



Centre for  
Economic  
Recovery

A background image showing a hand holding a lit lightbulb, with the lightbulb glowing and casting a warm light. The hand is positioned in the lower right, and the lightbulb is in the center. The background is a solid dark blue.

# ENTREPRENEURSHIP EDUCATION IN CREATIVE INDUSTRIES IN UKRAINE

**Analytical Report**

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*(photo by Diego PH on Unsplash)*

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## EXECUTIVE SUMMARY

The analysis conducted by Project Team, including survey and interviews with stakeholders revealed an insufficient level of teaching entrepreneurship skills in creative industries despite the importance of business competences in this field. First of all, it is relevant for formal higher educational institutions which do not cover topics such as attraction of investments and interaction with business support programs. Formal education in creative industries often does not correspond to market needs and is complemented by informal courses and programs.

**Representatives of creative industries expect from universities active cooperation with employers:** more teachers with practical experiences, participation in international programs, introduction of practical cases and topics in educational programs. From creative businesses respondents expect providing practice opportunities for students, participation in lectures and seminars in educational institutions and career guidance. Only one third of respondents believe in the efficiency of indirect activities, such as development of professional standards or advocacy of changes in the educational system through professional associations.

**Teaching of entrepreneurial skills in creative industries is a cross-cutting issue related to various institutions, levels of management and regulatory acts, which complicates the formation and implementation of relevant policies.** For example, the Ministry of Education and Science is responsible for formal education and has all the powers and mechanisms for it, but does not distinguish the specifics of creative specialties in its policies. Instead, the Ministry of Culture and Information Policy of Ukraine, which has a mandate for the development of creative industries, has few tools for regulating the educational process. Artistic education, which is the policy area subordinated to the Ministry of Culture and State Agency of Ukraine for Arts and Artistic Education, pays less attention to entrepreneurship than education in the creative industries.

**Educational standards for specialties in the field of creative industries were analysed: even though they should affect the development of educational programs, in fact expected competences and educational results in standards are described in a quite generic way.** It complicates the transformation of standards into high-quality educational content that corresponds to market needs. Absence of professional standards in creative industries also makes a demand on new specialists from the private sector unclear. Furthermore, there are almost no instruments for receiving feedback on education quality from employers, as well as any regular in-depth surveys.

**On their side, businesses often do not see incentives for active engagement in the educational process** with providing practice opportunities or dual education of students. The private creative sector considers such formats as additional workload: they invest more that they receive from such cooperation without gaining direct benefits for themselves. Therefore collaboration is usually associated with limited measures (such as job fairs, individual lectures) and does not incorporate any systematic approach.

**At the legislative level, fairly broad rights for the autonomy of universities are provided, but in practice, educational institutions as budget institutions face many additional requirements and restrictions,** so the implementation of these rights is difficult and risky, especially from a financial point of view. In addition, educational institutions are often not aware of the existing legal mechanisms for involving the private sector and effective management of grant funds.

The British education system has many more real tools for interaction between academia and business in the creative industries. They can mostly be supported by the Office for Students through grant funding. The analysed cases (Music Academic Partnership, Abertay University, London College of Fashion, Institute for Creative and Cultural Entrepreneurship at Goldsmiths) highlight the following popular formats of cooperation between universities and the creative environment in the United Kingdom:

- long-term instruments (permanent internship, inviting guest lecturers on regular basis, production practice);
- short-term programs (competitions simulating the real market environment, festivals, annual fairs, challenges, awarding outstanding graduates);
- institutional mechanisms that are implemented directly into the educational process (year of entrepreneurship — an additional year of study during which a student receives a separate qualification (diploma), entrepreneurship centres, business incubators).

**In the United Kingdom, it is common practice to award (accredit) educational programs by industry associations** — in the field of music, cinema, architecture, etc. Accreditation is a sign of quality and serves as a marker for applicants. When teaching entrepreneurial skills, universities are guided by the The European Entrepreneurship Competence Framework (EntreComp).

**From a positive experience, we can note large and regular surveys in which many students participate.** Sectoral associations in the field of creative industries often **work with the government**, conducting research, advising officials on the writing of strategic plans and other documents (Industrial Strategy) and participating in their implementation. **An important role in the partnership between universities and employers is played by local communities and creative clusters**, which form the demand for creative specialists to strengthen the local economy and provide an ecosystem for the practical development of young specialists.

**At the same time, many British creative entrepreneurship initiatives (courses, training programs, events) have a parallel basis, they take place in addition to the main educational process, which makes it difficult for students and universities to access them due to lack of time and finances.** Considering the uncertain nature of such initiatives, it is difficult to measure their effectiveness and student success. Feedback between employers and higher educational institutions is often provided informally. There is also an ongoing educational debate in the United Kingdom: in particular, they touch on the importance of creative specialties and the need for the state to heavily fund creative programs.

**Considering the full-scale war of the Russian Federation against Ukraine, entrepreneurial skills are gaining new relevance, because many creative enterprises have to radically change their activities,** transform processes taking into account security, personnel, logistics, financial, raw material challenges, reorient themselves to exports, looking for new customers and creating a new product. Sometimes it requires new business competencies. In times of war, this demand can be met by rapid non-formal education programs and financial assistance to creative businesses for job transformation and relocation. Regarding formal education, the priority at this stage is the safety of students and teachers, as well as ensuring access to the regular educational process. At the stage of further recovery, programs are proposed to support creative enterprises that are resuming work after the war, and institutional changes, in particular, the launch of the National Office for the Development of Creative Industries for the further implementation of systemic initiatives aimed at the development of entrepreneurial education. Reconstruction of educational institutions and recognition of educational results of Ukrainian students from temporarily occupied territories and students who studied abroad during the war are intended to stimulate the process of returning specialists from creative industries back to Ukraine.

**In the long-term period after the end of a full-scale war, systemic changes are needed,** which involve the calibration of the formula for financing higher education institutions with taking into account professional results of graduates; including cooperation with the private sector in the KRI of management of educational institutions; grant programs for the development of professional standards and proposals for changes in educational standards, as well as for the gradual active involvement of business in the educational process (through guest lecturers, stimulation of internship, partner exchanges with foreign universities, etc.). The national initiative "Creative Backpack" is also planned with the aim to increase the interest of teenagers in creative industries and provide them career guidance in this field. These measures should be accompanied with expanding creative industries' access to finance in the form of regional financial programs, strengthening the institution of angel financing, and supporting export-oriented models of creative industries.

## INTRODUCTION: PURPOSES OF THE RESEARCH AND GENERAL OVERVIEW OF THE CREATIVE INDUSTRIES

This report is prepared by a team of the Centre for Economic Recovery – an independent platform designed to provide analytical support to the Cabinet of Ministers of Ukraine, the UK-based consultancy Counterculture Partnership LLP, and the Ministry of Culture and Information Policy of Ukraine. It was supported by the British Council Ukraine as part of the Wider Europe Creative Economy Policy Grants Scheme.

Work on the study lasted from November 2021 till May 2022. The report was aimed at identifying the main policy issues of the Ukraine's education system in the field of creative industries, studying the UK's relevant best practices pertaining to education in creative industries and drafting recommendations for the Ukrainian government.

On February 24, 2022 the Russian Federation started a full-scale invasion in Ukraine destroying and damaging cultural and educational facilities, violating international law and murdering civilians including students, cultural and education workers. Taking into account the new circumstances, the focus of research was slightly changed. Recommendations were structured as a policy brief that outlines the main measures to be taken by the public authorities, development partners and universities to help creative industries education to recover and develop after the war in the short-, mid- and long-term.

### 1. BRIEF OVERVIEW OF CURRENT STATE OF CREATIVE INDUSTRIES IN UKRAINE

In November 2020, the UN adopted a resolution declaring 2021 "International Year of Creative Economy for Sustainable Development". In this case, creative industries are crucial to the sustainable development agenda. They stimulate innovation and diversification. Moreover, they are an important factor in the growing services sector, support entrepreneurship, and promote cultural diversity. The creative industries have also played an important role in mediating the digital transformation taking place around the world.

Although there are many concepts of creative industries, the Law of Ukraine on Culture defines them as 'types of economic activity that have the potential to create added value and jobs through cultural (artistic) and/or creative expression'. Ukraine's creative industries (CI) include visual arts, performing arts, publishing, design, fashion, IT, audiovisual arts, architecture, advertising, libraries, archives and museums, and folk arts and crafts.

The importance of this document is identified by two national strategies: "Ukraine's National Economic Strategy until 2030" and "Long-term national strategy for cultural development until 2025". The Economic Strategy developed a vision that sets the strategic goal of "creating a competitive creative economy for the balanced development of Ukraine". Among the priorities for the development of the creative industries are increasing the level of social activity and cultural development of citizens, creating conditions for increasing the profitability of economic activity of representatives of creative industries, expanding access of entrepreneurs of creative industries to financing tools, and creating favourable conditions for the realisation of talents and potential of artists. Another driver of the development of creative industries was decentralisation, which provided opportunities for developing socio-cultural structure at the local level. This process can ensure the restoration of cultural infrastructure throughout the country. Moreover, after the events of 2014, the Ukrainian brand became popular. People are increasingly choosing products labelled "Made in Ukraine."

