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## **BUSINESSEUROPE POSITION ON THE EMPLOYABILITY OF GRADUATES**

### EXECUTIVE SUMMARY

Raising the **employability of graduates** is a key issue for improving the functioning of European labour markets.

Adapting higher education to the global challenges of our societies is essential for developing knowledge-based European economies. Given that Europe is faced with the problem of 'brain drain', coupled with the fast-improving performance of higher education in emerging economies, EU countries must strive to reinforce their competitive edge through high quality production processes. Therefore, improving Europe's higher education attainment is essential for our economic prosperity and should be a key priority for policy-makers.

The evolution towards process-oriented and interdisciplinary work organisation increasingly requires employees to be adaptable, to develop problem solving skills and to work in teams. Graduates' employability thus has to become a key mission for universities and other higher education institutions. This has to be reflected to a greater extent in the design of study courses and become a main criterion of quality for future degrees.

Increasing cooperation between the world of work and higher education, and acknowledging the shared responsibility of all actors, are necessary steps to ensure that individuals can continually refresh their knowledge and skills in a lifelong learning perspective, to improve both their personal and professional competences.

## BUSINESSEUROPE POSITION ON THE EMPLOYABILITY OF GRADUATES

### Introduction

1. European employers would like to put the spotlight on a key issue for the future functioning of European Labour markets: the **employability of graduates**.
2. Europe needs to invest more and more effectively in human capital if it wants to enhance productivity and innovation. Improving higher education is essential in order to meet our ambition to become the most competitive knowledge-based economy in the world.
3. As rightly underlined in the 2006 Commission communication on the efficiency and equity of education and training systems, the assumption that a free system of higher education is, of itself, efficient and equitable has been proven wrong. EU countries invest on average 1.2% of GDP into higher education compared to 2.6% in the US. As a result, only one quarter of Europe's working age population has achieved tertiary-level education compared to 38 % in the US or 36% in Japan.
4. Furthermore, Europe is faced with a problem of 'brain drain'. Today, for example, there are about 400,000 Europeans with scientific and technical education living in America and nearly 10% of the 1.45 million people with a PhD in the US are EU students who moved across the Atlantic. The fast-improving performance of higher education in emerging economies, notably in India and China, also highlights the need to modernise our higher education systems.
5. Labour market demand in Europe will intensify for university graduates as EU countries strive to reinforce their competitive edge through high quality production processes. Improving Europe's higher education attainment is essential for our economic prosperity and should be a key priority for policy-makers. Paying greater attention to the employability of graduates is also necessary to make better use of resources invested in higher education.

**The concept of “employability”**

6. Employability is about equipping people with the skills that will enable them to find and develop within a job. Competences are key to a successful career. Today’s students, trainees and employees will need to extend and refresh their knowledge, skills and competences throughout their working life. The fast pace of technological change and the impetus to constantly increase the quality of products and services requires workers to develop state-of-the-art knowledge. The move towards technology-intensive, process-oriented and interdisciplinary work organisation requires employees to be adaptable, to develop problem solving skills and to work in teams. Internationalisation of operations extends the need to possess intercultural competences beyond employees in a leadership position.
  
7. Graduates’ employability also has to become a key mission for universities and other higher education institutions and a main criterion of quality for future degrees. Higher education has to empower graduates to work independently in different professional fields.
  
8. Three key features are of particular importance for the employability of graduates:
  - I. key generic competences which should be applicable in practice to real tasks at the workplace;
  - II. the ability to act independently within a specific professional field (particularly science, engineering and maths disciplines) using basic technical knowledge and skills required by different professional activities;
  - III. the ability, willingness and commitment to develop the skills and competences needed for a specific job and to take responsibility for future employability by reflecting on their individual profile of competence and career development; self-management.

**Increasing cooperation between higher education and the world of work**

9. Offering attractive diploma as well as lifelong learning programmes and facilities to improve the employability of graduates which allow continuous updating of



knowledge, skills and competences must be a common objective of higher education institutions and employers. Dialogue between higher education institutions and business about the relevant labour market-related competences and qualifications must be intensified. There are many different ways of achieving this and the means chosen must be tailored to local circumstances. However, BUSINESSEUROPE would like to highlight two of them:

- a. Representatives of the world of business need to be involved already at the stage of conceptualisation of a higher education course in order to better link curricula to the world of work and develop relevant lifelong learning programmes.
- b. Establishing customer-oriented career service centres is a good way to strengthen the links between higher education and the labour market. Such centres allow to remain in close contact with concrete demands, to analyse them and feed this information back to higher education institutions as well as their students. They establish a continuous link between higher education institutions, students, graduates seeking work and potential employers. They are also a useful tool to help to identify individuals' needs for competences and to inform them or their employer of corresponding higher education programmes.

