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The Teaching Excellence Framework

Bridging the Gap Between Employability & Employment

TEF AND THE CONCERN OVER EMPLOYABILITY

One of the biggest concerns that universities have in respect of the Teaching Excellence Framework (TEF) is the explicit link it makes between destinations and quality of teaching. The concern is this: if a graduate ends up struggling to find work in a graduate job after they complete their studies, or ends up in an occupation that is completely unconnected to their field of study, how much does this actually tell us about the quality of teaching?

The answer to this question could well be nothing at all. It is entirely possible for a university to have great facilities and wonderful teaching, yet for a graduate to still come out the other end struggling to find work. But since TEF explicitly makes the connection, it begs the question of what, if anything, universities can do to mitigate the possibility of students graduating and then failing to gain employment?

WHY DOES TEF FOCUS ON EMPLOYABILITY?

To answer this, we first need to look at why TEF makes the link in the first place. According to the Government's White Paper, *Success as a Knowledge Economy: Teaching Excellence, Social Mobility and Student Choice*, universities have a "paramount place in an economy driven by knowledge and ideas", and they "generate know-how and skills that fuel our growth". However, currently this is not being maximised, to the detriment of both employers and students:

> *Employers are suffering skills shortages, especially in high skilled STEM areas; at the same time around 20% of employed graduates are in non-professional roles three and a half years after graduating.*

The Government's aim in making employability a specific criterion within the TEF framework is to close this gap, with the hope that it will lead to employers getting graduates with the right skills, as well as helping students make more informed choices about which institutions and courses will maximise their employability:

> *By increasing transparency and making better use of public data than ever before, we will shine a light on the employability outcomes of courses and institutions for students to evaluate alongside other considerations. We hope this will also be used by providers evaluating their provision and considering how they can tailor it to better deliver relevant skills for the labour market.*

EMPLOYMENT OR EMPLOYABILITY?

Yet there is a question as to whether this approach confuses employment and employability. In a piece for WonkHE back in 2015, Jonny Rich argued that this is exactly what is happening:

> *We shouldn't be measuring employment. We should measure employability. They're not the same. When employment falls, such as in a recession, employability often rises as people acquire new knowledge or skills to make themselves more competitive. Employability is the ability to get, keep and succeed in jobs you want – both now and in the future as the economy shifts.*

In other words, there is a gap between graduate employment – the simple fact of a graduate being in work or not – and graduate employability – which Mr Rich goes on to argue consists of knowledge, social capital, and skills. A university might be churning out extremely employable people – knowledgeable, skillful and with excellent social capital – yet if there are no jobs available that require their particular knowledge and skills, the chances are they will not find employment, at least not in their field of study.

BRIDGING THE GAP BETWEEN EMPLOYABILITY AND EMPLOYMENT

It would be tempting to think that this gap between employability and employment can't be bridged, and that the TEF employability measures are entirely arbitrary. After all, if there aren't any jobs, there aren't any jobs. Yet if we really grasp what this gap actually is, we find that bridging it is indeed a possibility.

Take two people, Debbie and Lawrence. Both graduate with broadly the same level of employability: they have the same degree, the same skills and knowledge, the same job attributes. Yet whilst Debbie lands a job in her chosen field within six months of graduating, Lawrence cannot find employment in a similar career, and so ends up looking for work in an entirely unrelated occupation. The difference between the two? Nothing to do with employability, but entirely down to the fact that demand for such positions was high in Debbie's region, but low in Lawrence's region.

The gap between employability and employment is therefore basically one of demand, and so it follows that the university that *understands* demand is in a better position to build the bridge that will help their students get to employment on the other side. This understanding can be achieved through good use of local Labour Market Insight (LMI). Using LMI to identify occupational and industrial needs at the regional level has a threefold application:

- Firstly, it means that a university can better understand the needs of employers
- Secondly, it enables them to better align their course portfolio with those needs
- Thirdly, it means that they can demonstrate to their prospective students the link between their degrees and associated careers at the end of their studies.

