

Investing in The Future: The Essential Role of Student Placements

**John Neugebauer
Centre for Employment Studies Research (CESR)
University of the West of England, Bristol**

Introduction

2009 is the first year cohort of graduation for those who have paid higher tuition fees. At the CBI/University Conference, Stronger Together, held on 20 October 2009, Lord Mandelson, Secretary of State for Business, Innovation and Skills said that it follows that students who pay more [for higher education] will expect to receive more, and to achieve more as a result of their higher education experience. But for many, the reality may feel, and indeed be, very different. Unemployment for younger people to age 24 rose by 32 per cent in the first quarter of 2009, and accounts for 30.5 per cent of all UK unemployment (Office for National Statistics 2009). Even for those who have 'invested' in higher education, expectations are rising all the time too. According to the Higher Education Statistics Agency (2009), postgraduate degree holders are more likely to be in graduate level jobs three and a half years after leaving university (85 per cent), against 56 per cent with a bachelor degree (p.38). And despite average student debt in 2008 of £7,800 (DIUS 2009) on graduation, 78 per cent of university careers advisers report a fall in graduate job vacancies (Higher Education Careers Services Unit, 2009 p.3).

With a renewed focus on the value of higher education, so too is there greater interest expressed in the value of work placements, formal or informal, as part of the higher education experience. Writing in the Guardian (27 May 2008), Harriet Swain, described the difference between work and a placement like this:

“Work means moaning about the boss, drinking tea, and helping yourself to the stationery cupboard – all while getting paid. Work experience means being enthusiastic, diligent, and full of ideas, whilst not receiving a penny.” (p.11)

For the purposes of the article, the terms ‘internship’ and ‘placement’ are used to mean the same thing – paid or unpaid experiences of work in organisations which may last from as little as one week to twelve months, and which may, or may not, then form part of a university course. Placements are an important part of preparation for future employment, and bringing deeper understanding and motivation to university work. Therefore, understanding the value of placements is important, whether we are organisations, students, or parents.

Approximately 29 per cent of UK students undertake some form of internship during their final two years of study. But this lags behind similar European Community countries where 66 per cent of German students and 79 per cent of French students undertook some form of internship (Universum 2006). Lambert (2003) recognised the mutual benefits of developing internships in the UK (p.111). So how can placements play their part in developing students’ skills and knowledge – and in doing so, develop future employment opportunities?

This article examines how organisations can make the most of good placements to support organisational learning, and explains what types of placement students look for. It is based on my research over a two year period with placement students, workplace organisations, and universities. This research, which led to the writing and publication of the SAGE study guide book, *Making the Most of Your Placement*, was based on interviews with twenty six university students from a range of UK universities, interviews with sponsoring line and HR managers from ten organisations offering placement with students (including aerospace, financial services, public

sector, retail management and telecommunications), and eight UK universities. In addition, my research drew from personal experience of working in senior HR roles in a large organisation.

Value of placements in learning

To the Organisation

Despite their importance as work destinations for many graduates, and their efforts to attract graduates, UK organisations are not, and have not been, complimentary about how well they consider universities have prepared graduates for the workplace. Two hundred years ago, Adam Smith wrote in *The Wealth of Nations* that: 'The greater part of what is taught in schools and universities does not seem to be the proper preparation for business' (1819 ed., p.361). More recently, the Confederation for British Industry (CBI), as one of the sectors receiving UK graduates, has been critical of graduates' readiness for work, especially in foreign languages, business awareness, and self management (CBI/Pertemps 2007: 31).

However, universities, the CBI, and the government now seek to work together more closely to prepare graduates for work. The CBI Higher Education Task Force has published a series of reports (of which the latest is *Stronger Together. Business and Universities in Turbulent Times*). The CBI does not seek to undermine the independence of universities in education, and acknowledges that 'Business has to step up to the challenge, as does the higher education sector, in providing highly employable graduates and value for money' (p.4). Within this, the need for business to provide more work experience and placement opportunities are key CBI commitments (p.8). Informally, many business leaders also acknowledge that work experience opportunities need to be better organised and more accessible to students.