In 2020 the value added generated in creative industries reached 4.2% of the total value added of the Ukrainian economy, which is amounting to UAH 132.4 billion. Compared to 2019, the gross value-added of the Creative industries of Ukraine grew exponentially, as in 2019 these indicators reached 3.95% of total value-added and it was amounting to UAH 117.2 billion. Despite the COVID epidemic, people are increasingly choosing to work in the creative industries. In 2020, this percentage increased to 4%, which is 360.3 thousand Ukrainians. In 2020, businesses in the creative industries paid taxes in the amount of UAH 26 billion - nominally 15.8% more than in 2019. In absolute terms, in 2020 the largest growth in the declared volume of income of creative industries was



shown by the following sectors: new media and IT (+46.6 billion UAH, or + 26.2%); advertising, marketing, PR (+ UAH 2.9 billion, or + 5.3%); design (UAH +1.1 billion, or + 31%) and visual arts (UAH +0.3 billion, or + 15.7%). Moreover, the conditions allow us to talk about the industry's dynamic development. In particular, Ukrainian cities such as Kyiv, Lviv, and Kharkiv are already leaders in information technology outsourcing. This leadership was made possible by the high concentration of highly qualified personnel in the industry. Considering international experience, in the UK, for example, the creative industries made a record contribution to the economy in 2017, contributing £ 101.5 billion to the country's treasury and growing almost twice as fast as the economy since 2010. As a result, the creative economy is a powerful emerging economic sector, strengthened by digitalization and the rise of services.

## 2. POLICY ISSUES AND AIM OF THIS STUDY

The future success of the creative industries relies on a sustainable pipeline of new entrants with the skills and knowledge to meet the needs of the sector, with a particular reliance on a flow of graduates with degrees in relevant creative subjects. There is a large and dynamic higher education sector in Ukraine, with at least 282 institutions and 1.3m students across all disciplines (as for 2018). These include several dozen institutions offering specialist courses aiming to develop graduates for roles in the creative and cultural industries.

The main policy issue consists of concern that entrants into the sector often lack the business and entrepreneurial skills required to succeed. In particular there is a need for the teaching of business-focused skills to be strengthened and integrated consistently into relevant University degree courses. The overall aim of the study is to deliver a set of specific, practical recommendations for the design and delivery of business-focused skills development, as an integrated element of undergraduate courses linked to the creative industries. The recommendations are drafted based on the research, including surveys and stakeholders interviews, of the Ukrainian HE in creative industries. The study is delivered by the Ministry of Culture and Information Policy of Ukraine, the Centre for Economic Recovery and the Counterculture Partnership LLP and supported by the British Council as part of the policy grant.

In Ukraine, 34 types of economic activity that belong to creative industries are defined by the Order of the Cabinet of Ministers of Ukraine<sup>1</sup>. They can be roughly clustered in the following 12 creative sectors:

- folk arts and crafts;
- visual sector: painting, graphics, sculpture, photography, etc.;
- performing sector: live music, theatre, dance, opera, circus, puppet theatre, etc.;
- book publishing;
- music sector;
- audiovisual sector: film, television, video, animation, animation, etc.;
- design;
- fashion;
- new media and ICT: software, video games, digital technologies in art (3D printing; virtual, augmented, mixed reality, etc.);
- architecture and urban planning;
- advertising, marketing, public relations, and other creative services;
- libraries, archives, and museums.

In this study, we mainly focus on 5 sectors, that were defined as priority by the Ministry of Culture and Information Policy of Ukraine and should have become a basis for the Strategy and Roadmap for the Development of Creative

<sup>1</sup> <https://www.kmu.gov.ua/npas/pro-zatverdzhnoyi-diyalnosti-yaki-nalezhat-do-kreativnih-industrii>



Industries<sup>2</sup>. These sectors include fashion, design, arts and crafts, publishing, music, and concert industry. Meanwhile, entrepreneurial education in other sectors is also studied superficially.<sup>3</sup>

To wider understanding of the creative and cultural educational system and industry in general, it is important to draw a line between artistic and creative industries education. The Law of Ukraine “On Education” highlights that artistic education “involves the acquisition of special abilities, aesthetic experience and value orientations in the process of active artistic activity, the acquisition of a set of professional, including performing, competencies and aimed at professional artistic and creative self-realisation and qualifications in various arts”. The Law of Ukraine “On higher Education”, among other academic levels, defines educational and creative level of higher education which “involves mastering the methodology of artistic and artistic-pedagogical activities, implementing an independent creative art project, gaining practical skills of producing new ideas and solving theoretical and practical problems in the creative arts”. In 2017 the Law was updated introducing a new decree - Doctor of Arts, defining it as “an educational and creative degree obtained at the third level of higher education on the basis of a master's degree. A person has the right to obtain a doctorate in creative postgraduate studies”. Creative industries education includes not only artistic study areas, but may also be wider and contain additional skills to strengthen specific artistic knowledge. Moreover, creative industries in contrast to purely artistic education, covers entrepreneurial and market skills. Therefore, the subject of current study is creative industry education.

According to this classification and selected categories, a list of relevant study areas (specialties) engaged in activities in the field of creative industries was formed. The list of study areas that correspond to the declared profile in higher and professional pre-higher education institutions is provided below:

Field of knowledge	'Specialties' (Programme Study Areas) <sup>4</sup>
02 Culture and art	<ul style="list-style-type: none"> <li>021 Audiovisual art and production</li> <li><u>022 Design</u></li> <li><u>023 Fine arts, decorative arts, restoration</u></li> <li>024 Choreography</li> <li><u>025 Musical art</u></li> <li><u>026 Performing arts</u></li> <li>027 Museum Studies, Monument Studies</li> <li><u>028 Management of socio-cultural activities</u></li> <li>029 Information, library and archival affairs</li> </ul>
03 Humanities	<ul style="list-style-type: none"> <li>034 Culturology</li> </ul>
06 Journalism	<ul style="list-style-type: none"> <li>061 Journalism</li> </ul>
18 Production and technology	<ul style="list-style-type: none"> <li><u>182 Light industry technologies</u></li> <li><u>186 Publishing and printing</u></li> <li><u>187 Woodworking and furniture technologies</u></li> </ul>
19 Architecture and construction	<ul style="list-style-type: none"> <li>191 Architecture and Urban Planning</li> </ul>

The names of study areas in vocational education correspond to the classifier of professions, and the approximate number of study areas that fall under our focus is about 200.

<sup>2</sup> <https://mkip.gov.ua/news/6407.html>

<sup>3</sup> Due to the fact that the IT industry is more independent and growing much faster, we do not include it in our review of the creative industries. Another reason for this decision is that IT education is considered separately in the project of the Ministry of Digital Transformation.

<sup>4</sup> The study areas that are underlined are included in 5 priority sectors

Therefore, the key objectives of this study include:

- Conducting the analysis of the current state of entrepreneurship education in Ukraine (both formal and non-formal), needs assessment for entrepreneurship skills and knowledge among industry representatives.
- Conducting a study of best practices of entrepreneurship education in creative industries based on the experience of the United Kingdom.
- Based on the results of the research, development of actionable recommendations for the Ministry of Culture and Informational policy of Ukraine and other stakeholders.

For the analysis, the following instruments were applied:

- Desk research, including the analysis of legislation, literature review of other studies, analysis of statistical information.
- Key informant interviews with governmental institutions, industry representatives, experts and other stakeholders.
- Online survey of creative industries representatives (both employees and employers).

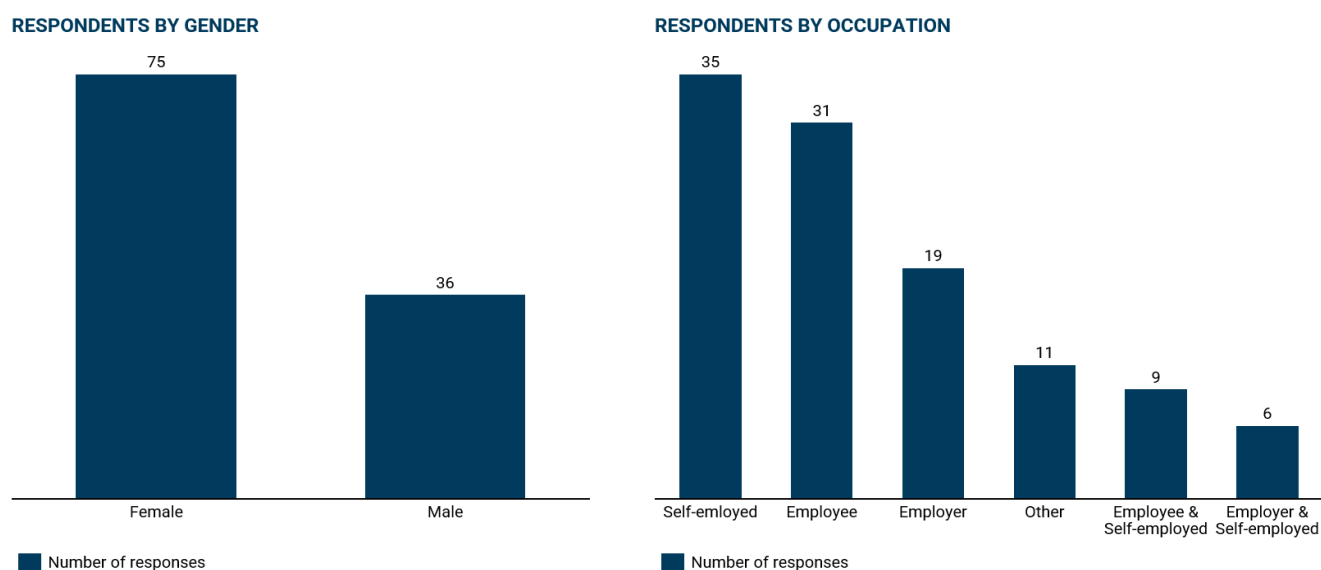
The results of this study can be used to improve public policy in the field of creative industries education.

