

Report Of Findings

Based On Focus Groups Among Business Executives

Conducted on Behalf of:

The Association of American Colleges and Universities

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In January 2006, Peter D. Hart Research Associates, Inc., conducted three focus groups among business executives—one each in Milwaukee, Wisconsin; Fairfax, Virginia; and Atlanta, Georgia. Participants included managers, vice presidents, CFOs, CIOs, and CEOs of private companies that employ a large percentage of college graduates. Participants have varying degrees of involvement in hiring employees for their company. All participants have at least a bachelor's degree, and many of them have post-graduate degrees.

This research was undertaken to explore business executives' views of higher education in relation to their businesses' own hiring and staffing needs. The discussions also probed participants' assessments of the most important outcomes of college and how well colleges are preparing students in those areas, as well as participants' awareness of and attitude toward liberal education.

Because this research is qualitative rather than quantitative, we caution against interpreting these findings as broadly representative of the country's private employer leadership or hiring community.

Overview

Staffing is a major concern facing business executives today. Among the various challenges that companies face in remaining competitive in today's global economy, these executives are most vocal in lamenting the difficulty in hiring and retaining qualified employees. When it comes to recent college graduates, business leaders are most concerned about recent graduates' deficiencies in job readiness. Specifically, participants express the most frustration with recent graduates' work ethic and commitment to the job, communication skills, and ability to work with others. Indeed, while leaders are somewhat concerned about recent college graduates' not having necessary specific job or technical skills, they generally are more frustrated with their inability to find "360 degree people" who have both the specific job/technical skills *and* the broader skills (communication and problem-solving skills, work ethic, and ability to work with others) necessary to promise greater success for both the individual and their employer.

In terms of their hopes and expectations for a college education, business leaders place the highest priority on the following key college-

learning outcomes: strong writing and oral/speaking skills, problem-solving and analytic skills, teamwork skills, critical thinking and reasoning skills, and time-management skills. On the other hand, business leaders rank knowledge of American culture and history and cultures and societies outside the United States, as well as civic engagement as the least important outcomes of a college education.

It is encouraging that business leaders in each of the three locations recognize the promise and value of a college education that gives students broad exposure to multiple disciplines as well as specific job-related or technical skills. The challenge for AAC&U's Liberal Education and America's Promise Campaign is that business leaders have little understanding of liberal education's traditional or contemporary practices, and to the degree that they associate with the term liberal education, business executives focus nearly exclusively on the liberal arts. Their perceptions of liberal education are centered on the idea of broad exposure to mainly the arts and humanities. They generally do not perceive liberal education as inclusive of scientific and business-related disciplines. Furthermore, participants do not readily grasp that liberal education involves both a specified area of focus and general education that is relevant, connected, and applicable to a student's area of concentration. Few business leaders recognize the interconnectedness of the two pillars of a liberal education.

Key Findings

Recent College Graduates' Job Preparedness

While a few business leaders discuss the challenges of finding recent college graduates who have the specific job or technical skills needed for a given job, participants are much more frustrated with recent graduates' deficiencies in more general skills and abilities. They are particularly troubled by recent graduates' deficits in 1) communications skills, 2) teamwork skills, and 3) work ethic.

One area of particular concern to most business executives is that they perceive many recent college graduates to have poor **written and oral communications skills**. Indeed, they feel that today's graduates have weaker communications skills than did previous generations. Some participants blame this decline on young people's increased reliance on e-mail, instant messaging, and text messaging. A few recognize that many students fall behind in their communications skills before they even enter college, forcing colleges and universities to focus on remedial instruction in this area. Nonetheless, many business executives feel that colleges and universities should be doing a better job in preparing students to communicate effectively.

"My pet peeve is written communications. They're awful. They're just awful."

– Female, Milwaukee Business Executive

"Mine's the written communication thing, just teaching them how to interact with people using the written word, which I think has really fallen by the wayside in the last couple decades."

– Female, Milwaukee Business Executive

"I mean, I think that goes back to what Lee was saying. We find the challenge is we'll have a great employee, does a great job at X, and you want to promote them but not necessarily a great leader or have the communication skills that you need them to have, but they were excellent doing, you know, job A."

– Female, Atlanta Business Executive

"If you can talk technical, and you can talk business, you are worth the world to me because I can put you in charge of a project and not have to worry about what is this person going to say, what are the business skills, can this person effectively communicate with the client, or am I going to have to go and kind of triage a situation every couple of weeks? An ability to communicate effectively, both written, oral communication skills which, language aside, the ability to present your ideas in a real concise way, to accept feedback and criticism of your work. That's the communications piece [I am looking for]."

– Male, Fairfax Business Executive

"I find that very few people know how to communicate professionally in business, and that's from the top down, writing a good business letter."

