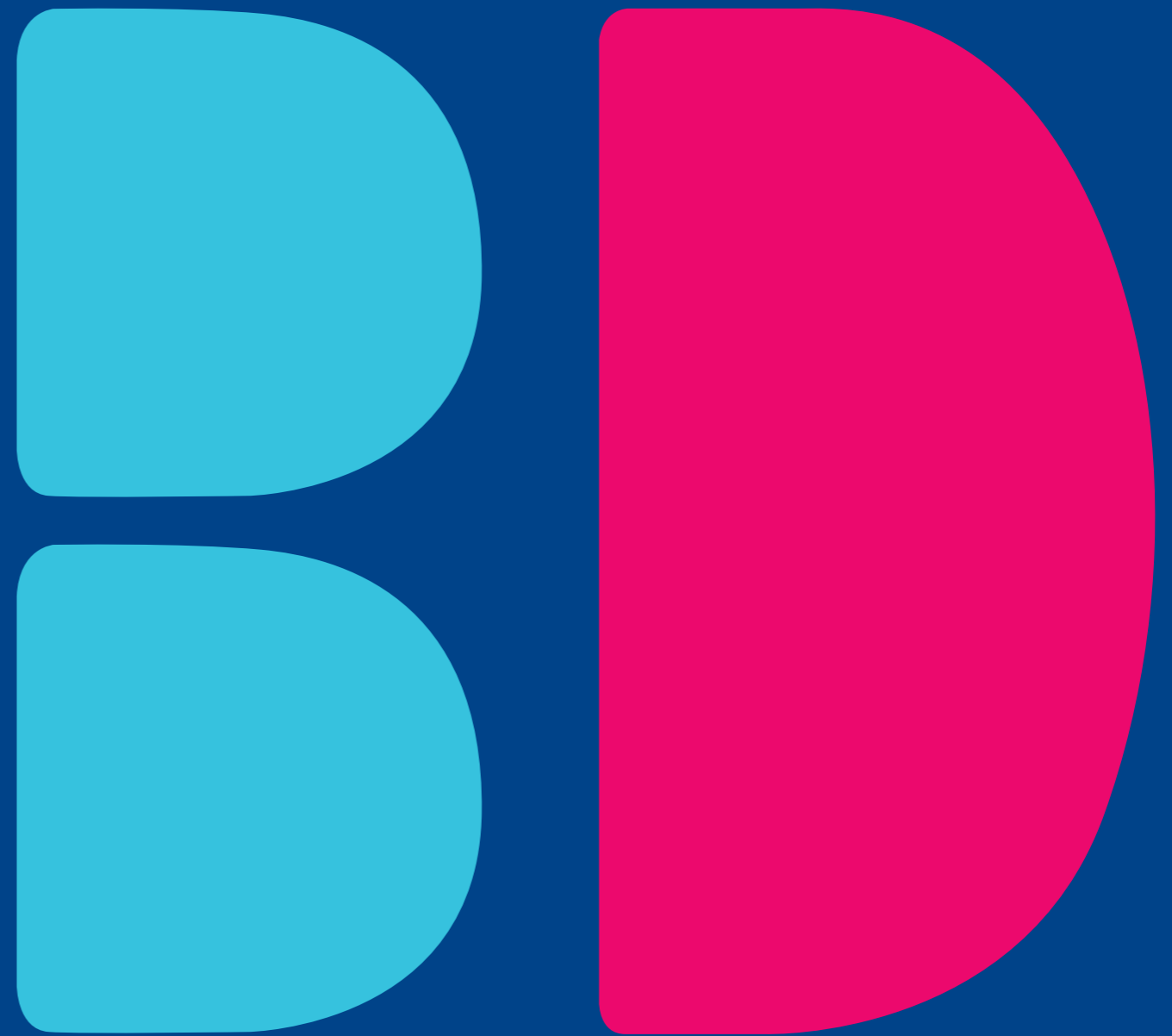




**NOP World**

United Business Media

businessdynamics is grateful to NOP World for carrying out this research on their behalf.



