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**Institute for Small Business and Entrepreneurship**

**Response to Fulfilling our Potential: Teaching Excellence, Social Mobility and Student Choice**

The Institute for Small Business and Entrepreneurship (ISBE; Registered Charity No. 1076159) is a professional network for people and organisations involved in small business and entrepreneurship research, policy, education, support and advice. Our principal aim is to put research into policy and practice. ISBE's members are its most valuable resource, offering vast reserves of knowledge and research. Through events and activities ISBE aims to disseminate research to policy makers and business support organisations where it can have genuine impact and inform change, and to share these resources with academics, researchers and educators.

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The following response uses evidence primarily drawn from research undertaken by our members and discussions at Board meetings and ISBE events. ISBE has a particularly strong network of enterprise and entrepreneurship researchers and educators with over 20 research and practitioner papers presented in a dedicated ‘Enterprise Education’ track at our 2015 annual conference. We have been influential in the development of guidance and policy for enterprise and entrepreneurship education with Executive-level input into the 2012 QAA “Enterprise and entrepreneurship education: Guidance for UK higher education providers”[[1]](#footnote-1), the 2014 All Party Parliamentary Group for Microbusiness report on “An Education System Fit for an Entrepreneur”[[2]](#footnote-2), and the 2014 Lord Young report on “Enterprise for All”[[3]](#footnote-3).

Our response below concentrates on two questions where we believe our members have a particular expertise and interest: Questions 10 and 11. A general section with additional points follows after.

We are grateful to our colleagues from Enterprise Educators UK for sharing the results of their member survey on the consultation.

***Question 10: Do you agree with the focus on teaching quality, learning environment, student outcomes, and learning gain?***

*Teaching Quality*

We agree with the criteria provided on p32 para 7 of ‘an appropriate level of contact and stimulation’, however, some of the narrative provided in the consultation gives cause for concern. First, although para 7 states that students should be actively engaged in their learning, the consultation appears to focus primarily on ‘teaching’. We would prefer to stress quality of learning rather than teaching as the latter implies a passive interaction on the side of the student. Secondly, the initial sections state that students’ preference is for increased contact hours, and implies that institutions should aim to fulfil this. It comes as no surprise perhaps that students equate contact hours with teaching quality, particularly where fees are concerned and this perhaps is the most visible proxy for value for money. An emphasis on increased contact hours, however, risks an increase in didactic content-transfer modes of delivery. Educator time and expertise may be better used in designing and developing frameworks for student-led learning where employer-required transferable skills – including the key skill of learning to learn4,[[4]](#footnote-4) – are more effectively developed and where academic content has contextual meaning.

We agree that courses, curriculum design, teaching and assessment should be effective in developing all students’ knowledge and skills. It is not clear from the consultation whether skills in this context are subject-specific or transferable. If transferable, what skills are, or should be considered here? Multiple policy documents state that enterprise and entrepreneurship skills are vital to economic growth – both in terms of supporting graduate business start-up (see APPG report2 for a summary of relevant policy) and as transferable skills required by employers1,3 (see also the EU Key Competencies for Lifelong Learning[[5]](#footnote-5), and research by Professor David Rae, a previous ISBE Vice President[[6]](#footnote-6)). We believe that enterprise and entrepreneurship skills should be explicitly considered within the TEF skills context - as a conduit for teaching transferable worked readiness skills that businesses need, but also to provide a viable and important alternative career option through business start-up as a student, as a recent graduate, or after a period of employment and sector-specific experience. The QAA guidelines for enterprise and entrepreneurship education in HE1 is particularly useful here.

*Learning Environment*

We welcome a focus on the wider context of teaching and associated resources, although require more detail to understand the full implications. One potential concern is how course-dependent the assessment will be. Much learning takes place outside the curriculum where students from different disciplines can learn from each other. Such activity is often organised by educators to support curriculum learning but attendance is optional and not assessed (e.g. the Innovation and Creative Exchange 24 hour challenge described within the HEA good practice guide for enhancing employability through enterprise education[[7]](#footnote-7)).

A national survey conducted by the National Centre for Entrepreneurship in Education found that dedicated support for students and graduates in new venture creation was provided by 92% of the 85 responding HEIs[[8]](#footnote-8) - much of this provision will be course independent and may be delivered through student support units rather than ‘teachers’. Note that student and graduate business start-up support units are fully or part-funded using HEIF funds, the future of which is currently uncertain.