## CHAPTER 1: ENTREPRENEURSHIP EDUCATION IN CREATIVE INDUSTRIES IN UKRAINE

### 1. DEMAND SIDE: ASSESSMENT OF THE QUALITY OF ENTREPRENEURSHIP EDUCATION IN CREATIVE INDUSTRIES

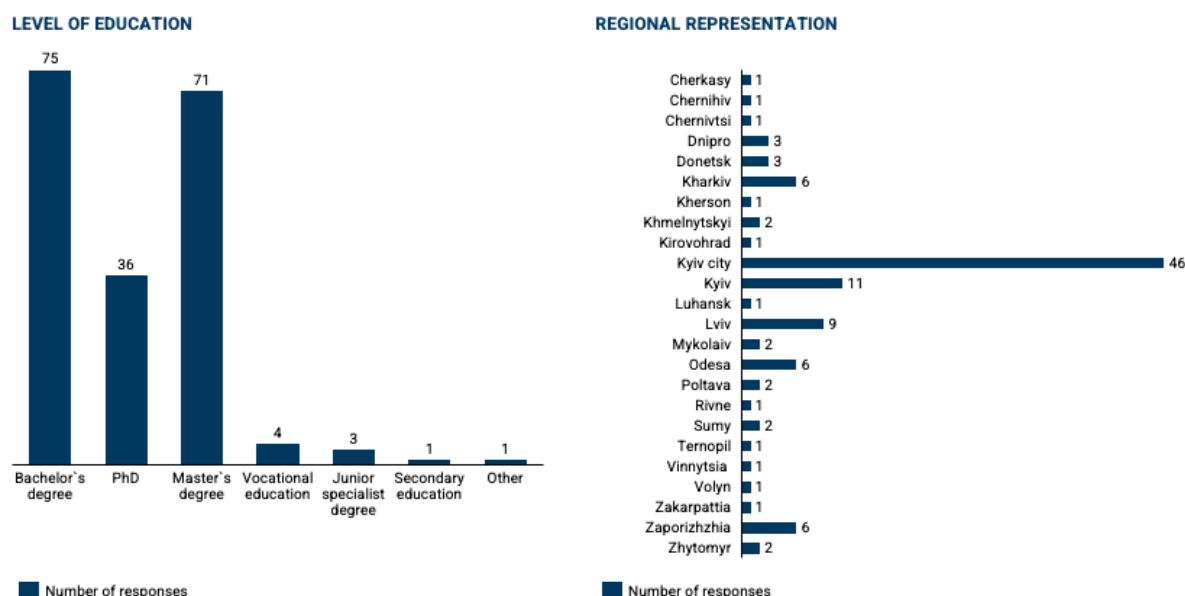
To assess the quality and availability of acquisition of entrepreneurial skills in creative industries, the Project Team has conducted an online survey that was distributed among representatives of the sector. In general 111 respondents took part in the survey, with sufficient gender balance: 75 women and 36 men. Among them, we have people who are engaged in various activities. Most self-employed - 35 respondents, employees - 31, employers - 19, other activities - 11 respondents. Also, 9 of them indicated that they are employees and self-employed, and 6 respondents are employers and also self-employed.

**Figure 1.** General information on respondents' gender and occupation



Most respondents received a bachelor's degree - 75 respondents, there are those who have completed a master's degree - 71 people, as well as a Ph.D. received by 36 respondents. Among our survey participants, there are those who received vocational education - 4, the degree of junior specialist - 3, as well as 1 person received secondary education and another 1 person indicated other education. The geography of our survey is also wide. Most respondents were from Kyiv, followed by the Kyiv region, Lviv, Kharkiv, Odesa, and Zaporizhia. We also have several representatives from regions of Dnipro, Donetsk, Khmelnytsky, Mykolayiv, Poltava, Sumy, Zhytomyr, Cherkasy, Chernihiv, Chernivtsi, Kherson, Kirovohrad, Luhansk, Rivne, Ternopil, Vinnytsia, Volyn and Zakarpattia.

**Figure 2.** General information on received education and regional representation of respondents



The survey consisted of two major sections: (i) survey of all representatives of creative industries, and (ii) survey of employers in the sector. The results of the survey are provided below.

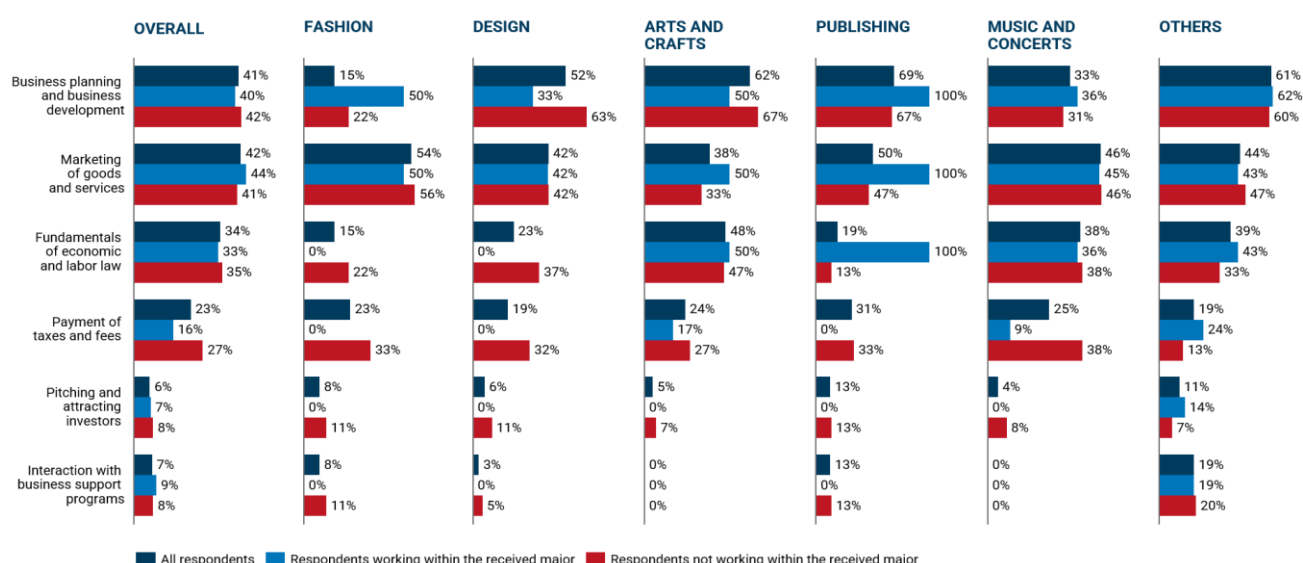
### 1.1 General assessment of the quality of education

The respondents were asked to answer the list of questions in terms of the acquisition of several sets of skills that are considered to be the most crucial in terms of entrepreneurship, in particular:

- Business planning (activity planning, budget planning, project management, etc.) and business development
- Marketing of goods and services (market research, positioning, pricing, promotion strategy, etc.)
- Fundamentals of economic and labour law (starting a business, concluding contracts, hiring employees, etc.), intellectual property rights
- Payment of taxes and fees (financial statements, taxes, etc.)
- Pitching and attracting investors to your business
- Interaction with international and national business support programs (competitions, grants, etc.)
- Other topics related to business (with indication of these topics).

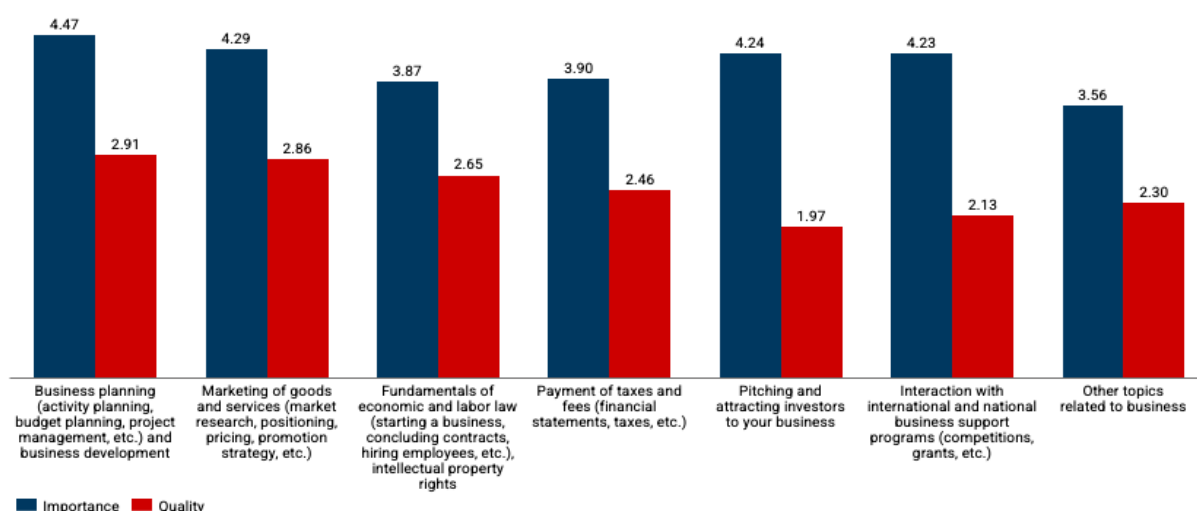
Considering the incorporation of business-related topics, the results of the survey show that those topics are poorly covered by the formal education process. The most popular sets of skills that were included in the formal education process are skills related to business planning and business development, marketing, and fundamentals of economic and labour law. Skills and knowledge associated with payment of taxes, pitching and attracting investments, and interaction with business support programs (both Ukrainian and international) are almost not covered within formal education.