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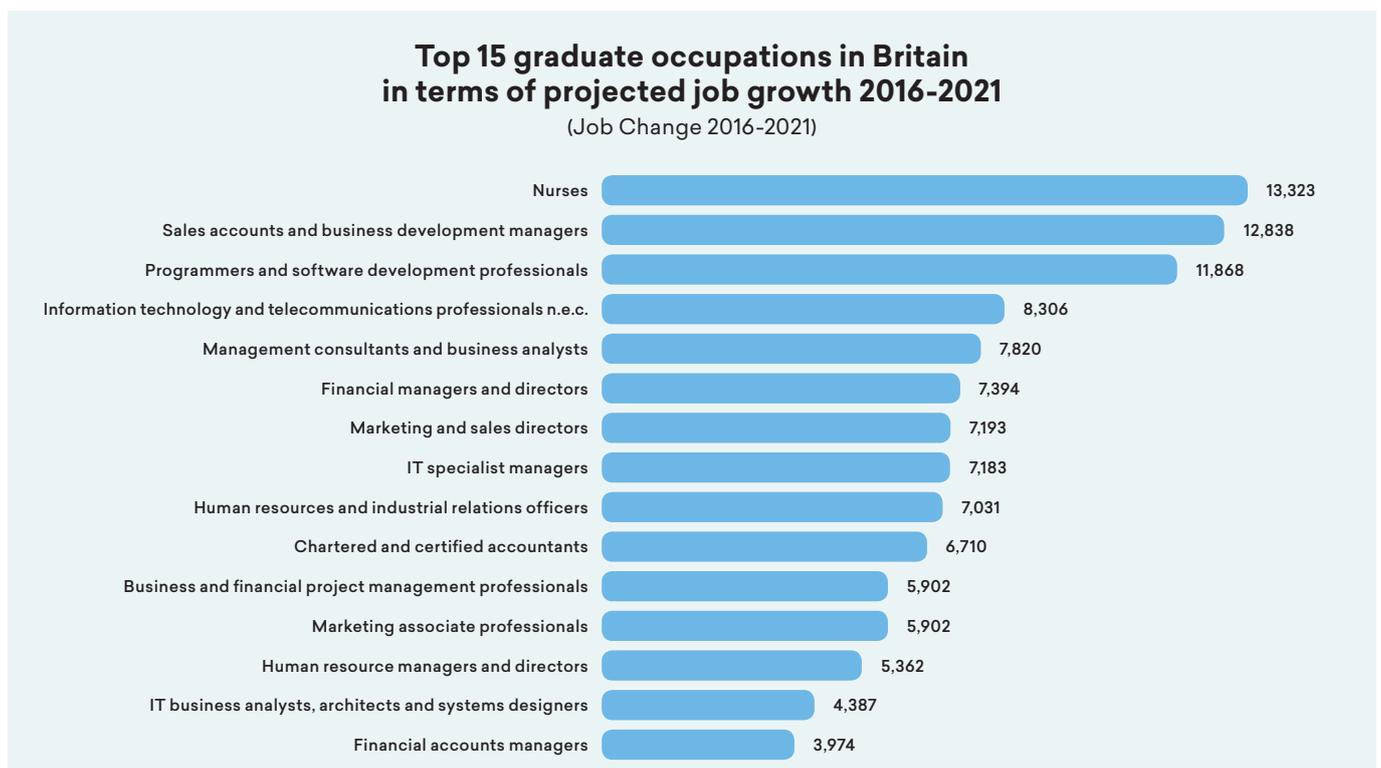# BUILDING A BRIDGE WITH THE RIGHT MATERIALS

But if the gap between employability and employment can be bridged by labour market demand, it is crucial that we understand what is meant by that. A common mistake that Government, employer groups and the media often make when talking about the graduate skills gaps is to look at the aggregate demand for occupations across the country then assume that these are the skills that universities across the board need to be helping to fill.

So for example, we could delve into our data for Britain as a whole, pick out the top graduate occupations in terms of projected growth in occupation demand over the next few years, and assume that these are the skills universities should be focusing on (see graph at the bottom of the page).