– Male, Atlanta Business Executive

An important skill that relates to a person's ability to communicate effectively is their ability to work well with others. Many business leaders stress the importance of finding employees who have strong **teamwork skills**, but they find that many recent college graduates lack this important asset.

"I think it's a less personal experience, and they're more, I don't want to call them automatons, but I don't think a lot of kids have the interpersonal skills...at least in our business, if you can't work on a project team, you're going to fail miserably because we can't hire the guy that you're going to put behind the door and shut it and let him go off and design. I mean, everything that we do is multiple, 10-, 15-, 20-person teams coming together to pull together these multi-million dollar systems. And you've got kids sometimes coming out of college that, I mean, they can't talk to the guy in the cubicle next to him, much less function in an environment like this where they feel comfortable talking."

– Male, Milwaukee Business Executive

These business executives complain that they often have a difficult time finding recent college graduates who show a real commitment and dedication to their job. They feel that many recent graduates who enter the work force lack a strong **work ethic** and have unrealistic expectations about what will be required of them to advance. It is for this reason that many participants prefer students who have worked as interns or who held jobs while they were in college. Many business leaders feel that these "real world" experiences not only provide recent graduates a more realistic understanding of what to expect when they enter the work force but also instill a greater work ethic and commitment to putting in more than a 9-to-5 effort. Above all, they recognize that the most dedicated employee will be one with a passion for the work.

"I think there is a mentality among young kids which is kind of this I don't have to earn my stripes."

– Female, Milwaukee Business Executive

"I think, you know, it's not just an academic experience. The extracurriculars [are] huge. I mean, I look at that when I read some of these resumes to see what they're doing while they're in college, even if it's just holding a job."

– Male, Milwaukee Business Executive

"I'll hire somebody who worked their way through school. I don't care what they did. But if they were a bartender, even more so because you know they sweated to earn their dollar. They understand what a dollar means as opposed to somebody who just coasted."

– Female, Atlanta Business Executive

"Finding people who want to work is, they walk in. They'll take the job. But they're complacent. They're unmotivated. They're unenergetic. The minute that they have an opportunity not to work, they will. Rather than finding a momentum, getting an excitement, gaining ownership of concept"

– Female, Atlanta Business Executive

"I don't think colleges and universities within the United States really teach these individuals the real world, what it's like being out there in the real world, what the real job requirements are. I mean, the colleges and universities are giving them more of a broad knowledge base, but it's not being very particular about what to expect when you actually get out to that first job. And I think the internships do an amazing job in terms of education, educating people versus your day-to-day everyday sitting in a class learning from a book perspective."

– Male, Fairfax Business Executive

"I even think of this to when they're interviewing, how often I interview people that have no passion...I want to see some flame burning in that kid that's sitting in front of me. And at least half of the time they walk out and I think, well, that was a waste of my time and your time."

– Female, Milwaukee Business Executive

"Once you get through all the rest of that stuff and you get, you may have five qualified, but I want the person who has the passion to do the job because that person's going to succeed."

– Male, Milwaukee Business Executive

Assessment Of The Nation's Colleges And Universities

Business leaders have a range of impressions of the nation's colleges and universities. On the positive side, participants use the words essential, broad based, strengthening skills, ethically driven, passionate, outreach, and opportunity to describe higher education. On the other hand, many business leaders also are critical of the nation's colleges and universities, and an overarching criticism is that the current system of higher education is too expensive. Some also recognize that it is becoming difficult for many students to complete their requirements and get the specialization they need in their area of concentration in four years; thus adding to the financial burden. Additionally, some participants feel that today's colleges and

universities give students an education that is too theoretical and disconnected from the real world. Or as one person says, they equate colleges and universities with “delayed reality.”

“Theoretically...I think, you know, they don’t come out with a lot of common sense or what you would need them to do to be productive in your business.”

– Male, Milwaukee Business Executive

“Disconnected...I’ve seen kids come out of school, and my perception is, you know, they’re able to read *The Economist* or they’re able to go on-line and see something or they’re able to, you know, program or build something in a lab, but it doesn’t really have an application to the real world.”

– Male, Fairfax Business Executive

“I just don’t think that most universities prepare them for real life, real, I mean, the education, yes. But actual real work situations, no.”

– Female, Atlanta Business Executive

These business leaders insist that colleges must provide students more experience with real-world applications of their knowledge and exposure to the business world. Internships are strongly recommended as important to achieving this outcome.

“I do believe that colleges are preparing for the skill sets that the students do need, whether it be engineering, marketing. I mean, they learn the book knowledge. It’s all theory. It’s not actual practice. And I do believe we need more practice.”