Opportunities for placement in business and sandwich year exploration of self-employment should be important criteria here. We agree that teaching, scholarship and research are mutually beneficial, but would also add in business engagement. Bringing businesses and practitioners into the classroom – physically or through case studies - can enhance student learning; help educators form a dialogue with employers about each other’s needs, constraints, and ambitions; and open up opportunities for student placements and end-user lead impactful research. Student Unions can also make an important contribution to the enterprise and employability agendas.

*Student outcomes and learning gain*

Academic outcomes are obviously a vital part of a University’s mission. Our community of enterprise educators would agree that our role is to develop graduates with employability and self-employability skills as well as subject-specific knowledge. Graduates should be able to apply their learning in existing and new environments. We would welcome more detail in this section and the opportunity to input into further discussions.

***Question 11: Do you agree with the proposed approach to the evidence used to make TEF assessments – common metrics derived from the national databases supported by evidence from the provider?***

Throughout the consultation, reference is made to employability and skills required by employers. No reference is made to self-employability or graduate business or social enterprise start-up with its potential impact on economic growth. We believe this is an important oversight.

In the Introduction and again on p19, mention is made of a DLHE longitudinal report suggesting at least 20% of graduates are not working in high skilled employment three and a half years after graduation. At this time, self-employment was not seen as a positive graduate outcome and data on this employment type is not separated out.

A report for BIS conducted in 2013[[9]](#footnote-9) states that destination of leavers’ surveys – including the DLHE - do not currently differentiate between types of full-time employment such as working for a company, working for an SME, self-employment, or starting a business. This is correct in terms of the statistical tables made publically available, however, data on self-employment are collected and some information is available through HESA press releases and other public sources. For example, in 2010-2011, 5% or respondents reported that they were self-employed or freelance, primarily in associate professional and technical occupations[[10]](#footnote-10). In 2011-2012, 3.1% of respondents (7165 of 232,100) reported that they were self-employed or freelance, and 0.5% (1120 respondents) reported they were starting up their own business[[11]](#footnote-11). 2011-2012 was the first year that respondents were given two separate options for self-employment or preparing for start-up and that these options were considered a positive employment outcome. Institutions have access to their own DLHE data and can request paid-for data in order to explore their self-employment outcomes as well as employment outcomes 6 months after graduation. The lack of information provided on self-employment/business start-up outcomes is of concern as it again suggests that employment is the preferred Government option.

Analysis of the DLHE with respect to self-employment and business start-up was presented at the 2014 ISBE conference and has recently been published as an academic research paper[[12]](#footnote-12). It concluded that DHLE would appear to be the best current source of data for measuring the impact of both enterprise education and start-up support initiatives at an institutional level. There are issues however in that DHLE data is self-reported and it is not known if those reportedly self-employed are registered in any formal way. It relies on graduates being able to interpret definitions of and distinction between self-employment and exploring business start-up. It also only captures destinations after 6 months of graduation and survival rates are unknown.

We would argue that student and graduate new venture creation needs full consideration in the TEF, particularly around the metrics to be used for measurement. As self-employment is likely to result in a low salary in at least the first six months after graduation, a university fully and successfully embracing entrepreneurship may find themselves looking poor in comparison to others who concentrate solely on routes into traditional employment. This could potentially result in universities being cautious in their support for enterprise and entrepreneurship activity.

It is not clear from the consultation whether or not the HMRC data match mentioned is associated with the Future Employment and Earnings Record proposed in Enterprise For All3. The intention for the FEER was that it would “be transformational to the way young people assess which academic institutions and subject areas offer the best educational and career prospects, including opportunities for self-employment, and enable them to make an informed choice ahead of committing to tuition fees.” (p5)3. Self-employment is not, however, mentioned in the Education Evaluation Fact Sheet[[13]](#footnote-13). It is not clear if or how self-employment will be measured, and whether it will address pre-trading development of business opportunities and the early-stage trading phase where income may be low.

We welcome the statement on p 21 paragraph 15 that the Government “does not intend to stifle innovation in the sector”. However, we have concerns that this may be an unintended consequence of the current proposals. Innovation comes with risk and some highly innovative and promising initiatives for quality learning may initially lead to low outcomes on the proxy measures suggested. Examples of contemporary innovative practice include those from ISBE conference papers and those of our practitioner colleagues at the International Entrepreneurship Educators Conference (IEEC). One exciting trend is the use of ‘heutogogy’ where students take more control of their learning than is expected of them using ‘pedagogy’, and even more again than ‘andragogy’[[14]](#footnote-14). Research presented at ISBE 2015 described how innovative teaching practice involving uncertainty and changing requirements (of the task, deadlines, etc.) caused frustration in students at the time, but a follow-up of alumni some years after graduation found this to be their most valuable learning experience and the most relevant to the world of work. Co-creation of the curriculum with students is also gaining currency as a valuable learning and teaching methodology but may not be seen as such by students until sometime after graduation.