But whilst this approach tells us, for instance, that there are projected to be over 13,000 new nursing positions over the next five years, and nearly 12,000 Programmers and software development professionals, what it doesn't tell us is where this demand is likely to be, whether it is likely to be the same for all regions of the country, and whether there are other occupations which have high demand that is specific to particular regions.

More importantly, from the point of view of an individual university looking to help its students bridge the gap between employability and employment, it doesn't answer the question of what graduate job demand looks like in our region.

We can illustrate the importance of delving down to a more granular level of detail by doing the same exercise we did for the national level, only this time by picking out a couple of LEP regions: Tees Valley and Dorset. The graphs opposite show the Top 15 biggest growth graduate occupations, according to our projections, for these two area over the next five years.

Top 15 graduate occupations in Britain in terms of projected job growth 2016-2021
(Job Change 2016-2021)

Occupation	Job Change
Nurses	13,323
Sales accounts and business development managers	12,838
Programmers and software development professionals	11,868
Information technology and telecommunications professionals n.e.c.	8,306
Management consultants and business analysts	7,820
Financial managers and directors	7,394
Marketing and sales directors	7,193
IT specialist managers	7,183
Human resources and industrial relations officers	7,031
Chartered and certified accountants	6,710
Business and financial project management professionals	5,902
Marketing associate professionals	5,902
Human resource managers and directors	5,362
IT business analysts, architects and systems designers	4,387
Financial accounts managers	3,974

Whilst there are some occupations that appear in both the Tees Valley and Dorset graphs, as well as the national graph (nurses and sales accounts and business development managers, for instance), there are some that do not (this is not to say that there is no demand for them at the national level or in the other LEP region, only that they do not make it into the Top 15 growth occupations). For instance, according to our projections, Tees Valley is going to need around 93 new chartered surveyors and 82 civil engineers between 2016 and 2021. Dorset, on the other hand, is going to require around 61 taxation experts and 66 production managers and directors in manufacturing.
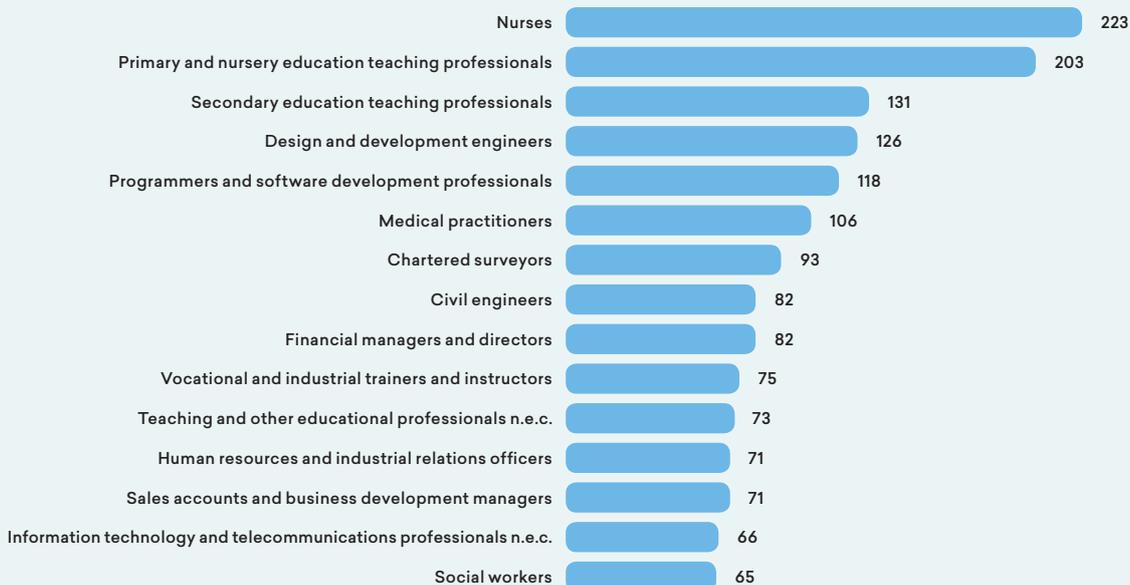
Top 15 graduate occupations in the Dorset LEP Region in terms of projected job growth 2016-2021
(Job Change 2016-2021)

