

Students' Perception of the Development of Skills and Competences at the Budapest Business School

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The paper presents a study of students' opinions regarding the use of skills and competences while working on real life projects within the framework of the Student-Enterprise Programme run by the Budapest Business School. The purpose of the programme is to allow second- and third-year undergraduate business students to apply and integrate the theoretical knowledge as well as the expertise learnt in the classroom to the real world. The authors also investigate employers' evaluation of the skills and competences demonstrated by the students while working on these consulting projects provided by the Business School's partner organisations.

KEYWORDS:

Higher education.
Enterprise.
Business communication.

The rapid social and economic “upheaval” brought on by the opening up of markets and their globalisation has compelled companies to focus on how they can adapt to these new changes. The changes have affected the conditions of employment on the one hand and the corporate structure on the other. A key element in this process of adaptation is the management of human resources. Human resources are no longer considered to be simply a means of production, but an organic part of management since they play a crucial role in the long term competitiveness of companies. This being so, companies pay special attention to the skills and competences of new recruits and make a point of further developing their existing expertise on the job. What employers seek in new recruits differs considerably from what the expectations were more than a decade ago. Earlier the emphasis was solely on professional knowledge. Though it is important nowadays too, employees should also demonstrate knowledge of languages, be computer literate, efficient, persevering, results oriented, and be able to communicate effectively, work in teams, have integrity, creativity, and be prepared to take on board new developments in their line of work. It is necessary to note that in many cases the final decision is, however, not based on the existence of the formerly mentioned skills, but on the so-called “soft skills” that are difficult to measure (*Bazerman–Neale* [1992], *Belbin* [1997], *Györgyi* [2007]). In sum, when recruiting new employees, companies seek various types of personalities (*Belbin* [1997]) and often find themselves in a quandary when trying to decide which of the candidates would be the right person for the job. Which way the scales tip depends, to a large extent, on whether the candidates 1. are able to present a positive image of themselves, 2. have the skills the employer is looking for, and 3. are able to present these skills in a way that will catch the potential employer’s attention.

For institutions of higher education in Hungary, the formerly described developments pose a considerable challenge. If they want their graduates to succeed in life, they need to tailor their programmes to comply with the demands of employers. At the same time, however, they are bound by the academic standards prescribed by the National Accreditation Board. The need to incorporate skills development into the curriculum is further highlighted by the criticism levelled by employers against higher education, contending it does not equip students with skills and competences that could be put into practice as soon as they start work. This view is borne out by a recent study (*HVG* [2008]), which gives information on all educational programmes in Hungary. The study claims it is still not clear to what extent institutions of higher education take into consideration the requirements of the job market when designing their programmes. It would seem the institutions and the job market operate inde-

pendently of each other. At a time, when colleges/universities are competing fiercely for students, those stand a good chance of actually recruiting them that offer not only professional knowledge but also training in skills and competences. The findings of the study show the majority of graduates are likely to start work in small or medium size enterprises (SME), and will be working on projects their SME tenders for, so it is of considerable importance that they be able to join in the work immediately.

Consequently, institutions, if not on their own accord, may be compelled to pay more attention to the requirements of the job market because once students realise what employers want from them, they will, with all certainty, try to persuade their institutions to follow suit. It is anticipated that students will be in a unique position to experience at first hand what skills and competences they need to have in order to operate efficiently in the world of work, since in the course of their studies they are expected to keep moving to and fro between the institution and the job market. Based on the experiences gained in the job market, students will take a more active part in designing their own study programme to be able to live up to the expectations of the job market (*HVG* [2008]).

In keeping with the formerly described trends, the Budapest Business School (BBS) has introduced a new curriculum design ensuring that students are provided with a solid theoretical foundation parallel to developing the competences they will need not only during the course of their studies but also when entering the world of business (for example business writing, presentation skills, meetings skills, negotiation skills, study skills, business research, assertiveness, stress handling, etc.) (*Boda-Kerekes* [2002]). As a second step, BBS introduced the Student-Enterprise Programme (SEP) four years ago in order to promote the integration of the knowledge learnt in the classroom into the real world.

