The impact of learning outcomes in business education: Assessing value, relevance and graduate ability in a multi-country study of employers and business graduates

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Presentation Objectives
- Report critical findings from two-year, EU-funded research project entitled 'MISLEM'
- Introduce two theoretical models:
  1) Employers: business graduates' abilities in business knowledge and key business competencies predict their satisfaction with graduates' work performance
  2) Graduates: value of business knowledge and business competencies for the workplace predict their satisfaction with business education
MISLEM: Project Goals

- To advance a model or step-by-step procedure for assessing the match between skills and competencies developed by educational institutions and those required by labour market
  
  * Six steps: 1) Define learning outcomes for specific study programmes, 2) Design questionnaire, 3) Administer questionnaire to recent graduates and direct supervisors, 4) Analyse and interpret results, 5) Aggregate data to create meta-level indicators, 6) Create feedback system for curriculum improvement
  
- To refine and test meta-level indicators (focused on the labour market linkage) for assessing quality in universities, universities of applied sciences and vocational training institutions (VETs)
  
  * Aggregate data to find out percentage of employers and graduates who believe that learning outcomes are: a) valued in workplace, b) relevant for future career and that c) graduates are capable or able in these learning outcomes.

Project Partners

- 9 partners in 4 countries (Austria, UK, Slovenia, Romania):
  - FH Joanneum (AT)
  - Aston Business School (UK)
  - University of Primorska (SI)
  - University of Craiova (RO)
  - Bfi (VET) (AT)
  - Matthew Boulton College (VET) (UK)
  - Bit management (Consulting and Training) (AT)
  - PPS (HR Consulting) (UK)
  - AQA (Quality Assurance Agency) (AT)

MISLEM: Rationale and Target groups

- Rationale
  - Growing acceptance and use of output-oriented criteria (e.g., learning outcomes, quality indicators) as key quality assessment components
  - Noticeable lack of assessment tools to incorporate input from employers regarding how well educational institutions are responding to labor market needs (labour market linkage)

- Target Groups
  - Policy-makers in education:
    * need more specific information to direct their policies to needs of specific fields of study (e.g., business, engineering)
  - Administrative heads and personnel at QA agencies:
    * need more specific information to inform/give advice on curriculum development
MISLEM: Project’s Methodology

- Project was designed to include two phases:
  - **Exploratory phase** involving comprehensive literature reviews in the four countries and qualitative interviews with employers and recent business graduates from the partner institutions
  - **Descriptive phase** involving questionnaire design and administration with a sample of employers and recent business graduates from higher education and VET institutions in the four countries

MISLEM: Summary phase 1

- Literature reviews demonstrated great diversity in educational systems, quality management practices and control mechanisms typically used in the four countries
- Detailed review of the concept of ‘competency’ indicated many different components (e.g., knowledge, skills, abilities, motives, beliefs, values) and no definitions for specific types of competencies (e.g., leadership or ability to see bigger picture)
- Key conclusions from phase 1: business knowledge and competencies can be viewed together as key learning outcomes for business study programs; some competencies were considered more important than others, so partners proposed a cluster of eight key business competencies to be used in final questionnaire

MISLEM: Summary of phase 2

- Two nearly identical questionnaires were developed (one for employers and one for recent business graduates):
  - **Business knowledge questions** addressed 5 main functional areas and also some business-related disciplines
  - **Business competency questions** addressed 8 key competencies: Influencing and Persuading, Teamwork and Relationship Building, Critical/Analytical, Self and Time Management, Leadership, Ability to see bigger picture, Presentation and Communication
  - **Critical survey questions** were created to provide answers to the meta-level indicators – e.g., Do you agree that the following business knowledge areas (competencies) are useful for the performance of our current job activities?
MISLEM: Survey sample

- Sample Description:
  - The final sample was composed of 596 business graduates and 304 employers from the four countries (see Table 1)
  - Business graduate sample was young (66% of respondents between 21 and 30 years of age) and relatively balanced with respect to gender (approx. 57% of females)
  - Employer sample was notably older (approx. 55% of respondents between 36 and 50 years of age), but also gender-balanced (58% of males)
  - Business graduates and employers were working in a variety of different industries (e.g., manufacturing, business-related activities, wholesale and retail trade, public administration and defense)

MISLEM: Key findings (I)

- Graduates and employers seemed, in general, satisfied with business education (73% of graduates, 87.6% of employers were either very satisfied, satisfied or somewhat satisfied)
- Graduates and employers also positively assessed graduates’ level of acquired knowledge during business education (77.5% of graduates, 78% of employers were either very satisfied, satisfied or somewhat satisfied)
- However, both groups gave less positive evaluations of graduates’ ability in business knowledge and especially in business competencies (details in a minute!)

MISLEM: Key findings (II)

- Key comparisons – business graduates versus employers:
  * Regarding critical questions addressing business knowledge and business competencies, employers were less positive (e.g., capability questions) and more discriminating (across disciplines and competencies) in their responses
- Key comparisons – country differences:
  * Regarding critical questions addressing business knowledge and competencies, many significant country differences were found, but they were considered too small; furthermore, no consistent pattern was found in responses across countries
MISLEM: Key findings (III)

- Meta-level indicators were derived from the aggregation of the answers for each business knowledge area and for each competency area (see table 2). % of respondents who either agree or strongly agree:

- Concerning indicators #1 and #2, findings are similar for graduates and employers, with one exception: employers rate business competencies as clearly more valuable compared to business graduates.

- Regarding indicator #3, fewer employers either agree or strongly agree that their employees are capable in business knowledge and in business competencies.

Beyond MISLEM: Employer and Graduate PLS models

- Employers models for each country were developed in order to identify the most important factors explaining and predicting employers' satisfaction with business graduates' work performance:
  - The two factors are graduates' abilities in business knowledge and in business competencies; but there are country differences (see table 3 and figure 1).

- Graduates models for each country were developed in order to identify the most important factors explaining and predicting graduates' satisfaction with business education:
  - The two factors are graduates' value ratings of business knowledge and of business competencies; here no country differences were found (see table 4 and figure 2).

Final Discussion

- Results confirm the importance of developing business competencies, together with business knowledge, within study programs (competencies are rated even higher than BK!!)

- All BK and competencies were perceived as valuable and relevant by respondents (even though some are judged as more important than others); country differences regarding what is valuable, relevant and graduates' capability are really small!!!

- PLS models revealed:
  1) the real impact of business education in the workplace - graduates' abilities in key learning outcomes help explain successful work performance!
  2) the perceived quality of study programs is related to the instrumental value of business education (i.e., how valuable or useful the key learning outcomes are perceived to be for the workplace).
Recommendations (I)

- To Personnel at Educational institutions, Quality assurance agencies:
  
  * Strengthen the study program’s overall emphasis on critical learning outcomes, by:
    
    - Promoting different teaching and learning strategies (e.g., classroom activities that enhance the development of competencies);
    
    - Articulating an integrated, comprehensive path within the curriculum towards the development of key knowledge and key competences;
    
    - Employing different types of assessment tools (e.g., final comprehensive examinations in key knowledge areas, competent use of assessment tools which support individual competency development)
  
  * Demand ongoing quality assessment of the labour market linkage for each study program (how good is the response to changing labour market requirements?) – could use MISLEM step-by-step procedure!

Recommendations (II)

- To Policy-Makers in Education:
  
  **At National level:** Encourage greater involvement of employers in the quality assurance process of Higher Education and Vocational Training institutions

  **At European level:** Use Business Knowledge + Business competencies model as a way to harmonize curricula across countries

Thank you very much for your attention!