– Female, Atlanta Business Executive

Essential Outcomes Of A College Education

There is broad consensus among business executives on a core set of essential outcomes that all college students should attain to be prepared to contribute and succeed in today’s workplace. These outcomes that participants deem most important include the following: **strong writing and oral/speaking skills; problem-solving and analytic thinking skills; teamwork skills; critical thinking and reasoning skills; and time-management skills.** Business leaders see each of these outcomes as directly relevant to the success of an employee and by extension the success

of their company. Indeed, these skills play a central role in the day-to-day responsibilities of their employees.

While the discussions suggest that business leaders feel that there is room for colleges to make a more significant contribution in helping college students achieve each of these core outcomes, they give colleges lower marks in some areas than in others. When asked to grade the nation's colleges and universities for the job they are doing in helping students achieve these key outcomes, business leaders feel that higher education institutions are doing a better job in helping students achieve problem-solving and critical thinking skills than they are in helping students gain strong communications, time-management, and teamwork skills.

Top-tier outcomes:

1. Strong writing and oral/speaking skills
2. Improved ability to solve problems and think analytically
3. Teamwork skills and the ability to get along with and work with people different from yourself
4. Independent and critical thinking/reasoning skills
5. Time-management skills

Mid-tier outcomes:

6. Self-discipline
7. A sense of maturity and how to succeed on your own
8. Exposure to the business world
9. Tangible business skills and a specific expertise and knowledge in your field of focus
10. Strong work habits
11. Competency in computer skills and software

Bottom-tier outcomes:

12. Sense of values, principles, and ethics
13. Leadership skills
14. Knowledge of and respect for people of other backgrounds, races, ethnicities, and lifestyles
15. Expanded understanding of science and its relevance to other areas of study
16. Greater commitment to being involved in the community and more engaged and informed about contemporary social and civic issues
17. Expanded knowledge of cultures and societies outside the United States
18. Expanded knowledge of American culture and history

The college learning outcomes that business executives rank as least important are **knowledge of American culture and history, knowledge of cultures and societies outside the United States, and civic engagement**. Most participants do not feel that any of these outcomes are directly relevant to their employees' role and responsibilities, and they also do not think that colleges should be focusing on these outcomes for students generally.

Business leaders believe that students gain **knowledge of American culture and history** in high school, so it is simply not an area that participants deem important for college.

While some business leaders recognize the value in today's economy of college graduates gaining **knowledge of cultures and societies outside the United States**, participants generally feel that this is simply a lower priority than the top-tier outcomes that have more direct relevance to an employee's ability to be a valuable and contributing member of the company.

Participants do not feel that developing students' **civic engagement** should be a high priority for today's colleges and universities because they believe that, as an individual, a student can and should focus on this area. In fact, most business leaders believe that individuals gain a sense of commitment to the community and civic involvement from their parents and upbringing; it is something they either have or do not have when they arrive at college. While participants recognize that colleges can and should provide students the chance to become civically engaged, they do not feel that colleges should focus on ensuring this outcome for all students. They believe that it should be an individual student's decision—based on his or her background and interests—whether to become civically engaged.

Business leaders do not feel that achieving a **sense of values, principles, and ethics** is an important college-learning outcome, and participants express doubt that colleges affect these traits. Indeed, there is a strong sense that individuals' values, principles, and ethics are largely formed before they reach college. Participants do believe that colleges and universities can and should play a role in teaching students "business ethics,"

however. These business leaders seem more comfortable with the idea of colleges teaching business ethics than focusing on the broader area of values, principles, and ethics, and they believe that colleges can play an effective role in addressing this important area of business.

Other key outcomes that are not priorities for these business leaders are **expanded understanding of science and relevance to other areas of study** and **knowledge of and respect for people of other backgrounds, races, ethnicities, and lifestyles**. A background in science is desired when it is related to specific job or technical skills, but there is little priority placed on its relevance to other fields. Most participants feel that students gain knowledge and respect for people of other backgrounds and races both before they enter college and at college, but this is simply not viewed as an important college outcome.

Impressions Of Liberal Education

The opportunity for AAC&U is that most business executives are looking to hire graduates who have received a broad education *and* specific job or technical skills. The challenge facing AAC&U is that these business executives do not equate this educational framework with liberal education.

With the exception of a few participants who say they only really care about the technical skills and abilities of certain types of employees, most business leaders recognize a critical benefit in hiring individuals whose educations and resulting skills and abilities are well rounded.

"Sort of 360 degree type people. That's exactly what we're looking for as well. Sometimes we get very technical people who are able to manage budgets and do the technical work, but their social skills just aren't very good, and they end up offending people and so on. It's difficult to have the whole scope of talents needed."