**Figure 3.** Topics that were included in the educational program in formal educational institutions (% of respondents who indicated that the topic was covered by a curriculum)



The results of the survey show a mismatch between the perceived level of importance of entrepreneurial skills and the perceived quality of their teaching in educational institutions. In particular, respondents praised the importance of business planning, marketing and paying taxes skills, but their level of teaching is relatively insufficient and is in the middle of the scale. At the same time, even though some sets of skills, such as attracting investments and interaction with business support programs are considered to be very important, the quality of their incorporation into the formal education process is considered to be the poorest among the suggested options. In terms of other business-related topics, respondents mentioned skills such as financial analysis, financial liquidity management, trend analysis, different types of team and company managements and understanding of client/market psychology/behaviour. Also, respondents noted low quality of teaching soft skills and foreign languages.

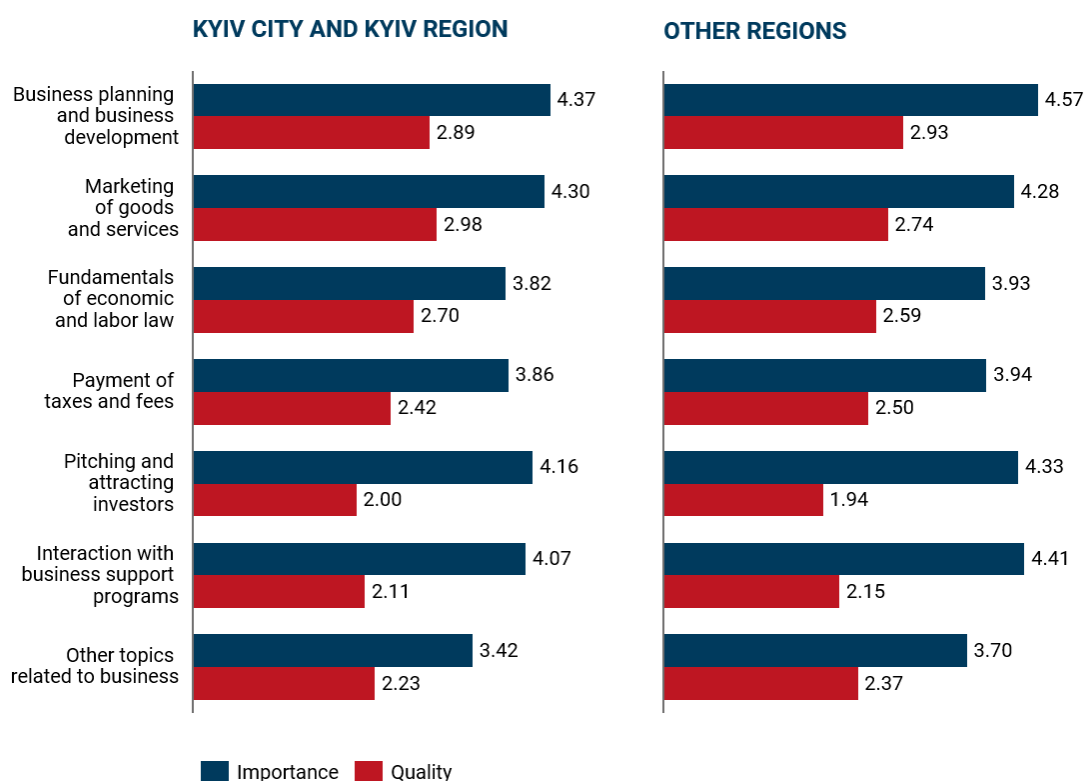
**Figure 4.** The average estimation of importance of mastering the skills/knowledge of creative industries representatives, and the quality of acquired skills/knowledge (from 1 to 5, where 1 - absolutely not important skills, 5 - very important skills)



Sector representatives from Kyiv city/region consider the importance of most of the suggested sets of skills to be either lower or equal compared to other regions, but the quality scores given by respondents vary. Both

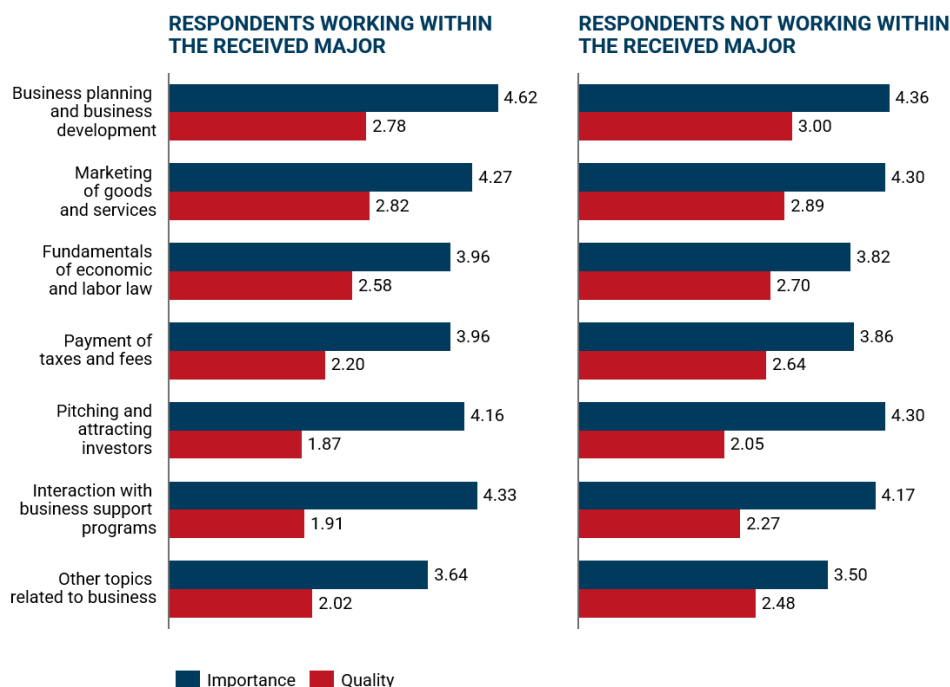
respondents from Kyiv and other regions scored business planning and business development as the most important set of skills. Kyiv respondents marked out that the quality of knowledge gained is the highest in marketing and lowest in pitching and attracting new investors. The respondents from other regions evaluated the quality of skills and knowledge of business planning and business development as the highest and pitching and attracting new investors as lowest.

**Figure 5.** *The average estimation of importance of mastering the skills/knowledge of creative industries representatives, and the quality of acquired skills/knowledge by region (from 1 to 5, where 1 - absolutely not important skills, 5 - very important skills)*



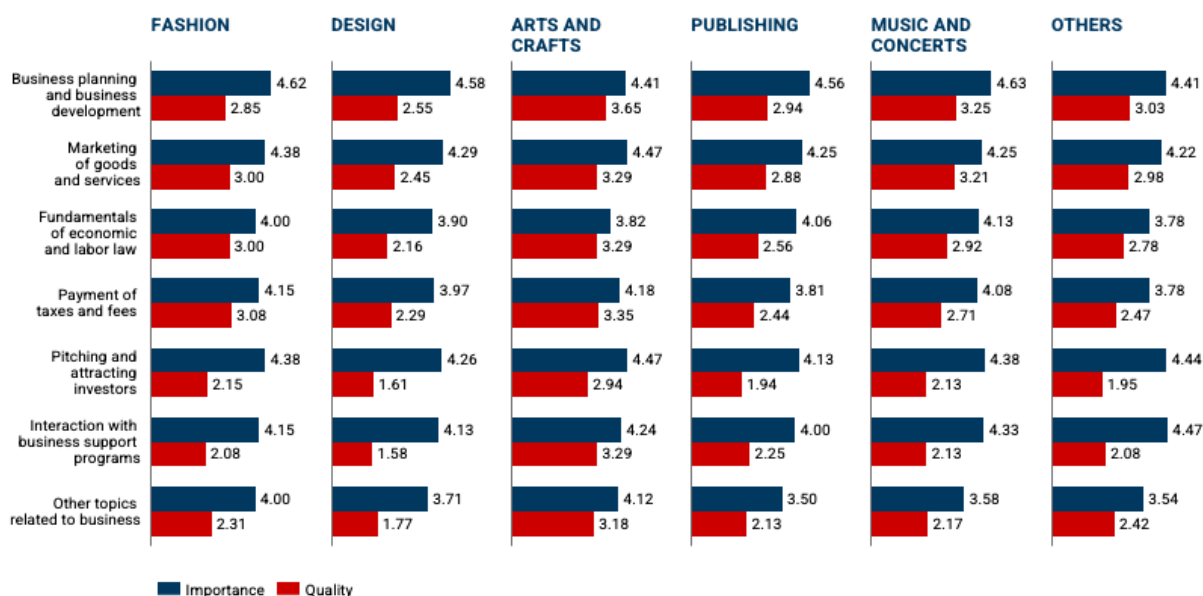
The respondents working within the major received in educational institutions on average consider teaching entrepreneurial skills in creative study areas more important compared to respondents that started working in creative industries having other educational backgrounds. Graduates of creative study areas who have continued to work in this field feel a greater need for quality teaching, including pitching skills and interaction with business support programs. These skills scored the fewest points, 1.87 points and 1.91 points, accordingly.

**Figure 6.** The average estimation of importance of mastering the skills/knowledge of creative industries representatives, and the quality of acquired skills/knowledge by whether respondents work in the field in which they received major (from 1 to 5, where 1 - absolutely not important skills, 5 - very important skills)



In terms of the responses of representatives of different sectors, respondents of the majority of studied sectors consider business planning and business development to be the most important set of skills (except for representatives of arts and crafts sector that consider marketing to be the most important). At the same time, regardless of the sector, there are no major differences in terms of perception of the quality of teaching business-related skills and knowledge. In general, representatives of all sectors are dissatisfied with the quality of education in terms of entrepreneurial skills.