Innovative new courses which initially attract low student numbers risk being particularly hard hit by published NSS scores as at least some publically available information sites combine scores over a number of years where data is scarce. NSS scores may considerably improve as student expectations change to recognise the benefits of innovation and non-traditional learning opportunities, but low scores in the first few years can statistically persist.

Although potentially difficult to achieve, we would recommend additional measures around innovation in teaching and learning so that the sector does not remain static and resistant to the change that a constantly evolving economic and employer environment demands.

We note again the emphasis on contact hours and refer you to our response to Question 10 above.

***General Points***

We note that Government in proposing that the OfS would have overall responsibility for Quality Assurance which is currently undertaken by the QAA supported by the HEA. It is not clear whether the QAA and the HEA would exist in the future or what would happen to non-quality functions. Without the foresight of the QAA in recognising the power of enterprise and entrepreneurship beyond subject-specific disciplines, we would not have the influential guidelines for HE1 that have proved useful for many educators. The HEA’s work in celebrating good practice through publications and national teaching fellowship awards have also been a driver for the development of enterprise skills and university-led entrepreneurship support. We hope these roles will continue into the future and are not lost in transition.

As a final point, the BIS 2013 report into the impact of enterprise and entrepreneurship education9 concluded that rigorous academic research is lacking in this area. The volume of research presented at the ISBE annual conference and at the conferences of fellow academic and practitioner organisations suggests that much work is being conducted. There are issues however with moving from conference presentation to the high-ranking journal publications often required for REF inclusion. Part of the problem is uncertainty around the value of educational research in REF units of assessment other that UOA 25 Education. Without explicit confirmation that this type of research is encouraged by the Government – through research council funding calls or a focus on it in TEF or REF documentation for example - subject-specific educational research will not flourish.

We would welcome the opportunity to input further into the development of the TEF.

1. <http://www.qaa.ac.uk/en/Publications/Documents/enterprise-entreprneurship-guidance.pdf> [↑](#footnote-ref-1)
2. <http://www.isbe.org.uk/ISBE-contributes-to-groundbreaking-new-cross-party-report-on-enterprise-education> [↑](#footnote-ref-2)
3. <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/338749/EnterpriseforAll-lowres-200614.pdf> [↑](#footnote-ref-3)
4. R. Dearing (1997) – report hosted at <http://www.leeds.ac.uk/educol/ncihe/> [↑](#footnote-ref-4)
5. <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:c11090> [↑](#footnote-ref-5)
6. D. Rae, (2007) "Connecting enterprise and graduate employability: Challenges to the higher education culture and curriculum?", Education + Training, Vol. 49 Iss: 8/9, pp.605 - 619 [↑](#footnote-ref-6)
7. <https://www.heacademy.ac.uk/sites/default/files/resources/enhancing_employability_through_enterprise_education_good_practice_guide.pdf> [↑](#footnote-ref-7)
8. P. Hannon, and A. Shore (2013), ‘2012 Mapping of Enterprise and Entrepreneurship in Higher Education: 2012 Survey Findings’, Proceedings of the 2013 ISBE National Conference. Cardiff. [↑](#footnote-ref-8)
9. BIS (2013), Enterprise education impact in higher education and further education. Department for Business, Innovation and Skills. [↑](#footnote-ref-9)
10. HESA (2012)., *Press Release 180: Destinations of Leavers from Higher Education Institutions 2010/11*, Higher Education Statistics Agency. [↑](#footnote-ref-10)
11. HESA (2013), *Destinations of full-time first degree graduates: What 2011/12 graduates did next,* Higher Education Statistics Agency. [↑](#footnote-ref-11)
12. K. Smith, (2015) Measuring the impact of enterprise education and entrepreneurship support in higher education: Can routinely collected data be of use? Industry and Higher Education, 29 (6). pp. 493-503. [↑](#footnote-ref-12)
13. <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/417327/bis_15_267_SBEE_Act_Education_Evaluation_Fact_sheet.pdf> [↑](#footnote-ref-13)
14. C. Jones, H. Matlay, K. Penaluna, and A. Penaluna, (2014),"Claiming the future of enterprise education", Education + Training, Vol. 56 Iss 8/9 pp. 764 – 775 [↑](#footnote-ref-14)