Where placements are established, organisations report that the value of good placements goes beyond simply covering resource gaps, and providing early access to future graduate recruits. Successful placements often complete business-required projects, and stimulate fresh thinking and perspectives amongst existing staff. Many organisations make student placements the main resourcing approach for graduate recruitment: for the best, 80 per cent and above of graduates are resourced this way. However, even some large organisations fail to keep more than 10-20 per cent of their placement students: typical reasons are lack of work stretch and challenge for the student; poor management and mentoring; poor feedback, and lack of learning and development opportunity.

Research with the National Council for Work Experience (see Table 1) shows that employers have a variety of reasons for taking work placement students, and that the benefits are often two-way.

Table 1: Why employers use work placements and internships

Gain intelligent, motivated and cost effective people resource with valuable skills, knowledge and fresh ideas
Help flexibility when placements may be timed for when extra help is needed
Support projects that would otherwise take time for fulltime staff, or where there are insufficient in-house skills
Help develop supervisory, mentoring, and leadership skills in those who manage placement students
Reduce graduate search and wastage, especially where a high proportion of placement students are then offered graduate level roles on completion of their degrees
Overcome staff shortages
As a taster session for both the student and the organisation

Source: Author research with The National Council for Work Experience (2008) reproduced with permission

To the student

Students who have completed a placement or an internship are more likely to obtain a good degree than students of similar ability without a placement. And students who have worked on a placement and achieve a 2.2 degree are as likely to find graduate level careers, as students with a 2.1 degree who have not completed a placement. There are, therefore, grounds for considering the possibility that a placement has a double benefit in helping to find a graduate level job, and in obtaining a higher degree classification – although further research would be needed to establish, and explain, possible linkages.

The graduation class of 2009 is acutely aware of the challenges which they face in entering the graduate employment market. Maximising their employability, and being able to articulate work competences experiences in business-related language therefore become critical. Work placements are seen as an integral part of this development. Speaking for the National Union of Students (NUS), Aaron Porter, Vice President Higher Education, told the *Stronger Together* conference on 20 October 2009 that he considered the key priorities to improve graduate employability were fivefold: the quality and consistency of workplace experience and support; the quality and lifelong access of student career advice and lifelong access; a better understanding of just what organisations meant when they require better 'soft skills'; support to develop student articulation of their wider, non academic , learning; and in view of increasing student fees and debts, a sharper focus on the higher education experience.

To the university

As well as contributing to student academic performance and employability on graduation, universities are keen to develop working relationships and longer term opportunities for working in collaboration with organisations, especially to support teaching and research objectives, and to offer consulting expertise. Indeed, the benefits of effective work placements and experience may be

seen as central to developing student learning and understanding, as well as employability.

For example, the workplace provides an essential activity for followers of Action Learning, that there can be no learning without action and no action without learning (Revans 1998). We may also recognise the importance of developing Reflective Learning skills, and a practical opportunity to apply Critical Thinking skills in a work environment. So properly designed and managed work placements will help to integrate Critical Thinking, Action Learning, and Reflective Learning as other ways of knowing and understanding.

What students look for in placements

Even at a time when placements and graduate opportunities are so competitive, the best students are discerning about who they will work for, and what they expect to get from a placement. Nevertheless, different students look for different qualities from a placement, and often have astute and realistic reasons in what they want from a placement, as Table 2 shows.

Table 2: What type of placement? Some student views

'I wanted a company that cared for their employees and customers...not just making a profit. The company [I chose] is very ethical, with a great reputation for employee development and ploughing back their profits into schemes to benefit the local community'

'It is the ideal time to look outside and discover the type of work and environments that I enjoy, and more importantly what I don't. I feel that it will enhance my understanding of how theories and techniques I study at university are used in the workplace. I firmly believe that this type of study can only enhance my final year grade'

[Student on a 2x6 month placement scheme] 'I chose HSBC because I liked the roles they were offering and thought it would look good on my CV. My second placement was with [a smaller organisation] called Astellas. I chose this job as I something I would really enjoy, and because I had a good feeling about the company and the job. Having worked at HSBC...I was looking for a smaller company, and felt that I would benefit from this experience and enjoy it more'