**Figure 7.** The average estimation of importance of mastering the skills/knowledge of creative industries representatives, and the quality of acquired skills/knowledge by sector (from 1 to 5, where 1 - absolutely not important skills, 5 - very important skills)



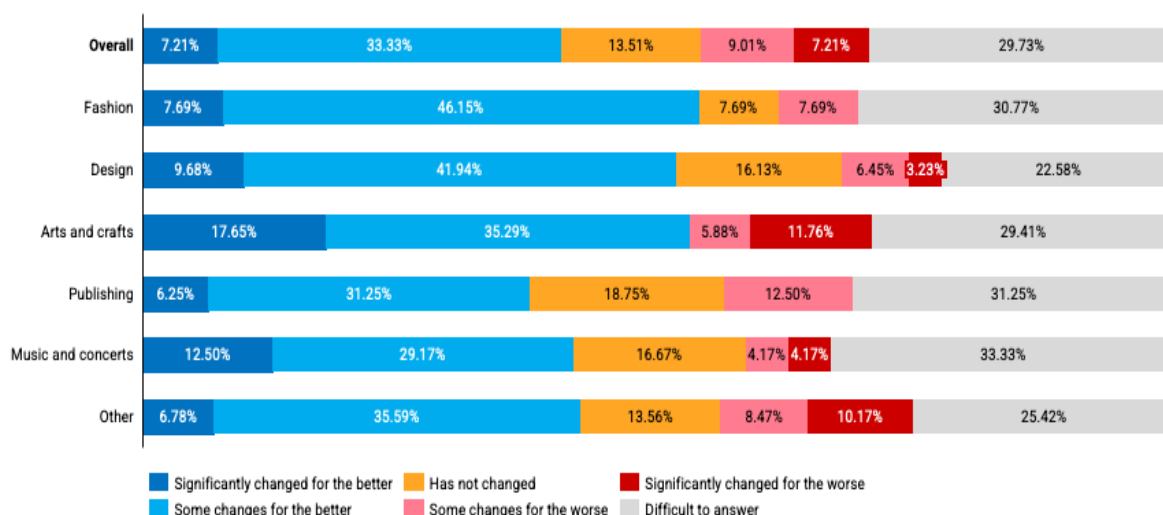
Many respondents believe that in order to help professionals in the field of creative industries in building their



careers, it is important to provide them with skills and knowledge related to marketing, social management, financial management and analysis, and creativity overall. Moreover, quite a large number of respondents indicated also the importance of developing certain virtues such as commitment, flexibility, high self-motivation, and creative thinking.

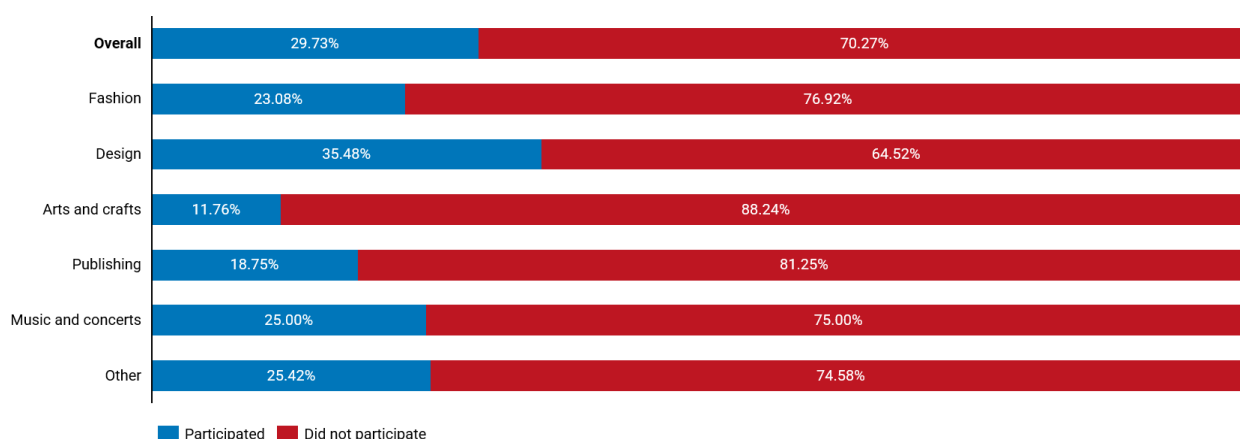
Considering the dynamics of the quality of entrepreneurial skills and knowledge possessed by graduates of creative study areas, most of the respondents across different sectors believe that it has slightly improved (although very few respondents indicated that the situation has changed significantly for the better). Meanwhile, many respondents did not manage to estimate the dynamics in quality.

**Figure 8.** *Estimation of dynamics of quality of skills acquired by graduates of creative study areas after they finished their education institution (% of respondents who selected the respective option)*



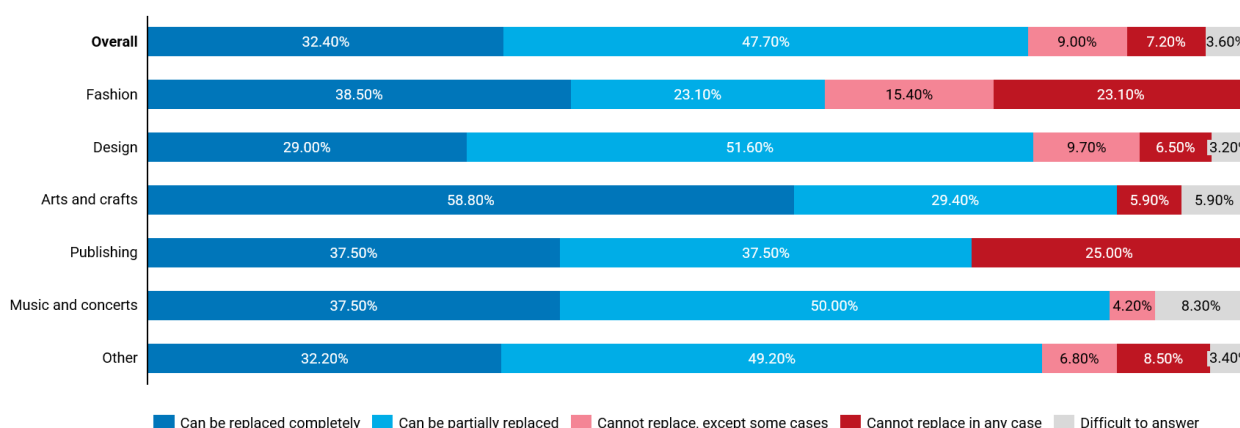
In terms of the non-formal education, less than 30% of the respondents indicated that they participated in any non-formal education opportunities. Most of the respondents that had been participating in non-formal education programs and courses are from the design sector. The lowest share of non-formal education participants are from the arts and crafts sector. Most of the examples from respondents include on-line and off-line courses, self education, training and internships in related sectors. Such opportunities include different courses, workshops, seminars, and grant programs. Noted educational initiatives are provided by international institutions or/and agencies, for example, the British Council, the American Council, Goethe-Institut, the House of Europe, USAID, and UNDP. Among Ukrainian institutions non-governmental platforms Litosvita, GURT, Prometheus, Ukrainian Leadership Academy, and Bohdan Hawrylyshyn Family Foundation were mentioned; state-funded initiatives were less mentioned and included Ukrainian Cultural Foundation, which is widest represented in the survey's answers: at least 4 respondents indicated this institution as their opportunities provider.

**Figure 9.** Participation in non-formal educational opportunities after or during graduation aimed at developing entrepreneurial skills (% of respondents who selected the respective option)



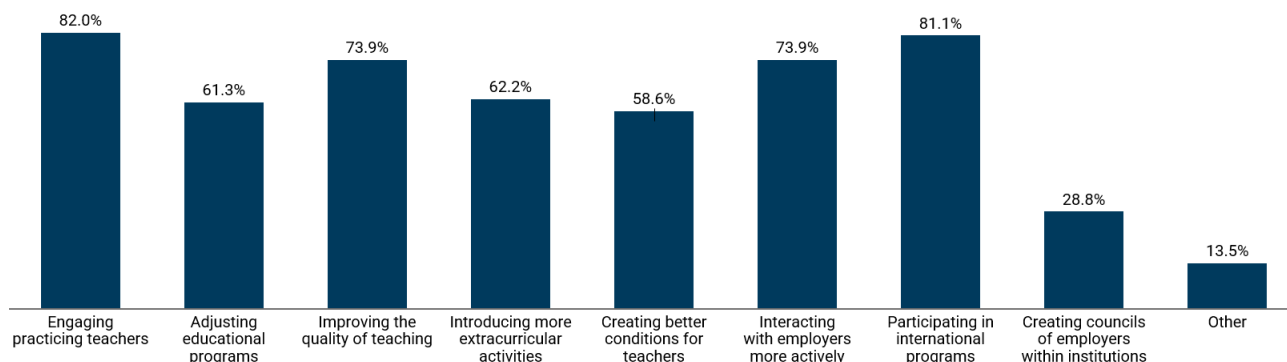
At the same time, the majority of respondents believe that non-formal education and self-education can replace formal education in creative industries (from 61.6% in the fashion sector to 88.2% in arts and crafts). At the same time, even though most respondents are optimistic about such an opportunity, only 32.4% of all respondents believe that non-formal and self-education can replace formal education completely, while 47.7% argue that the replacement may only be partial.