# Student Attitudes to Business

*Bringing business to life for students*

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by NOP World



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## Summary

- Two thirds of students (66%) believe that their knowledge of business and industry is pretty vague.
- Enterprise and self-employment are becoming increasingly more attractive amongst young people. The number of students who eventually want to run their own business has risen from 35% in 2000 to 43% in 2003.
- Half (50%) of the students surveyed would prefer to work in a small company than a large one. About two thirds (67%) feel small companies offer more opportunities to be creative and believe they would be more highly valued in a small enterprise.
- Almost a third (30%) of 14-19 year olds surveyed have not received any careers guidance from their school or college. Those students who have received careers guidance tend to be satisfied with it but say that it is more of a careers information service than guidance.
- For many students (42%) the world of work seems scary and they perceive that a decent job will be difficult to acquire.
- Potential future careers are being formulated at an early age and almost seven in ten students (68%) have a clear idea about their future careers.
- Almost half (47%) of the students surveyed are not attracted to a career in business. Exposure to business, either through work experience or through a business-education programme, does have a positive impact on attitudes. 39% of students who had experienced a businessdynamics event agreed to some extent that the session inspired them to pursue a career in business.

- 80% of young people have access to the Internet at home, compared with just 43% in 2000. The Internet is now a valuable tool to support education and study with almost two thirds (63%) of those who have access at home using it at least twice a week to help with schoolwork.
- Students are seeking flexibility, identity and a sense that their talents will be used when they consider potential future careers and the types of companies that they would like to work for.
- Management, media, IT, advertising and travel and tourism are the top five careers students are attracted to.

This quantitative and qualitative study was undertaken by NOP World in October 2003 on behalf of businessdynamics. The results were achieved through 400 CATI (computer assisted telephone interviews) and 100 pen and paper interviews conducted face to face in nine schools, along with a series of eight focus groups. The sample for the focus groups included 14 to 19 year olds from England, Scotland and Wales who were in full time education but not yet at university. Students from both state funded and fee paying institutions were included in the sample.

## Views of business and work

businessdynamics wanted to appreciate how young people viewed the world of work, whether they were attracted to a career in business and what influenced this.

### Key Findings

- Two thirds of students (66%) believe that their knowledge of business and industry is pretty vague.
- Many students (42%) believe the world of work sounds scary. 50% of females admitted to thinking this, compared to 33% of males.
- Four students in ten (40%) are, to some extent, attracted to a career in business.
- Students tend to view business, industry and commerce in a rather confused and stereotypical way, and are very influenced by the media.

Whilst two thirds of students feel that their knowledge of business and industry is fairly vague, students with some form of experience of work - whether it is school work experience, paid or unpaid work - have more confidence in and understanding of the world of work. Similarly if a young person has had some form of experience of a business-education initiative, this positively impacts on their perceptions of business.

For example, students who have experienced a businessdynamics event found that the experience was enjoyable (88% agreed) and opened their eyes to a wider range of careers (72% agreed).

This research has found that young people tend to base some of their impressions about business and industry on stereotypes. These impressions were often formed from the media, in particular film and television. These stereotypes failed to convey an accurate and complete picture of the realities of modern business.

Students are not that clear on the distinctions between business, industry and commerce and tend once again to place out of date (1980's) stereotypical labels against them. Frequent words used when describing them included:

#### Business

"Offices" "Paperwork" "Filofax" "Nine to five" "Stressed" "Briefcases"

#### Industry

"Factories" "Production" "Mines" "Scruffy" "Long hours"

#### Commerce

"Finance" "Checking e-mails" "Conferences" "e-commerce" "Geeky" "Drinking lots of coffee and smoking a lot"

## Careers Guidance

businessdynamics sought to find out how many young people received careers guidance, how satisfied they were with the advice given and where they went for further careers information.