This study reports on the examination of students' opinions regarding the use of skills and competences in real life projects. We contrast this with the opinion of the company mentors on their perceptions of the extent to which students can use their theoretical knowledge and expertise. This experiment shows the efforts we at BBS have been making to bring institutions of higher education and employers closer to each other. We think our Student-Enterprise Programme does just this since it is based on the close collaboration of the institution and the companies where most of our students find employment after graduation.

1. The Student-Enterprise Programme

The SEP has been running at BBS for four years at undergraduate level. The programme involves groups of students working on projects provided by various com-

panies such as Coca-Cola, PriceWaterhouseCoopers, UPC, Asea Brown Boveri (ABB), Millward Brown Hungary, Palace Cinemas, IBM, etc. While working on these projects, the students learn how to work on their own and in teams. Parallel to experiencing the problems presented by working in teams, they acquire first-hand knowledge of the culture of business. Since many of the companies participating in the project are multinational, students can improve their written and oral communication skills in a foreign language which is English. The projects provided by the companies are real, not doctored or taken out of books. The students act as consultants reporting directly to the client companies and their work is directed by managers acting as company mentors. Four tutors acting as faculty mentors also facilitate their work.

Having worked on the projects throughout the semester, at the end, the students are expected to have developed a good working relationship with their company mentor. The project also helps them gain an insight into an organisation with potential for placement and employment and learn how real organisations are structured and operate. They also acquire the skill to manage themselves successfully in business culture. It is important to give students the opportunity to learn and hone these skills, thereby giving them a competitive advantage following their graduation from BBS.

2. Methodology

The aim of the investigation was to find out, as a first step, what students' perception of the programme was, whether they became familiar with the internal structure and operations of companies and they really found it useful in helping them put the theoretical knowledge gained in the classroom into practice and in developing a range of skills and competences that can later on be useful for them in the world of work. This study reports only the results of the analysis of the responses given to the questionnaire focusing on these points. The examination of whether, as a result of working on these projects, certain abilities are actually developed, would constitute a part of another investigation.

In the semester under investigation, the number of students was 27 because this is an optional subject and the number of students registering may change from semester to semester. Since the sample of students was small, we decided to use a questionnaire which would enable us to get a reasonable amount of information fairly quickly. (See Appendix.) We expected the responses to give us a good overview of students' attitude towards the programme and their opinion about the extent to which they

could use various skills and competences. If, during the analysis of the data, certain points were to arise that needed further study, they could be explored later on by conducting in-depth interviews with the students.

The questionnaire consisted mainly of closed questions and was divided into four sections:

- general information relating to interest in and relevance of the project;
- skills and competences needed to complete the task (they were chosen on the basis of the results of a survey among employers);
- evaluation of own performance during the project;
- comments on any aspects of the programme.

The participants had to evaluate the statements on a scale of five where 1 stood for the lowest value and 5 for the highest. The rest of the points on the scale represented various degrees of the students' positive or negative attitude. When analysing the responses, we looked at the frequency of each value. Since the sample was small, when showing the results of the analysis in a bar chart, the values 5 and 4 were rated as high and the values 3, 2 and 1 as low. This mode of presenting the results of the analysis let us pinpoint the potentially problematic areas which can later be investigated.

The students were given the questionnaires by the programme assistant before the conclusion of the course and were asked to return the filled questionnaires when they came to the programme office to have their mark recorded in their academic lecture book. Since the submission of the questionnaire was linked to an official assessment event, the return rate was high. The questionnaires were anonymous, though students could give their name if they wished to do so.

In order to check how valid and realistic our assumptions are concerning students' ability to apply theory to practice, to get an insight of business culture and to use the knowledge gained to help them succeed in the world of work, three questions were posted on the e-learning web-site used by the participants. The return rate of this questionnaire, which gave us useful information in improving the programme, was also high. Students were also asked to give an overall rating of the programme and to add comments if they wished to do so.

A similar questionnaire consisting of the first two parts of the one administered to the students was given to the company mentors to fill in. Our aim was to get the company mentors' opinion on the students' performance during the time they were working together. It is thought that the comparison of responses would enable us to see how realistically the students assessed their ability to use various skills and competences.