**Figure 10.** Assessing the potential of non-formal education and self-education to effectively replace formal education in the creative industries in Ukraine



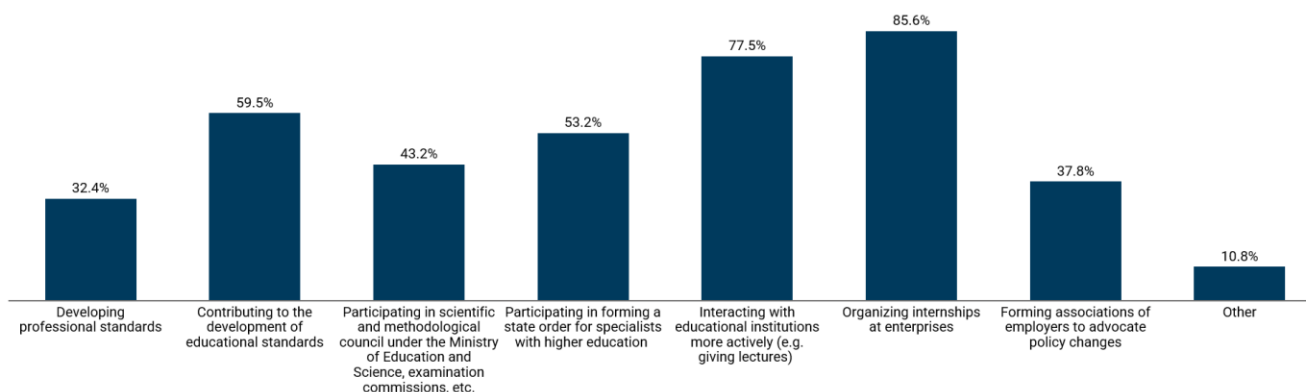
Considering the ways on how educational institutions may improve the quality of education in creative industries in terms of business competences, the most popular answers include engagement of more teachers with practical experience, and participation in international programs aimed at development of entrepreneurial skills. A large number of respondents believe that complex and real reform of higher education should be done in order to improve the quality of education in the field of creative industries, in particular in the development of business competencies in Ukraine. It includes, in particular, zero tolerance for corruption and change of internal hierarchy in universities, etc. There is quite a huge demand to see more market-oriented disciplines with lecturers who are professionals for students to get efficient work practice or/and internship. Respondents consider the Ministry of Education and Science to be the main decision-maker in the field.

**Figure 11.** Respondents' suggestions on what educational institutions in Ukraine should do to improve the quality of education in the field of creative industries, in particular in the development of business competencies (% of respondents who selected the respective option)



The surveyed representatives of creative industries believe that the most effective ways for employers to contribute to education in formal institutions are organisation of internships for students (85.6%), and more active interaction with educational institutions (e.g., giving lectures) (77.5%). Other possible initiatives supported by more than a half of respondents include contribution to the development of educational standards and participation in forming state orders for graduates. Meanwhile, the majority of respondents do not believe in the efficiency of more indirect actions, such as development of professional standards or advocacy of policy changes through professional associations.

**Figure 12.** Respondents' suggestions on what employers in Ukraine should do to improve the quality of education in the field of creative industries, in particular in the development of business competencies (% of respondents who selected the respective option)

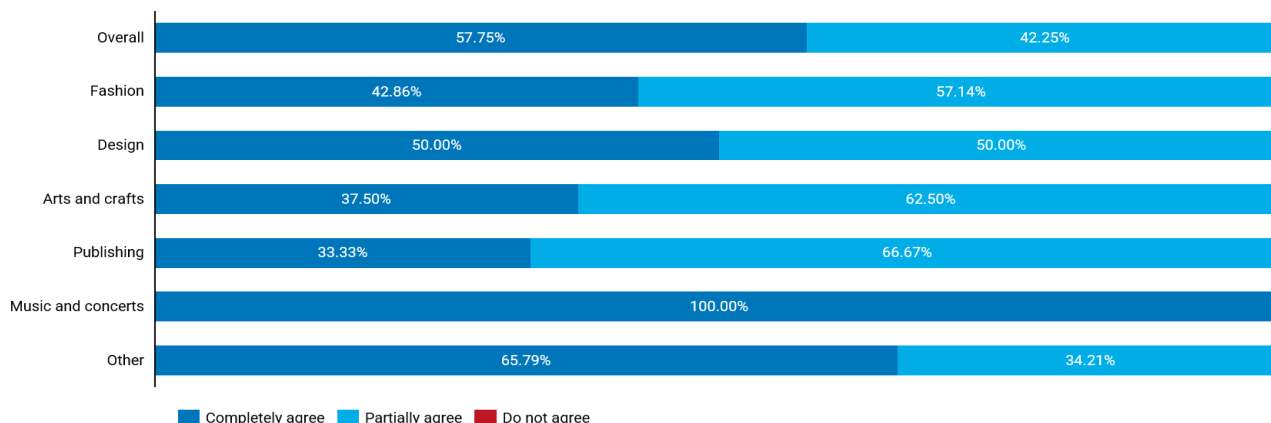


## 1.2 Assessment of the quality of skills and knowledge of employees in creative industries (based on survey of employers)

All of the employers that participated in the survey have agreed that employees in creative industries should possess at least some of the entrepreneurial skills (as all respondents selected either “Completely agree” or “Partially agree” options in the respective question, with none of the respondents answered “Do not agree”). Moreover, the majority of respondents expressed a strong agreement with the statement.

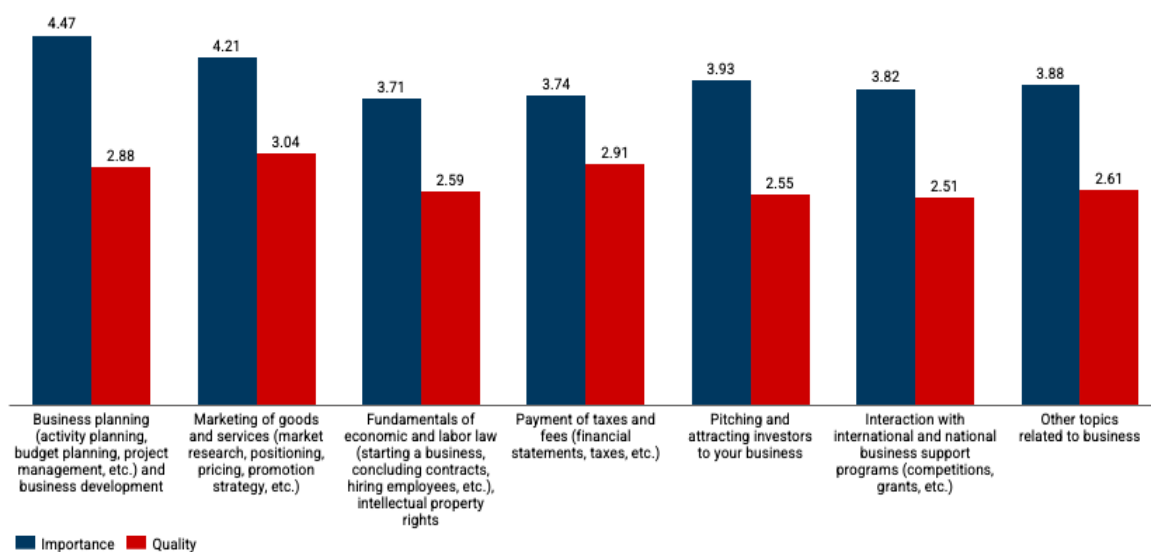
**Figure 13.** Employer's perception of the statement that employees in the creative industries must possess

## entrepreneurial skills



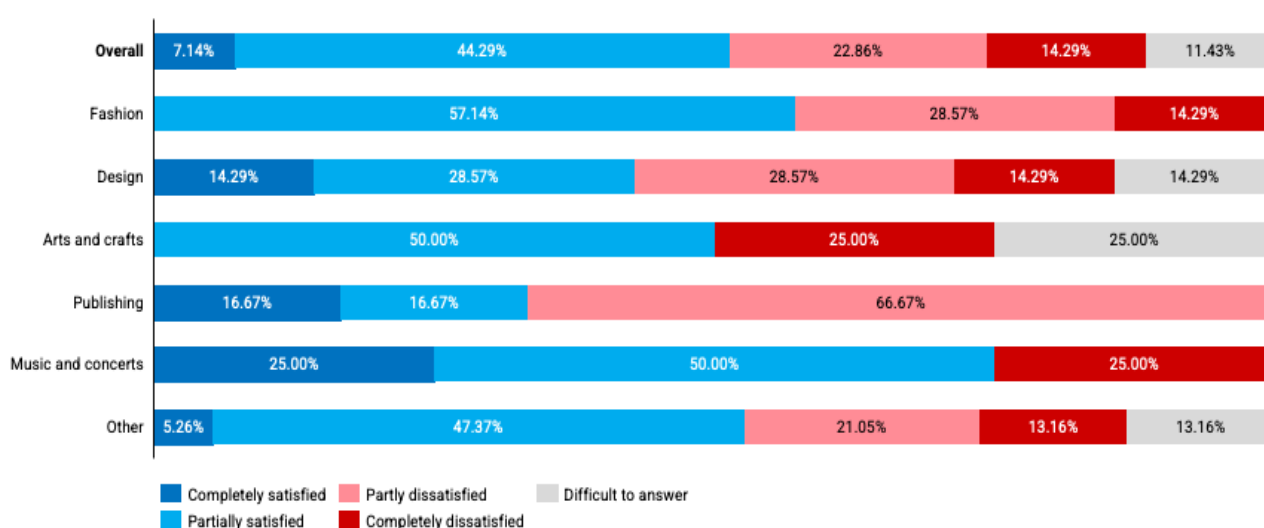
Employers valued Business planning and business development as the most important set of skills for employees (on average 4.47 points out of 5), while fundamentals of law is perceived as the least important (3.71 points). At the same time, similarly to the survey of all sector representatives, a major gap between the perceived importance and quality of possessed skills is observed.

