

FINANCIAL REVIEW

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PwC tells universities to adapt or perish



Students have very different expectations of universities compared to previous generations. NYT



by [Tim Dodd](#)

There are clear signs that digital disruption is transforming universities and leaving behind those that can't adapt fast enough. Not surprisingly this seems to be more apparent to students, who come from the generation of digital natives, than to many university academics and administrators.

Last week the Australian Higher Education Industrial Association, the registered employer organisation for higher education providers, published a report it commissioned from PwC titled [Australian Higher Education Workforce of the Future](#).

It explores what the employment model for universities is likely to be 10 or 20 years hence, when the full impact of digital disruption, as well as other change-makers like fee deregulation and increased competition, will have hit.

As the report points out, fee deregulation and greater competition means students already have high expectations of their course, and that these expectations are growing. Students are being very clear that their course must lead to the job they want, equipping them with the necessary skills.

If their expectations are not met they will hold the university responsible. The report says students, asked what they would like to ask their vice-chancellor, say things like: "If I don't get a graduate job in my field when I graduate, what will you do?" and "How will you secure my future?"

These expectations could be dismissed as a manifestation of the millennial generation's unrealistic sense of entitlement.

DISCONNECT

But look at it another way. This is a generation that is expected to shoulder a much higher portion of the cost of their higher education than earlier generations. And if they want to make universities accountable for the quality and the usefulness of their courses, they have every right to.

Alarmingly for universities, students show signs of not being impressed by what they are getting. "Australian students today are only moderately satisfied with their learning experience, expecting a more customer-focused and convenient offering," the report says.

In workshops conducted with students, PwC heard that students felt "there was disconnect between what is taught at university and what is immediately useful in a work context".

There are also signs that employers see less value in a university education than they used to. In workshops with employers the PwC researchers learnt that firms expect to spend more on training their staff in the next 10-20 years, "no longer placing emphasis on new hires obtaining university education".

This has already happened with some high-profile employers. In the UK, consulting firm [EY](#) has decided that poor academic performance, or lack of a degree, will not be a barrier to recruitment.

NEW STRATEGIES

How can universities adapt? They need to help students develop the soft skills that employers value – such as communication, teamwork and time management – as well as hard skills.

They also need to be able to meet students' changed expectations of how they are educated. As the report points out, students expect 24/7 access to education, and a sophisticated online presence.

They also expect more from their university than they can learn themselves online – "teaching the things that Google cannot readily answer" as the report puts it.

What does this mean for the academic workforce? The advent of online courses is rapidly changing what academics do. Lectures are being replaced by online courses. This means it's more important for academics to be able to help lead students in discussion and practical application to deepen their knowledge, rather than traditional lecturing. It means they need to be expert facilitators.

Universities will need to value their good teachers more. Many have started down this track, saying that teaching skills will be as important as research success in deciding promotion. But university culture is still skewed in favour of research.

Universities will also need to get closer to industry, breaking down the barriers between industry professionals and academics so they can move freely between universities and business. In future PhDs may not be necessary in some areas of academia, the report says.

Will universities be able to adjust? If they don't they may find that many employers, and many people in the workforce, decide they don't need them.

Online article: http://www.afr.com/leadership/careers/pwc-tells-universities-to-adapt-or-perish-20160204-gmm2ek?login_token=mT_MHdCzWguunxylenDpPKB6gls8suPEb4AHgKmRj6ojJhV9Y9dVD6FIRzI2CuzVJKKGHxzXZPJIA4WfgyzDvw&member_token=dZ4_wh5zDrNyFf2B6AvdNKzIJJ-2EbPssiVt4vnRejKH9znc6li-SUrPq6sWWBrVwyxypbVANvHIKFMiHrP6A&expiry=1487397991&subscription_receipt_number=SUB-S00568898