2.1. The participants

Participants included 27 third-year business students who took part in the SEP in Academic Year 2008/09. The students taking part in the programme were on the full-time BSc International Business, BSc Finance and Accounting and BSc Commerce and Marketing Programmes. By the third year, students have studied economics, statistics, finance, accounting, marketing, management, and business law. The SEP is a designated option on all the programmes run by BBS.

The programme is advertised to third-year students because we believe this learning experience will lend more credence to their studies. The students work in teams of five or eight on one of the projects submitted by the companies, and the company mentors assess the performance of the groups.

2.2. The projects

The projects tend to vary from semester to semester, but most of them require the students to do some kind of research either by administering questionnaires, interviewing people, or simply by studying relevant documents. More specifically, the projects for the 2008 autumn semester required the teams to

- conduct research in order to measure brand equity (and its components) of selected accounting firms in Hungary from the perspective of Hungarian students;
- carry out a market research for the Hungarian market regarding a new ABB product related to Energy Management Studies;
- analyse Palace Cinemas customer web usage in respect of market, progress and dynamics. A strategy for Hungary should be recommended in order to maximise usage and increase admissions to cinemas;
- conduct research to measure the effects of the construction of Metro4 on the real estate market (both commercial and residential);
- prepare an overview of the market by examining the market position and main consumer strategies of the key OTC (over the counter) players in Hungary after the pharmacy liberalisation.

3. Results

The first section of the questionnaire was aimed at finding out how interested the students were in the project, how relevant they thought the tasks were, and whether,

in the course of their work, they managed to gain any practical insights (for example, if they were able to apply theory to practice).

The overall majority of the respondents said the project was interesting and highly relevant. However, in the case of practical insight, only a little more than half of the participants (56%) were of the opinion that the project enabled them to apply theory to practice.

Figure 1. Students' perception of interest, task relevance and insight gained (percent)

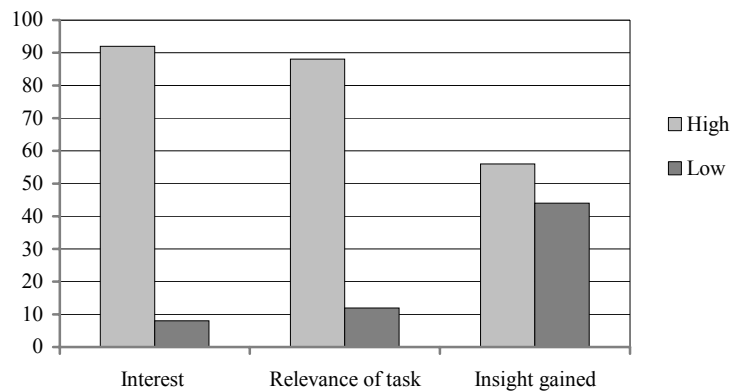
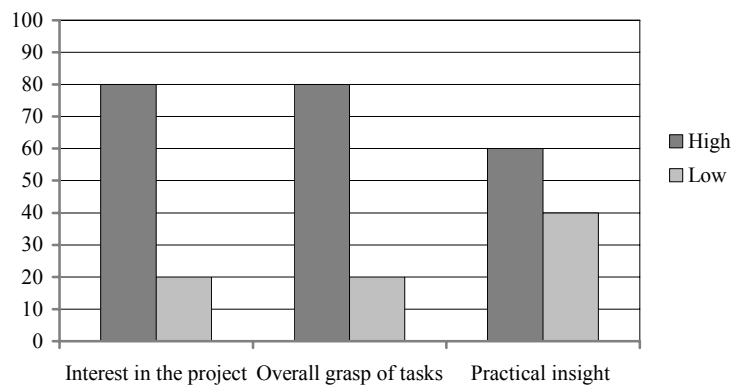


Figure 2. Company mentors' perception of interest, task relevance and insight gained (percent)