**Figure 14.** The average estimation of importance of mastering the skills/knowledge of employees in creative industries, and the quality of acquired skills/knowledge (from 1 to 5, where 1 - absolutely not important skills, 5 - very important skills)



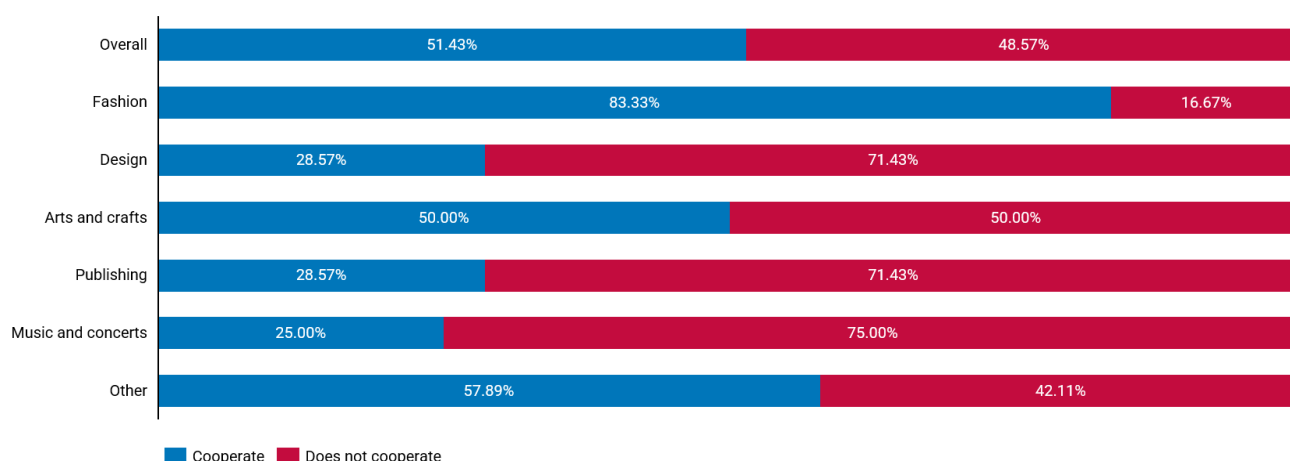
Only 7.1% of employers noted that they are fully satisfied with the level of entrepreneurial skills of their employees, while another 44.3% are only partially satisfied. Overall, the numbers vary significantly in different sectors, with the highest level of dissatisfaction within the publishing sector.

**Figure 15.** *Employers' assessment of satisfaction with the level of entrepreneurial skills of their employees (% of respondents who selected the respective option)*



About half of respondents stated that they cooperate with formal educational institutions to provide practical experience to students (e.g. internship, employers' fairs, etc.). The largest share of employers that work with formal educational institutions was observed in the fashion industry (83.3%) and the lowest is in the music and concerts sector (25%). Overall, over 10 public and private schools and universities were mentioned by respondents.

**Figure 16.** *The level of involvement of employers in cooperation with formal education institutions to provide practical experience for students of creative study areas (% of respondents who selected the respective option)*



More than half of employers stated that they allow their workers to improve their entrepreneurial skills in the workplace. Such opportunities include mentorship support, training and strategic sessions, assistance in participation in external educational opportunities and events, etc.

## 2. SUPPLY SIDE: CURRENT STATE OF ENTREPRENEURSHIP EDUCATION IN CREATIVE INDUSTRIES

### 2.1 General legislative and institutional framework

Education in the creative industries is an integral part of the general educational system of Ukraine. Analysing educational services in the field of creative industries we should consider formal education (educational programs provided by educational institutions, including universities, academies, institutes, colleges, vocational schools, etc.), non-formal education (educational courses, training programs, etc.), and informal education (learning on work, self-education, etc.).

Considering the regulatory base related to creative industry education there is no specific legislation. However, there are several basic regulations at the levels of laws governing higher and vocational education, including:

- **Law of Ukraine on Education 2145-VIII.<sup>5</sup>** This is the basic law that regulates public relations arising in the process of exercising the human right to education, the rights, and responsibilities of individuals and legal entities involved in the exercise of this right, as well as determines the competence of state and local governments in education. The law was adopted on September 5, 2017. The law determines that "Artistic activity is an integral part of educational activities of higher education institutions of cultural and / or artistic orientation and is carried out in order to deepen professional competencies, innovative activities in art, which contributes to creating a new cultural and artistic product."
- **Law of Ukraine On Higher Education 1556-VII<sup>6</sup>.** The law defines the basic legal, economic, and organisational principles of higher education on the principles of integration of education, science, and innovation, the autonomy of higher education institutions, equal access to quality higher education, cooperation of higher education institutions with business and the state. The law was adopted on July 1, 2014. This law provides for the integration of higher education in Ukraine into the European Higher Education Area through the implementation of the provisions and principles of the Bologna Process, in particular, through the introduction of a level organisation of higher education in accordance with the National Qualifications Framework. Besides, an integration of curricula with the European standard opens up opportunities for students of creative study areas, and gives them possibilities to gain international experience through mobility. Importantly, the law provides for the introduction of mechanisms for the protection and management of intellectual property.
- **Law of Ukraine on Professional Pre-higher Education 2745-VIII.<sup>7</sup>** The law was adopted on June 6, 2019. This Law establishes the basic legal, organisational, financial principles of the system of professional pre-higher education, creates conditions for combining education with industry in order to train competitive professionals to meet the needs of society, labour market, and state. This document creates a legislative basis for the implementation of the autonomy of institutions of professional higher education. For educational institutions that teach creative study areas, this gives them the opportunity to establish partnerships with entrepreneurs and attract business to cooperation.
- **Law of Ukraine on the formation and placement of state orders for training specialists, scientists, scientific-pedagogical and working personnel, advanced training and retraining 5499-VI.<sup>8</sup>** The law provides for the formation of a state order taking into account the medium-term forecast of the need for specialists in the labour market, which is drawn up with the participation of central executive bodies, local governments, and social partners. The law was approved on November 20, 2012. This law helps to regulate the peculiarities of relations arising in connection with the formation and placement of the state order for the training of specialists, including in the creative industries.
- **Law of Ukraine On Vocational (Technical) Education 103/98-VR<sup>9</sup>.** The task of this Law is to regulate public relations in the field of vocational (technical) education in order to: ensuring people's right to receive professional (vocational) education in accordance with their vocations, interests and abilities, retraining and Certification training; meeting the needs of the country's economy in skilled and competitive workers in the labour market; acceptance in the implementation of state employment policy; providing the

<sup>5</sup> [Law of Ukraine on Education 2145-VIII.](#)

<sup>6</sup> [Law of Ukraine On Higher Education 1556-VII](#)

<sup>7</sup> [Law of Ukraine on Professional Pre-higher Education 2745-VIII](#)

<sup>8</sup> [Law of Ukraine on the formation and placement of state orders for training specialists, scientists, scientific-pedagogical and working personnel, advanced training and retraining 5499-VI](#)

<sup>9</sup> [Law of Ukraine On Vocational \(Technical\) Education 103/98-VR](#)

necessary conditions for the functioning and development of vocational education institutions and vocational (technical) education institutions of various forms of ownership and subordination.

Considering the structure of government institutions which are responsible for regulating creative industries education, several stakeholders may be distinguished. The Cabinet of Ministers of Ukraine is the highest institution, whose key role is to coordinate governmental policies. At the central level, there are three key institutions responsible for formulation and implementation of state policy in the field: Ministry of Education and Science, Ministry of Culture and Information Policy of Ukraine, The State Agency of Ukraine for Arts and Art Education.

The main tasks of the **Ministry of Education and Science** include<sup>10</sup>:

- approves education standards and publishes them on its official website;
- forms an attestation board, which on the principles of transparency and openness approves decisions of scientific councils of higher education institutions (scientific institutions) on awarding scientific and pedagogical workers academic titles of senior researcher, associate professor and professor, organises its work, considers deprivation of these titles, draws up and issues the relevant certificates, as well as considers appeals against the decisions of the certification board;
- approves the procedure for obtaining the educational and creative degree of Doctor of Arts and training in assistantship-internship upon the submission of the ICIP;
- establish the procedure for assigning scientific titles to scientific and scientific-pedagogical workers by scientific councils of higher education institutions and scientific and technical councils of scientific institutions, as well as the procedure for depriving scientific titles;
- approve, at the request of the National Agency for Quality Assurance in Higher Education, the regulations on the accreditation of higher education programs and the procedure for conducting institutional accreditation;
- appoints to the position based on the results of the competition and dismisses from the position of heads of institutions of higher and professional (vocational and technical) education, which are in the sphere of its management;
- approve the statutes of institutions of higher, professional (vocational), general secondary and out-of-school education under its management;
- systematically monitors and analyzes the needs of the domestic labour market, makes proposals on the scope and directions of state support for the training of specialists with higher education;
- formulates annual proposals and submits to subordinate educational institutions the state order for training of specialists, scientific, scientific-pedagogical and working personnel, for advanced training and retraining for state needs taking into account the medium-term forecast of needs for specialists and workers in the labour market established by law;
- distributes educational subventions and state funding of secondary, vocational (vocational), professional higher, higher education and the scholarship fund of educational institutions under its management;
- develops and submits for approval to the Cabinet of Ministers of Ukraine formulas for the distribution of educational subventions, procedures and conditions for the distribution of other transfers from the state budget to general secondary education to local budgets, etc.