### **The importance of shared responsibility**

10. Individuals are the keystone. They have the responsibility to continuously reflect on their competence profile, relating this to the demands of the labour market, and further develop their knowledge, skills and competences in the light of their career plans. Adopting a proactive attitude towards lifelong learning and taking responsibility for one's own career is essential to enhance individual labour market prospects. Experience shows that a person with a good qualification who is able and willing to continue to learn significantly enhances his/her labour market position.

11. However, individuals need to be supported in their efforts both by employers and



higher education institutions. Employers can support employees by putting in place favourable conditions for lifelong learning and competence development, offering internships to students, and providing higher education institutions with information on their competence needs. Career centres should offer the support of their counselling, making the necessary links with labour market needs. Higher education institutions, for their part, have the crucial responsibility of providing high-quality and relevant education programmes.

### **The design of higher education courses**

12. Higher education institutions should make use of the possibility of differentiation of the study course profiles foreseen in the Bologna Process. This not only allows for the sharpening of the respective institutions' very own profile but also complies with the demands of the labour market. Practice-related courses of study will primarily prepare for employment in a company whereas research related courses of study will mainly be focused on a later scientific career in public or private research facilities.

13. Higher education programmes, notably bachelor courses, have to transmit the bases of employability to students. They must equip students not only with technical skills but also generic competences. Students must be taught from the outset how to acquire new fields of knowledge in a self-directed way and must be equipped with cross-disciplinary skills. The indispensable cross-disciplinary qualifications and competences transmitted to graduates to assessed in quality assurance review processes include:

- an ability to communicate clearly both orally and in writing in the national language and to apply general presentation techniques,
- an ability to apply numerical reasoning, general mathematical awareness and manipulation of numbers in practical contexts,
- an appropriate level of IT competences,
- an appropriate level of oral and written articulacy in at least two foreign languages (notably English for non-native speakers) as well as intercultural sensitivity,



- an ability to work in a team, to lead, provide feedback to or interact with other team members with the necessary interpersonal sensitivity,
- sufficient commercial and entrepreneurial awareness,
- an ability to apply appropriate research and working methods in order to analyse and develop coherent thinking about an issue or a situation, including information retrieval, planning and organisation,
- an aptitude for problem solving, creativity and flexibility in the application of knowledge, experience and methods acquired,
- the ability to reflect about career prospects and engage in lifelong learning.

14. Higher education institutions will have to adapt their offers to different kinds of students: young people, mature students and employees undertaking higher education studies while working. Providing students with knowledge, skills and competences at very different stages of life and in a fast changing environment implies in particular to develop master programmes as well as shorter higher education complementary modules and to open access to those who hold a vocational qualification.

15. Master programmes should mainly be designed in two ways: further specialisation in a specific field (as continuation of a bachelor programme) or as interdisciplinary study programmes broadening academic qualifications. Master studies should be offered as full study courses or as a modular programme especially designed for adult learners in order to support lifelong learning. It is vital that permeability from Bachelor degrees to Master degrees is guaranteed to support mobility between higher education institutions.

16. The professional world needs to be integrated in higher education to a greater extent. This does not solely mean the completion of internships as regular parts of study programmes but also the inclusion of teachers with a professional background. In addition, there should already be close cooperation with representatives of the professional practice during the conception of study courses. This is especially important in regard to practice-oriented study courses. Programme councils can be helpful in quickly communicating changes in different professional practices to the respective institutions, thus guaranteeing a continuous



improvement of study courses.

17. The international orientation of the courses is indispensable. This includes foreign language segments as well as the widest possible integration of foreign teachers and a high number of foreign students. Student mobility should be regarded as an integral part of study, and teacher mobility as a regular part of career development.

## **Conclusion**

18. An important prerequisite for enhancing the employability of graduates is the involvement of business as it will be the future workplace for the majority of graduates. Furthermore it is necessary to ensure companies' understanding of new degree programmes.

19. European employers stress the importance of focusing on learning outcomes in higher education as well as in vocational training. Efforts to increase the employability of graduates should be embedded in the overall context of the Bologna process and the European Qualification Framework to increase the international attractiveness of the European Education Area as well as the permeability between all sectors of education to make lifelong learning a reality.

20. If they do not institute employability as a key goal, universities and other education institutions will not be able to give students the best possible knowledge, skills and competences for their professional career. If they do not take the necessary responsibility for their own career development, individuals will reduce their labour market prospects. Business, for its part, is prepared to play its role by enhancing its cooperation with the higher education world.

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