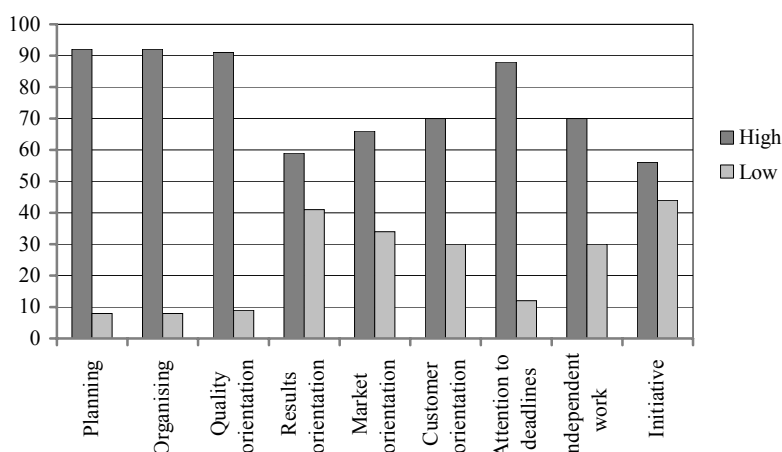


The company mentors' assessment corresponds to that of the students; according to them the students are interested and the task is thought to be relevant to them. As for practical insight, the majority think that students do not demonstrate this skill while working on the project.

The second section of the questionnaire was directed at finding out which of the skills and competences listed were needed in order to complete the task. They were taken from the questionnaire used by the Dutch *Avans Hogeschool's International School* [2003] to evaluate students after having completed their placement.

Figure 3 shows the overall majority of students assessed the projects as requiring them to use planning and organising skills, to be quality oriented and to pay attention to deadlines. However, relatively high percentage of students, 41 and 44 percent respectively, were of the opinion that they were not expected to be results oriented and to use their initiative. Furthermore, a little more than a quarter of students (34 and 30 percent respectively) thought the projects did not require them to be market and customer oriented. Surprisingly, a little more than a quarter of the students said they felt there was little scope to work independently.

Figure 3. Students' perception of the skills and competences needed (percent)



In many respects the company mentors' evaluation corresponded to that of the students.

Similarly to the students, the company mentors saw their team as having and being able to use planning and organising skills. The same applies to quality orientation and keeping deadlines. In the case of results orientation, the company mentors assessed students as being focussed and striving for a final solution, whereas students think this is not the case. The majority of company mentors assessed students as being customer oriented, though there were some (20%) who said students would need to pay more attention to customer needs. They were divided in their assessment of the students' marketing orientation, ability to work independently and to use their

initiative in solving the problem. A relatively high number (nearly 40 percent) said they did not observe students demonstrating these skills.

Figure 4. Company mentors' perception of the skills and competences needed (percent)

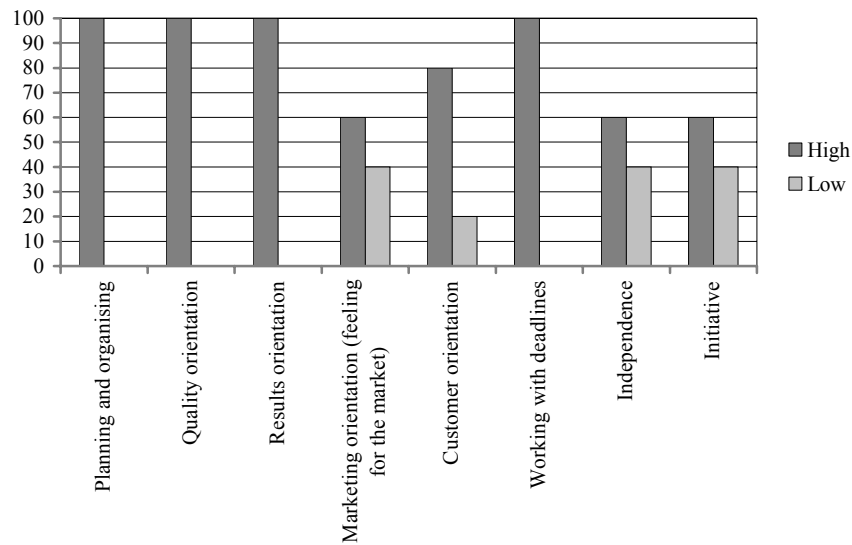
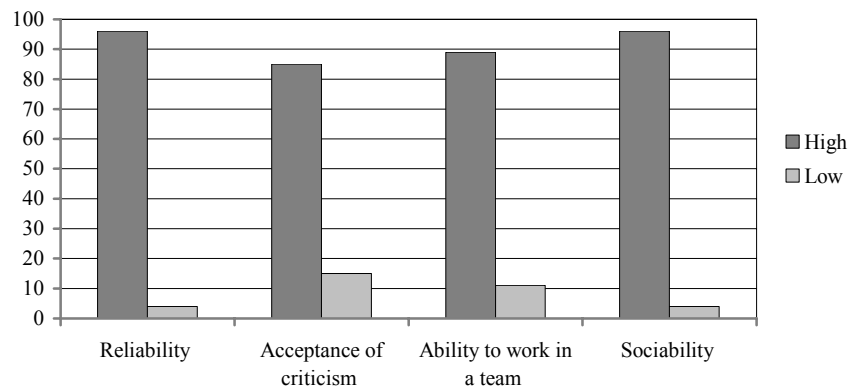