### Key Findings

- Almost a third (30%) of 14-19 year olds surveyed had received no careers guidance from their school or college.
- Satisfaction with careers guidance is high. 87% of those who had received careers guidance were either satisfied or very satisfied with the advice and help they were given.

Students rightly made a distinction between careers information and guidance. Those students who have received careers guidance generally express good levels of satisfaction (22% said they were very satisfied and 65% satisfied) indicating the value and importance of it. The main criticism related to the time and timing of the interview with the careers advisor. Students generally wanted more time with the advisor and for the session to be held outside of school hours.

The main source of careers information outside of careers advisors was the Internet, which has seen an explosion in both use and availability since the last survey. In 2000 just 43% of students had Internet access at home. This has risen to 80%, with 63% of students using it at least twice a week to help with schoolwork.

Frequent comments made by the young people surveyed include:

*"It's easy to get information but not guidance."*

*"Connexions tell you what job you can get, careers guidance tell you what your options are"*

*"The Internet makes it much easier to find things out about careers"*

There is a definite correlation between the students who have received careers guidance and the ones who consider they have a fairly clear idea about their future careers. It seems that once stimulated by the careers interview these students are much more likely to undertake further research on their own, to get additional information and to fully understand what a particular career entails.

The absence of any careers guidance for almost a third of those surveyed is concerning, given that this research has demonstrated that young people are formulating potential career paths at an early age and that false preconceptions of certain businesses and the world of work are being sustained. Even at A and AS levels, a fifth (21%) of those interviewed have received no guidance and so are potentially making career decisions without being aware of the full range of choices available.

## Future Careers

businessdynamics wanted to understand when and how young people formulate their ideas about future careers and the types of careers that they are attracted to.

### Key Findings

- 68% of students surveyed felt they had a pretty clear idea about their future career.
- Management, media, IT, advertising and travel and tourism are the top five careers students are attracted to.
- 48% of students believe that securing a decent job will be difficult. Considerably more males (53%) than females (43%) thought this to be the case.

Students are formulating their ideas for future careers at an early age. The number of students who have a clear idea of their future career path has increased from 61% in 2000 to 68% in 2003.

Working in management, the media, IT, advertising and travel and tourism were the five most popular careers. Whilst there has not been any significant change in the types of careers that are appealing since the last survey, the level of popularity of some of these careers has risen markedly. For example, working in the media was the most popular in 2000 with 28% of students saying that it appealed. In 2003 this rose to 57%. Similarly, in 2000, advertising had 20% of young people claiming it appealed and travel 23%; these have increased to 45% and 41% respectively.

22% of those surveyed considered that most careers sounded boring. Those that had received careers guidance generally had a more positive attitude towards careers. In the same vein, those that had some direct experience of work were both more informed and more optimistic.

The appeal of different careers varies according to the student's gender, whether they attend a state or fee-paying school and the region of the country they are based. Considerably more females than males are attracted to careers in teaching (50% of females to 23% of males) and tourism (47% to 35% respectively). Significantly more males are positive towards careers in engineering (47% to 7% of females) and IT (58% to 37% of females).

Whilst students consider that securing the job they want will be difficult, this did not weaken their ambitions and they seemed prepared to work hard to achieve their goals. Whilst they are ambitious in their career goals, these aspirations extend beyond financial reward and they are also seeking a sense of purpose, the chance to learn more, to have flexibility and achieve a work-life balance.

Career goals that were expressed included:

*"Lots of skills gained, learn new things all the time and get to discover new things that you never discovered before."*

*"That is always what I wanted to be, right from a kid. If you can dream it, you can become it."*

*"Working with young children, you know you're making a difference."*

*"It (law) is always changing. It stretches your mind."*

## Enterprise

businessdynamics programmes are designed to support the government's drive to create a more entrepreneurial Britain. businessdynamics therefore wanted to understand whether young people see self-employment as an option and whether they understand what is really involved.

### Key Findings

- 43% of students felt that eventually they would like to run their own business.