– Female, Fairfax Business Executive

"But to play on that, there are people who come out with four-year degrees and beyond that who may be great chemists, but they can't balance a checkbook. So they're not a very well-rounded person. I think that's part of the problem, too. And that goes back to what you were saying about you had 360 or somebody who's not polished in one way or the other."

– Male, Fairfax Business Executive

"Everybody 10 years out of college is doing something completely different probably than they went to college for and majored in. I even look back to myself. I got a degree in electrical engineering. Right off the bat I started in software and I moved into sales and then into management, the well-rounded portion of what I got in college is what really served me a lot better than anything I learned in my electrical engineering degree."

– Male, Milwaukee Business Executive

When presented with the following two views of college education, business leaders not only prefer an approach that incorporates both views but also most think that this combined approach is a necessity today.

View A: The most important goal of a college education should be to provide students with a broad, well-rounded education that enriches them and allows them to discover their interests and abilities, in order to help them realize their full potential in life.

View B: The most important goal of a college education should be to provide students with specific career knowledge and skills to help them realize their full potential in the work force.

"For entry level salespeople, I can take a music major, I can take an engineer; we hired a girl who had gone through nursing and decided she didn't want to stay. She was an absolutely great intern. So I actually default back to A in a lot of people I hire now. It may be different if I was hiring software engineers, kind of at the entry level point again and kind of looking for a more distinct verticals expertise from these people. But I'm looking for someone that's kind of got a broad brush."

– Male, Milwaukee Business Executive

"Well, you would think I would pick B because it's predominantly a technical [profession]. But I look for people that take accountability, responsibility, and are good team people over anything else. I can teach the technical."

– Male, Milwaukee Business Executive

"Just as an individual, as a person. I mean, we all want to be this well-rounded, richly educated person when we come out of college. But, you know, from a practical perspective, I think view B is something that you really need to get into the workplace."

– Male, Fairfax Business Executive

"I think view A is more important because it may be harder initially to get into the work force, but it gives you more options and greater flexibility. With view B, you can be very limited. You may go into engineering and decide that you don't really care for it, but now you're so specialized you absolutely have to go back to school to learn a different field."

– Male, Fairfax Business Executive

"When I hire someone, I'm investing that in them. I want them to be able to study, to analyze, to present, to write. And I believe that's the fundamentals of a liberal arts education. I can turn you into a Cobol or Oracle expert."

– Male, Fairfax Business Executive

"I would like to have both because, while you do want somebody to have specific job knowledge, you also want them to be a well-rounded employee. It's too hard to be one dimensional, especially these days. You have to know how to maneuver, so I think both."

– Female, Atlanta Business Executive

While some business leaders recall hearing the term "liberal education," the discussions reveal that participants lack a clear understanding of this philosophy of education. Individuals' perceptions are either quite limited (most participant associate liberal education with the humanities and the arts) or misinformed (some business leaders think that it is a politically left-leaning educational approach). Indeed, to the extent that participants discern some of the key values and principles of the concept of liberal education, they associate it with liberal arts colleges. Thus, many think that liberal education does not include the study of scientific and business-related disciplines. Additionally, many business leaders believe that a liberal education is a less rigorous and less focused approach that does not prepare students well to contribute in today's economy. This is because participants focus primarily on the general education element of a liberal education.

"When I think of liberal education, I think there's the stigma that maybe there's no commitment to one thing. So, you know, the person kind of dabs in this and dabs in that, you think of the usual liberal arts. They're not decided on something. They're not focused on one discipline. They just got enough hours to get a degree."

– Female, Atlanta Business Executive

Business leaders respond favorably to a contemporary definition of liberal education, recognizing its value and importance today. The discussions reveal the importance in clearly explaining the connection between broad exposure to multiple disciplines and in-depth study in at least one field, as this correlation between a major and general education in multiple disciplines is not readily apparent to most participants.

Despite the appeal and recognized importance of a liberal education, business leaders are reluctant to endorse it as the best approach for *all* students. Indeed, most business leaders view liberal and professional education as mutually exclusive educational pathways for students.

**"I don't think [it is for] all, you don't want a cookie-cutter approach, and that's what my concern was. I mean, I don't think [it's for] all."
– Male, Fairfax Business Executive**

**"I don't think that every occupation needs you to understand the foundation of science and math and arts and literature. That's kind of where I fell off. Some do, and some jobs don't."
– Female, Milwaukee Business Executive**

**"There's someone who has a desire to be in a hard science, and they know it, and they've known it for 10 years, I think that part of the liberal education may be a waste of their time. Not to say that it's not valuable when they get older, but from an educational standpoint, you want to be an aerospace engineer, and you've wanted to always be an aerospace engineer. What does some of this have to do with?
– Male, Fairfax Business Executive**