- Integrate with professional body status
- Try to get national agreements with emergent and existing professional associations. NB the requirement for CPD which doesn't have to be validated

**Marilyn Wedgwood**  
**March 12<sup>th</sup> 2007**

## **APPENDIX 8: BRIEF FOR STRUCTURED DISCUSSIONS WITH EMPLOYERS**

This paper seeks to move the agenda of employer engagement on by addressing a number of key questions identified below.

Let us assume that there has been investment into universities which has created a teaching and learning culture where they are able to:

- Provide quick access and response to employer enquiries with 'follow-through'
- Provide the flexibility, responsiveness and access that the workforce market is asking for.
- Be much more business-like and commercial in dealing with the market
- Provide 'off the shelf' teaching and learning products and services costed and priced
- Develop content, assessment and flexible delivery modes in relation to job roles in the company or gaps in knowledge or skill
- Work in partnership to develop customised packages of learning for staff
- Link such customised courses with career planning and development and CPD
- Acquire the capability and tools to help diagnose education and training needs of your staff
- Accredite learning in bite - sized chunks within an award framework that gives credits for the learning
- Validated learning within the professional frameworks of professional/trade/technical bodies and associations with 'licence to practice' where possible
- Differentiate the markets of employer and employee and sub-segments within these

### **QUESTIONS**

If there is the perfect world identified above where higher education is flexible responsive and accessible what might you then want from higher education to help develop your staff?

Can you think about the questions below and how you might answer them? They aim to tease out the particular niche higher education has within the business environment. The bullet points provide triggers for issues to be considered.

Are there other questions we should be asking?

#### **Why HE rather than another provider?**

1. What would persuade you to use HE as the preferred provider for delivering HE education and training? What is their USP from your perspective?

- Their knowledge base?
- Access to the research knowledge base in relevant disciplines?
- Credibility?
- HE culture – intellectual development, rigour objectivity
- The fact that they can accredit courses
- Other?

2. How important is to you for the HE courses/ programmes to have national kitemarks/ standards? What assurance of quality of the product or service would you want or expect?

- Accreditation by professional/ trade/ technical bodies?
- Sector Skills Council 'kitemarks'?
- National HE Quality Assurance standards?
- Employee evaluations?
- Evaluations of 'like' businesses?
- Other?

## **Rationale for the investment**

3. Why would you or do you invest in education and training at the HE level? (NB this doesn't necessarily mean investing in the qualifications)

- Increase an individual's productivity and performance?
- Enable the employee to acquire up-to-date knowledge and skill?
- Because the business model has changed and you need new skills and knowledge?
- Improve the level and range of 'occupational skill and knowledge'?
- Improve the leadership and management capability?
- Other?

4. What business benefits would you be expecting from your investment and over what time scales

- Better motivated staff evident in less days off work/ increased productivity?
- Quantifiable efficiency gains?
- Diversified markets?
- Increased generation of ideas and innovation?
- Higher levels of personal responsibility in the professional working context of staff?
- Improved team performance?
- Other?

## **Assessing the value, the benefits, the impact**

5. How would you consider assessing the impact of the investment you have made in the staff training?

- Increased orders/ sales?
- Higher levels of repeat business/ customer satisfaction?
- Cost efficiencies?
- Faster rate of product innovation/ development?
- Efficiency gains – higher quality?
- Market diversification?
- Other?

6. Do you have any existing methodology for assessing the value of the investment in an employee's education and training? What would be your measure of success?

- Feedback from the employee?
- Line manager's assessment of performance?
- Achievement of targets?
- Appraisal/ annual review?
- 360 degree assessment?
- Other?

## Glossary

APEL	Accrediting Prior Experience and Learning
CAT	Credit Accumulation and Transfer
CBI	Confederation of British Industry
CEO	Chief Executive Officer
CPD	Continuous Professional Development
CRM	Contract and Relationship Management
DBERR	Department for Business Enterprise and Regulatory Reform
DIUS	Department for Innovation and Skills
ESF	European Social Fund
FDF	Foundation Degree Forward
FE	Further Education
HE	Higher Education
HEA	Higher Education Academy
HEFCE	Higher Education Funding Council for England
HEI	Higher Education Institution
HEIF	Higher Education Innovation Fund
IOD	Institute of Directors
LSC	Learning and Skills Council
MD	Managing Director
NHS	National Health Service
PCGE	Post Graduate Certificate of Education
PVC	Pro-Vice Chancellor
QA	Quality Assurance
QAA	Quality Assurance Agency
RDA	Regional Development Agency
SME	Small and Medium Enterprise
SSC	Sector Skills Council
USP	Unique Selling Point
WBL	Work Based Learning

Ref: DIUS Research Report 08 04

ISBN: 978 1 84478 992 4

[www.dius.gov.uk/research](http://www.dius.gov.uk/research)

Published by the Department for Innovation,  
Universities and Skills

Department for  
**Innovation,  
Universities &  
Skills**