Figure 5. Students' perception of their personal performance (percent)



The third section asked participants to evaluate their personal performance in terms of reliability, sociability, ability to accept criticism and work in teams. The majority of students said they were reliable throughout the project, were good at accept-

ing criticism both from the client and from group members, got on well both with the client and with their fellows, and did not find it difficult to work in teams.

As regards their language skills, the majority said they had no problems with either written or spoken English, though a little below a quarter of the students admitted to having problems with producing a piece of written work in English.

Figure 6. Students' perception of their language skills (percent)

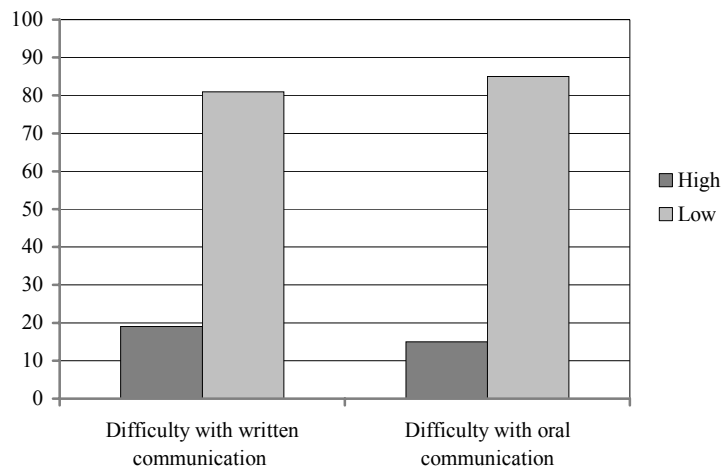
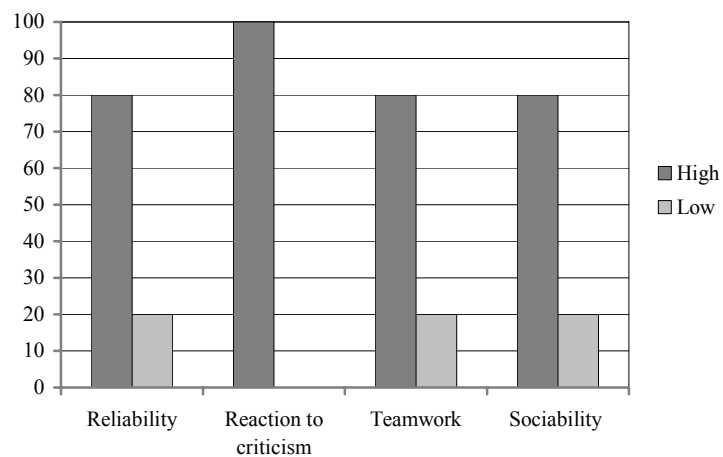


Figure 7. Company mentors' perception of students' performance (percent)



Looking at the company mentors' evaluation of the students' performance, we can see that the company mentors were unanimous in saying that the students reacted to criticism well.

This is not quite the case as regards reliability, teamwork and sociability. In these instances, nearly a quarter of the company mentors stated that in some situations students should be more reliable, should work better in teams and be more sociable.

As regards language skills, company mentors said they detected no problems either with the students' written work, or with their oral performance.

