

Zoe Tabary for the Economist

How, if at all, are the business skills required of university graduates changing?

Charles Tilley, CIMA: You need to look at the macroeconomic context to understand changing business skills. The world is changing at great speed, under the impact of three macro trends. The first is population growth – we've moved from a population of one billion last century to seven billion today, and that has a huge influence on how businesses operate and employers recruit talent. The second point is the disturbing mismatch between the level of youth unemployment globally and the number of employers who report a high level of vacancies. Finally, after capitalism got to its breaking point in 2008 the business sector's purpose has shifted from being just about making money to also being a corporate citizen. There is a strong need for businesses to rebuild trust with consumers.

These trends mean that graduates seeking employment need to embrace the change happening around them and adapt their skill set, for example to technological advances. The main excuse I personally hear from employers for turning down graduates is a lack of communication skills as well as basic education skills, especially English and Math.

Are employers adapting their assessment of graduates' skills?

It depends on which company and sector you're considering. Successful companies have very strong recruitment programmes, which tie back to their specific business needs. At CIMA we've recently teamed up with the Chartered Institute of Personnel and Development (CIPD) to measure the effectiveness of an organisation's investment in its people. People drive everything in business so it's worth investing in attracting and retaining the best talent.

To what extent is there a gap between what is expected of graduates to meet business needs and what they are taught at university?

There is a wide gap – education systems say their graduates are ready for employment but employers don't think that's the case. In Asia and North America, studies are more aligned with career aspirations than in the UK and the rest of Europe. In Europe, many people working in the legal sector for example don't hold a law degree but a one-year conversion course. This is more difficult for professions like engineering, where a basic skill set must be acquired at university. In the services sector however, entering the job market with a broader skill set, rather than one area of expertise, is perceived as a good thing.

What should graduates be doing to become more employable?

I think it's crucial for students to gain as much work experience as they can while doing their degree, so that they can figure out what suits them. It's also the best way for

companies to assess potential employees. But even work experience placements have become extremely competitive.

Similarly, is there a role for employers to better train their workforce?

I don't think it's realistic to expect everything of graduates on day one. The most successful companies are those that have excellent training programmes. Old professions used to be about gaining skills while being employed – there is a return to that with apprentice schemes. With the CIMA qualification students can earn while they learn with the knowledge they are studying for a qualification backed by extensive employer research and designed to meet the needs of both students and employers alike. It would also appear that companies increasingly want to do things internally rather than outsourcing their training programmes.

What tools and methods do businesses have at their disposal to monitor how effective their investment in training and development is?

The problem is that there are no quick and easy means of measuring and monitoring the return on investment (ROI) in training. However there are some steps that businesses can use. First is measuring the reaction of the trainee to the training through an evaluation form. This is often done immediately, is easy to do and is used frequently.

Second is measuring learning, where a small test is devised. One is often administered before the training and another administered after, to track what changes in learning have taken place. This is where we look at the behaviour change that has occurred for the trainee.

Finally, one can measure the business impact of the trainee, where we look at both hard and soft data. Has productivity improved? Does training result in improved quality? This can be difficult to measure because things could be improving due to many causes and not the training alone. When all these steps are done, you can translate the business impact into monetary figures, add up the cost and calculate the ROI. So for the measurement of ROI to be effective, the trainer, the trainee and the manager of the trainee all need to be involved before, during and after the training.