Occupation	Job Change
Nurses	279
Chartered and certified accountants	256
Sales accounts and business development managers	145
Management consultants and business analysts	111
IT specialist managers	99
Programmers and software development professionals	97
Marketing and sales directors	76
Financial managers and directors	74
Information technology and telecommunications professionals n.e.c.	71
Business and financial project management professionals	68
Production managers and directors in manufacturing	66
Taxation experts	61
Financial accounts managers	58
Design and development engineers	56
Functional managers and directors n.e.c.	55

Top 15 graduate occupations in the Tees Valley LEP Region in terms of projected job growth 2016-2021
(Job Change 2016-2021)

Occupation	Job Change
Nurses	223
Primary and nursery education teaching professionals	203
Secondary education teaching professionals	131
Design and development engineers	126
Programmers and software development professionals	118
Medical practitioners	106
Chartered surveyors	93
Civil engineers	82
Financial managers and directors	82
Vocational and industrial trainers and instructors	75
Teaching and other educational professionals n.e.c.	73
Human resources and industrial relations officers	71
Sales accounts and business development managers	71
Information technology and telecommunications professionals n.e.c.	66
Social workers	65

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WHAT IS THE SIGNIFICANCE OF THIS?

In terms of bridging the gap between employability and employment, what the above suggests is that the key to achieving it is not only for universities to become more aware of graduate employment demand on a general, national level, but crucially that they become more aware of demand in their own region. Why this is especially important becomes clear when you consider that the majority of university students stay in the region after graduating. According to research conducted by HEFCE in 2015, 63% of all graduates stay in the university region after graduation, with the figure rising to as much as 71.1% in the North West, 76% in the North East, 77% in Wales, 82.2% in Northern Ireland and 90.5% in Scotland.

Add these things up – the fact of students generally staying in the region after graduating, and the ability to identify the graduate needs of employers and industry in a region – and what do you have? Simply put, this is a blueprint for bridging the gap between employability and employment. By matching the knowledge and skills taught at the university with the needs of employers in the region, the university is giving every opportunity for their students to gain employment in their field of study, in their region of study, when they graduate. The university that takes this approach is well placed to successfully bridge the gap between employability and employment, and therefore far more likely to satisfy the employability criteria as set out in the Teaching Excellence Framework.

PUTTING IT ALL TOGETHER

By including employability in the TEF, the Government is throwing down the gauntlet to universities to demonstrate that they are really helping their students get into the kind of sustainable work to which their knowledge and skills most closely match, and therefore that they are serving the real needs of employers and industry.

However, as we have noted, the problem that universities face is that there is not necessarily a correlation between employability – which is what TEF ostensibly measures – and employment – which is what it is in reality measuring. And so a university could send out a multitude of employable graduates, but if the jobs aren't there to match their knowledge and skills, then the chances of them getting employment in a graduate position – especially one related to their field of study – are greatly reduced.

However, as we have argued, the gap between employability and employment is not an unbridgeable one, nor one that universities are powerless to change. Rather, if we see the gap as being one of employer demand, the solution to the problem becomes obvious: identify what that demand actually is, and adjust your course portfolio accordingly.

What we have demonstrated in this short report is that the most effective way to identify these employer needs, and therefore to bridge the gap between employability and employment, is by using granular labour market insight. Armed with good LMI, a university can better understand and respond to the real needs of industry, for the benefit of all:

- Employers start seeing more people with the right skills coming through
- Students find their chances of finding appropriate employment are improved
- The university itself can evidence in the TEF how it is working hard to improve the employability of its students

To find out more about how we can help your university bridge the gap between employability and employment, contact Lawrence Stephenson at:

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