In response to the questions on applying theoretical knowledge in practice while working on the project, learning about the real culture of a business organisation and using this knowledge to succeed in the world of business, the majority of the students (85%) said they could apply the theoretical knowledge learnt in the classroom when working on the project.

As regards learning about the culture of a business organisation, participants (67%) who said that the project did not help them in this respect outnumbered the ones who were of the opinion that it did. The responses to the question on increasing one's confidence in succeeding in the real culture of business also showed that the majority of students, albeit a small majority (55%), think that working on the project will not help them succeed in business life.

Many of the educatees also commented on the programme. However, some of them were divided on how many tutorials would be necessary during the semester. On the whole, more students said they would like to have tutorials at regular intervals. The participants were also divided on how much explanation was necessary for them to understand what the client wanted them to do. (These comments indicate that they had problems with understanding what the objective of the project was.) They were satisfied with the background materials given, though some of them said more materials would have been welcome. As regards team work, the educatees said it was more difficult to work in team than they imagined. They especially commented on how challenging it was for them to get the whole group together for a meeting. This really needed planning and organising skill on their part. All in all, the majority of students (89%) liked the programme. They said they learnt many things about themselves and about working with other people.

4. Discussion of the data and conclusions

The participants' responses, to a certain extent, bear out our views that the Student-Enterprise Programme is interesting, relevant and requires students to draw on a

wide range of skills and competences. Contrary to expectations, it does not really provide them the opportunity to put theory into practice, nor does it give them an insight into the culture of a company, or help them too much in learning how to succeed in the real culture of a business. Nevertheless, a case can be made for the need to include such programmes in the curriculum of business students.

First of all, there is a requisite for students to work on real-life projects, since in the classroom it is impossible to give them the experience they can acquire when working on projects for a company together with an employee of the particular business. The advantage of working on real-life projects is that in the process the participants do manage to gain some practical insight if the project is well chosen and the client is ready to take the students seriously and involve them, not only in the data collection process, but also in the decision making. If the task is merely to collect data without doing any analysis, drawing conclusions and making recommendations, there will be very little practical insight gained and, quite justly, participants may think that the result was not worth the effort.

Another reason why we should persist with such a programme is because it is rather difficult to reproduce real-life projects in the classroom since the case studies or projects taken from literature are usually doctored to present a given problem situation. Since these problems are, to a certain extent, artificial, the decisions made will not affect the lives of participants (*Luoma [2004]*), so quite often, due to lack of interest or insufficient preparation, students opt for totally unrealistic solutions. They do not appreciate the seriousness of the consequences of irresponsible decisions. Indeed, what they are actually doing is trying to emulate the decisions they think people in the given situation would make, however, this may have very little to do with the decisions made in real life. In other words, the participants are playing out beliefs about roles they have never actually played in real life, thus it must realistically be expected that there may be discrepancies between working in the classroom and working for a company (*Kasper-Dahl [1991]*). So if the development of practical insight is our focus, in school we could get students to work on problems and projects taken from a context they know well, such as their life at the Business School. The decisions they make when working on such a project could affect their lives, since the recommendations, resulting from these decisions could be taken on board by the institution's management. By involving students in, for instance, improving the learning support services provided, or organising extra-curricular activities and other events, will make them feel committed to the project since it is undertaken for their benefit. Thus, it can be expected they will show more interest and initiative in finding the most acceptable solution. This would give them hands-on experience in decision-making and a chance to gain practical insight into how problematic issues within the institution can be resolved.

Projects embedded in contexts more familiar to the students would also help them get an idea of what market and customer orientation mean in real life. They would not

have to try and imagine how people in a given situation would act and the kinds of decisions they would make, since in the Business School context the students themselves are the customers in the market place where the services of educational institutions are sold. They know what they want and can well imagine how they would best like to get it. In this manner, it would be possible to convey to them how important it is to have a feeling for the market and know as precisely as possible what the customer wants. This cannot be learnt from books; one has to learn through experience, combining the knowledge of facts with a considerable amount of empathy.