Students are attracted to the idea of running their own enterprise and this is a trend that is increasing. The number of students who expressed a desire to eventually run their own business has risen from 35% in 2000 to 43%.

Almost twice as many male students to females (24% to 13%) expressed strongly an ambition to eventually run their own business.

More than half (53%) of students in fee-paying schools also felt that they would eventually like to run their own business compared with only 42% in the state sector.

50% of students in the North and Yorkshire said that eventually they would like to run their own business. This was the highest percentage of all the regions. The East of England has the lowest percentage of students interested in setting up their own businesses with only 19% of students expressing an interest.

Whilst students recognise some of the drawbacks involved such as the risks, the related stress and the difficulty in raising necessary start-up funding, they are not discouraged. Greater freedom in decision-making, flexibility and an entrepreneurial environment in which to work seem to outweigh the disadvantages.

That so many young people want to start up their own business is vital for a sustainable economic future.

In many ways they are particularly well suited to the challenges involved in starting a business. They have energy, and as they often don't have a family to support, and with less to lose, they are prepared to take more risks. Moreover, unlike previous generations, today's young people have no expectations of a 'job for life'.

Every week in Britain young people start about 550 businesses\*.

Small or medium-sized enterprises are an essential element in the modern British economy. Britain's 3.7 million SMEs produce 40% of our GDP and have a turnover of more than one trillion pounds. They employ 12 million people, accounting for around 55% of the private sector workforce and three times as many as the FTSE 500 companies\*\*.

It is, therefore, essential that we continue to encourage young people to see self-employment as an exciting and realistic option and give them the skills and the knowledge to help them succeed.

\* Barclays Young Entrepreneurs - Tomorrow's Business Leaders Dec 2001

\*\* Financing the Enterprise Society. Foresight report from the DTI. May 2000.

## Small and large businesses

businessdynamics wanted to ascertain whether there was a difference in how students perceived large companies and small businesses and whether they had a preference to working in one or the other.

### Key Findings

- Two thirds (67%) of young people think large companies are less creative than small businesses and that smaller enterprises will provide better outlets for their ingenuity and talents. Large companies might well be as creative as small ones but it may be that the more senior people are seen to keep the more interesting work for themselves.
- Young people are more attracted to working in a small business with almost two thirds (64%) believing they would be more highly valued by a small company and a half preferring to work in a small company than a large one.

The main advantages students identified to working in a large company were the potential financial rewards and prospects that it could offer. However, these did not compensate for what students perceived was a lack of opportunity to be creative and a failure to have their talents used. Students seem to be seeking recognition beyond financial earnings with a desire for job satisfaction, respect and opportunity to make an impact.

The culture of the company also seems to be important, with small companies seen to be friendly, flexible, hands-on and where work that is done is valued. The large company was seen to be anonymous, lacking in personality and less likely to value employees or their work.

The following sentiments were frequently expressed:

*"Small companies have personality, large companies are only interested in statistics."*

*"The bigger the company, the less valuable you are. You don't get any recognition unless you're in management."*

*"Small companies give more satisfaction as they're more hands-on."*

*"You might understand business better in a large company, you might learn about the industry and how it works."*

Students also felt that large companies would be more stressful environments to work in, perhaps attributing the perceived lack of being able to be creative as a cause of frustration and stress.

## Variations between state and fee paying schools

Significantly more students in state funded institutions were studying computer science/studies (25% to 13% in fee-paying schools) but more students in fee-paying schools had access to the Internet at home (89% compared to 79%).

Students in state schools had a clearer idea of what they wanted to do for a future career. Careers in finance/the City were more popular in fee-paying schools as was the prospect of working in the Government/Civil Service. More students in fee-paying schools also felt that they would eventually like to run their own business.

## Regional variations\*

On the whole, the results were reasonably even across different regions but there were some variations.

Management as a potential future career had most appeal to students in the Midlands (72%), whilst the option of teaching found most favour in Wales (55%), Law and Medicine in Scotland (43%) and IT, Marketing & Advertising in London.