'I started looking at organisations which might be fun to work with – Innocent, Warner Brothers, and Walt Disney...But then I began to realise that whilst they may look attractive on the outside, when thoroughly researched, they would not be particularly beneficial to me in terms of self development and graduate opportunities. I then started to apply for companies which had a strong focus on personal development and had good graduate opportunities'

Source: Author research and based on interviews with 26 UK University students, 2007-2008

Making Placements Work - Reflection on our role within Universities

My research identified a range of issues that students, organisations, and universities might do to make placements work better. I refer to these as 'learning points'. So far as universities are concerned, the learning points are as follows:

Help students to plan early, but then persevere. Many larger organisations start to fill placement opportunities in the autumn for the following autumn. Equally, many students and many organisations (particularly smaller ones) are still matching requirements a couple of months before actual start dates of placements, so places are still available, but choices may become more restricted. So, universities have an important role in supporting student thinking as early as in the first year of their studies about the value of placements, the need to prepare for them, and to persevere with applications until successful.

Show how theory is relevant to current organisation issues. Therefore, in teaching, universities should encourage students by bringing their own research to life in teaching, and encourage student reflective practice and current business awareness by integrating current business news within teaching sessions.

Actively help to develop and give feedback on soft skills. As university tutors we can help students to develop soft skills (team work, problem solving, and presentation skills) by designing these into both teaching and formative assessment.

Encourage different ways of seeing and learning. Universities can help to give students the opportunities to develop workplace skills in action learning, critical thinking, and reflective practice to underpin learning development and enhance employability. In doing so, they also contribute to the NUS agenda for more focused support from universities as part of 'expect more'.

Conclusions

Despite their increasing popularity, there is still considerable scope to develop the numbers and visibility of UK placements and internships. Good graduates are astute and discerning in what they want both from their university education experience, and in their preparations for future employability. Well organised placements attract new talent and refresh organisation learning, as well as enhance graduate employability by creating a holistic approach to learning and development. Within the university, the responsibility for delivering this extends beyond the role of placement officers alone, and really does need to be an integral part of university teaching and the learning experience.

References

CBI (2009) *Stronger Together. Businesses and Universities in Turbulent Times*:

http://highereducation.cbi.org.uk/uploaded/HE_task_force_report_exec_summary.

CBI/Pertemps (2007) *Employment Trends Survey Fit for Business*:

www.skillsnortheast.co.uk/lib/liDownload/12026/Employment%20Trends%20Survey%202007.pdf?CFID=7008059&CFTOKEN=58595170

DIUS (2009) Research Report No 09 05 Student Income and Expenditure Survey 2007:

www.dius.gov.uk/research_and_analysis/~media/publications/D/DIUS_RR_09_05)

Heaton, N., McCracken, M. and Harrison, J. (2008). Graduate recruitment and development sector influence on a local market/regional economy, *Education and Training*, 50(4).

Higher Education Careers Services Unit (2009) Graduate Market Trends:

www.hecsu.ac.uk/hecsu.rd/documents/GMT/GMT_autumn09.pdf

Higher Education Statistics Agency (2009) *Destinations of Leavers from Higher Education Institutions Longitudinal Study of the 2004-05 Cohort*:

www.hesa.ac.uk/dox/dlhe_longitudinal/0405/Long_DLHE_0405_WEB.pdf

Lambert Review of Business-University Collaboration, Final Report, December 2003, Norwich, HMSO.

Office for National Statistics (2009) www.statistics.gov.uk/cci/nugget.asp?id=2205

Revans, R. (1998). *The ABC of Action Learning*, Lemos and Crane.

Smith, A. (1819 ed.). *The Wealth of Nations, Books IV-V* (ed.) Skinner, A (1999) London, Penguin.

Swain, H (2008). *The Guardian*, May 27, 2008, p.11.

Universum (2006) Data from research conducted by Universum, used with permission via www.universumglobal.com