With regard to how much independent work the projects require, the participants said they thought solving the problem did not demand too much independent work. The reason for some students thinking this could be that the project was not challenging enough or that the company mentor was too dominant and did not give them a wide berth. What we can see at work here is the consequence of the traditional attitude to learning, that is to say the teacher or the company mentor is solely responsible for learning and the participants are acting merely as passive recipients of the knowledge disseminated by the teacher. Unfortunately, it is still the case today that many students are satisfied with this role, since they are not concerned with learning for the sake of knowledge, only for grades and to pass examinations. This attitude is the straightforward consequence of the tutors' role in the teaching-learning process, namely, that she/he is the one who determines the students' objectives mostly on the basis of a prescribed syllabus, she/he selects the materials thought to be relevant to the students' needs and interests, decides on the classroom procedures, allocates the time to be spent on each topic or language item and finally, evaluates and assesses the students' progress and decides on the remedial work, if necessary. Thus, there is no call for the educatees to work independently and to use their initiative since knowledge is handed to them on a plate. The teacher's intentions may be well-meaning, but the end product is that although instructors seem to devote a considerable amount of time and energy to make learning successful, these efforts are not always reflected by the results, consequently, many teachers complain of passive, disinterested, as well as uncooperative students. As is the case, such students benefit very little from the learning experience inside the classroom. However, if instructors recognise that "learning is something which can only be done by a learner, not something which can be done to or for ... [him]" (Riley [1982] p. 61.), then this would bring about a change in their attitude to the teaching-learning process.

Although the majority of the students understood what was required of them, there were some who thought that the explanations were too detailed and this served to confuse them. This indicates the need to hold tutorials at regular intervals so that the participants can freely discuss what it is they do not understand. At these tutorials they could discuss issues concerning the theory underpinning the problem they are

working on. They may be more ready to show their incomprehension to their tutors than to the company mentor on whom they would like to make a good impression, since at the end of the project they may be offered a placement position or a job at the company. Additionally, the tutors may be better equipped to explain problematic issues to the students than a busy company mentor.

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The results of the investigation helped us to pinpoint certain problematic areas in the development of the competencies of students studying for a business degree. A further analysis of these areas can give ideas as to what could be focussed on in the classroom by way of preparation before a placement takes place, and also highlights what company mentors could be doing to maximise usefulness of work placements not only for the participants, but also for the company.

A point in favour of the Student-Enterprise Programme becoming an integral part of the curriculum of business students is that by working for a company under the guidance of a company mentor and being accountable to this person, participants are forced to take the work seriously, to strive to produce results and quality work, since it may happen that their future employment is at stake here. For this to be so, it needs to be emphasised to the company mentor how essential it is to treat the students as they would real employees because only then they will be compelled to take working on the project seriously.

Appendix

STUDENT ASSESSMENT FORM

We would like to get your feedback on how useful you found the Student-Enterprise Programme in developing your competences. The results of the survey and any additional comments you may make will be used to improve the programme. The information given will be handled confidentially, but it is up to you to decide whether or not you give your name.

Thank you for taking the time to fill in the assessment form.

Dr. Katalin Kollath
Course Tutor

Student name: _____ Company name: _____

	1 (low)	2	3	4	5 (high)
Interest in the project					
Overall relevance of task					
Practical insight gained					
The completion of the task required					
planning					
organising					
quality orientation					
results orientation					
market orientation (feeling for the market)					
customer orientation					
particular attention to deadlines					
independent work					
initiative					
Evaluation of personal performance					
My reliability throughout the project					
My acceptance of criticism throughout the project					
Ability to work in a team					
My sociability (relations with the management and fellow students) throughout the project					
Difficulty with written communication					
Difficulty with oral communication					

Overall assessment of the extent to which the project facilitated the acquisition of competences:

1	2	3	4	5

Additional comments – Here we would like you to comment on

- the frequency of tutorials (that is would you like more tutorials at regular intervals);
- the need to get more skills focussed training while working on the project;
- the need to be given more materials which explain the theoretical background of the projects;
- the need to be given more materials giving advice on the application of various skills;
- the extent to which you learnt about the culture of real businesses;

– the extent to which your confidence about succeeding in the real culture of business has increased.

(If you feel you can express yourself better in Hungarian, please feel free to write the additional comments in that language):

Signature: _____

Date : _____

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