Significantly more students in **Scotland** felt that it would be difficult to get a decent job with 60% expressing this view against a Great Britain average of 48%. Three quarters (75%) of Scottish students considered that their knowledge of business was pretty vague against 66% in Great Britain and only 22% were attracted to a career in business, compared to the Great Britain average of 40%. Despite this, students in Scotland do not hold the same level of fear of the world of work that their counterparts do in other parts of Great Britain. Only around a fifth (19%) felt that the world of work sounded scary against an average of 42% who held this view in Great Britain overall.

Most careers sound boring was the opinion of a third (33%) of students in **Wales**, considerably higher than the 22% in Great Britain that expressed the same view. A half of Welsh young people interviewed considered the world of work to sound scary. 59% of young people in Wales are not attracted to a career in business compared with the average in Great Britain of 47%.

In **The East of England** considerably more students felt that it would be easy to get a decent job (44% against an average of 34% in Great Britain). Fewer students in this region felt they would eventually go on to run their own business with only 19% expressing this ambition against a Great Britain average of 43%.

It was in **Yorkshire** that the most students felt they would like to work in a small company rather than a large one and Yorkshire and the **North** where most students felt that they would eventually like to run their own business.

In **London**, 80% of students say that they have a pretty clear idea about their future careers (68% average in Great Britain) and 54% are attracted to a career in business (40% average in Great Britain).

\* The sample sizes from each of the regions are less than 100 and should be treated with caution.

## Conclusions and recommendations

Students are formulating the directions for their future career paths at an early age and trends show that this is developing. It is therefore critical that students are exposed to a range of career options, receive timely and accurate information about the choices available to them and have the capacity to get further information.

Often important career decisions are being made and career options being formulated without proper guidance. This research has shown that almost a third of the 14-19 year olds surveyed have had no careers guidance and there is a divide emerging between the 'career informed' who are acting on and getting further information based on the guidance that they have received and the 'career uninformed' who have received no careers guidance and are relying on views formed mainly by the media.

With so many students now using the Internet as a source of information, there is the opportunity for more on-line and interactive careers information. However, this must be created with the aim of supplementing and not taking the place of timely and face-to-face contact with a careers advisor.

Students are generally under no illusions that securing a decent job will be difficult and they view the world of work with some trepidation. Yet they are still ambitious and prepared to work hard for the fulfilment of their dream careers. They want these careers to utilise their full potential, provide new learning opportunities and give them a sense of value.

Young people recognise that they have only a limited understanding of business and this seems the result of limited interaction with business and industry in their school and college life. Companies need to engage more with their future workforce and provide more opportunities for students to appreciate how they work so as to change some of the false perceptions that are held.

These perceptions are crucial because they inform career decisions and these decisions, critical and life-directing ones, are being formed often at a young age. If, for example, large companies do not pay heed to the poor image that students have of them and do not take steps to make their cultures more appealing, they could fail to attract the necessary talent, particularly creative talent, which they will need in the future.

A much more enterprising workforce is emerging with an increasing number of young people keen to run their own business and searching for entrepreneurial environments to work in. Many are prepared, or at least say they are prepared, to forsake some of the prospects and financial rewards offered by large companies and work instead in a small business if this provides them with an outlet for their creativity, makes use of their talents and allows them to make a personal and valued contribution.

There is an opportunity here for small businesses to engage with these highly-motivated young people who do not seem shy of hard-work or the stresses of work (something they view almost as an inevitable part of working life) and who seem to be more disposed towards the culture, values and ethos of a small organisation.

Providing students with the skills, competencies and attitudes required for enterprise and self-employment will be a challenge for education and more consideration needs to be given as to whether students are acquiring the right combination of knowledge and know-how. Enterprise will be important for the future of the UK, not just in terms of venture creation, but also in relation to the competitiveness, efficiency and efficacy of the country.

There is much work to be done.