<sup>10</sup> [On approval of the Regulations on the Ministry of Education and Science of Ukraine](#)



The **Ministry of Culture and Information Policy of Ukraine** is the main body in the system of central executive bodies that **ensures the formation and implementation** of state policy in the fields of culture, **art** and other fields.<sup>11</sup> Moreover, it also formulates policy on art education.<sup>12</sup> The main tasks of the Ministry of Culture of Ukraine that are related to the field of education are<sup>13</sup>:

- approves (1) provisions on institutions of specialised art education; (2) provisions on the certification of pedagogical staff of institutions of specialised art education; (3) standards of specialised art education (except standards of higher education), standard educational programs and samples of service and educational documentation for art schools;
- submits to the Cabinet of Ministers of Ukraine proposals on approval of the regulations on certification of pedagogical staff of specialised art education institutions;
- creates supervisory boards of institutions of higher education in the field of art, the founder of which is the Ministry of Culture;
- provides proposals for the formation, placement and implementation of the state order for the training of specialists, scientific, scientific and pedagogical staff, advanced training of employees of cultural and artistic institutions, etc.

The **State Agency of Ukraine for Arts and Art Education** is a central executive body whose activities are directed and coordinated by the Cabinet of Ministers of Ukraine through the Minister of Culture and Information Policy and which implements state policy in the field of arts and specialised art education.<sup>14</sup> One of the priorities of the State Arts is the implementation of state policy in the field of specialised art education: providing comprehensive support to art schools, art lyceums, colleges and institutions of higher art education, monitoring the art education system and formulating proposals to strengthen its capacity and development.<sup>15</sup> The main tasks of the State Agency of Ukraine for Arts and Art Education are:

- participates in the development of draft state target programs and ensures their implementation within its powers;
- exercise state control over compliance with the requirements of legislation in the field of arts;
- participates in the implementation of educational policy by institutions of specialised art education belonging to the sphere of management of the State Arts;
- analyzes and monitors the quality of educational activities of institutions of specialised art education that belong to the sphere of management of the State Arts;
- make proposals to the Minister of Culture and Information Policy on the prospects and directions of development of specialised art education;
- organises training and professional retraining of artistic and artistic staff of theatres;
- rganizes in accordance with the law and participates in congresses, forums, conferences, seminars, meetings, organises the preparation, publication, distribution and reproduction of musical literature, works of literature and art, as well as catalogues of works of fine arts, methodological, art and cultural literature ;

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<sup>11</sup> [Provisions on the Ministry of Culture and Information Policy of Ukraine](#)

<sup>12</sup> [Art education](#)

<sup>13</sup> [On approval of the Regulations on the Ministry of Culture of Ukraine](#)

<sup>14</sup> [About State Agency](#)

<sup>15</sup> [Art education](#)

- approves standard educational programs and samples of service and educational documentation for art schools;
- make proposals to the Ministry of Education and Science on the appointment of students and graduate students of specialised art education in the field of State Arts, academic scholarships of the Cabinet of Ministers of Ukraine to students of higher education and graduate students and social scholarships of the Verkhovna Rada of Ukraine from low-income families;
- coordinates the activities, development and improvement of the network of institutions of specialised art education, which belong to the sphere of management of the State Arts;
- forms supervisory boards of higher education institutions that belong to the sphere of management of the State Arts;<sup>16</sup>

## 2.2 Formal education

In terms of formal education, several levels of education should be considered. These levels correspond to the National Qualifications Framework:

- Higher education (5th-8th levels of the National Qualifications Framework);
- Professional pre-higher education (5th level of the National Qualifications Framework);
- Vocational education (2nd-5th levels of the National Qualifications Framework).

Overall, according to the conducted interviews with sectors' representatives and other stakeholders, entrepreneurship education for creative study areas in higher educational institutions is perceived to be of poor quality. Sectors' representatives believe that the graduates of the educational institutions lack important business-related skills, including poor understanding of business processes (planning of business activities, financial planning, project management, etc.), law, marketing, finance attraction, etc. This is also proven by the results of the online survey of representatives of creative industries: most respondents noted the insufficient quality of teaching business-related skills and knowledge in formal education institutions, especially in terms of attracting financial resources, working with state and international donor opportunities, etc.

The problems associated with insufficient teaching of business-related skills are linked to two both (1) content of educational programs used in formal educational institutions (e.g. what particular competencies are taught to students) and (2) quality of the educational process (including management, competencies of teachers in formal educational institutions, engagement of private sector).

### 2.2.1 Content of educational programs

As was mentioned above, Ukrainian educational institutions have the autonomy to independently determine the content of educational programs and other aspects of the educational process. Meanwhile, the governmental authorities (e.g. the National Agency for Higher Education Quality Assurance) provide the accreditation of educational programs in terms of their alignment to the educational standards, as well as the capability of educational institutions to ensure that its graduates obtain learning outcomes included in the standard. Therefore, the analysis of relevant educational standards may provide the overall understanding of the inclusion of entrepreneurship skills and knowledge in the educational programs in creative industries.

The standards of education are developed based on the methodological recommendations for the development of standards of higher education and methodological recommendations for the development of standards of vocational (technical) education according to the competence approach, approved by the Ministry of Education and Science of Ukraine.

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<sup>16</sup> [Some issues of activity of central executive bodies in the field of culture](#)

- **Methodological recommendations for the development of standards of higher education.** The document was approved in accordance with the order of the Ministry of Education and Science of Ukraine dated "01" June 2017 № 600.<sup>17</sup> According to the recommendations, the Standard of Higher Education is a set of requirements for the content and results of educational activities of higher education institutions and research institutions at each level of higher education within each study area. For creative study areas, these methodological recommendations on the standard of education are of paramount importance, because they determine the student's competencies and skills to be acquired in the learning process. This document is fundamental in understanding the extent to which the educational institution adheres to the standard and qualitatively teaches the curriculum, prepares students and professionals.
- **Methodical recommendations for the development of standards of professional (vocational) education according to the competence approach.** The document was approved by the Order of the Ministry of Education and Science of Ukraine on February 17, 2021. In general, the recommendations define standards as documents, which in turn define:
  - requirements for the content of professional (vocational) education;
  - requirements for mandatory competencies and learning outcomes of the applicant at the appropriate level;
  - professional and educational qualifications;
  - the total amount of workload of students;
  - conditions that determine a person's ability to start training in the profession;
  - labour protection training requirements;
  - the procedure for assigning qualifications within the profession.

In addition, the recommendations also include requirements for the structure and specific content issues (eg, description of the availability of practical training tools) for curricula.

**Professional standards are used for the development of standards of both higher and professional (vocational) education.** According to the order of the Ministry of Social Policy of Ukraine "On approval of the Methodology for the development of professional standards" from 22.01.2018, the professional standard is "approved in the prescribed manner requirements for the competencies of employees, which serve as a basis for professional qualifications."<sup>18</sup> This document is designed to ensure a uniform approach and objectivity in the development of professional standards and to ensure the quality of their verification. This means that educational institutions that train specialists in the field of creative industries have guidelines that define the general requirements for the development of professional standards to provide methodological assistance to employers, organisations and associations, industry (intersectoral) councils, central executive bodies, scientific institutions and other stakeholders.

**All levels of education in Ukraine correspond to the National Qualifications Framework approved by the Cabinet of Ministers of Ukraine.** The National Qualifications Framework is a systematic and competency-structured description of qualifications levels, which has 8 levels and is in line with the requirements of the European Higher Education Area Qualifications Framework.<sup>19</sup> The National Qualifications Framework was adopted on November 23, 2011, by the Resolution of the Cabinet of Ministers of Ukraine "On Approval of the National Qualifications Framework" and adapted by amending June 12, 2019, and June 25, 2020 (latest version).<sup>20</sup> The Law on National

<sup>17</sup> [Methodological recommendations for the development of standards of higher education](#)

<sup>18</sup> [On approval of the Methodology for the development of professional standards](#)

<sup>19</sup> [National Qualifications Framework](#)

<sup>20</sup> [On Approval of the National Qualifications Framework](#)

Qualifications Framework defines such concepts as responsibility and autonomy of a person, knowledge and competencies, communication, educational and professional qualifications, learning outcomes, skills and abilities. These basic concepts give the student an understanding of what to expect from the study and whether the level obtained corresponds to the level of qualification defined in the document in accordance with these definitions.

**Higher education** | The standard Ukrainian higher education process contains mandatory courses and electives. The electives system was introduced by the Law “On higher education” in 2014 guaranteeing at least 25% of the total number of ECTS credits provided for a certain level of higher education<sup>21</sup>. Also, according to the Law, applicants of a certain level of higher education have the right to choose the disciplines offered for other levels of higher education, in agreement with the head of the relevant faculty or department. Following this, the Ministry of Education and Science published the recommendation letter for Ukrainian universities clarifying the following: “The curriculum for a particular study area should determine the list of required disciplines (maximum - 75% of the total ECTS credits). The total amount of elective courses must be at least 25% of the total amount of ECTS credits. Among the elective disciplines, the curriculum may establish a list of professionally-oriented disciplines to choose from for a particular study area. At the same time, the Regulations on the educational process organisation establish what proportion of elective disciplines for students should be from among professionally oriented courses for a particular study area, and what proportion is given to the free choice of students who can choose any discipline from other study areas. Also, the Regulations on the organisation of the educational process should describe the procedure for the selection of subjects by students with deadlines for enrollment in the study of elective subjects. In order to exercise the right of higher education seekers to select disciplines, higher education institutions must provide favourable conditions in their class schedules”<sup>22</sup>. Nevertheless, the electives system is still facing certain difficulties - according to the Cedos monitoring research, in some universities, selectivity is rather a formality, because sometimes students can choose only one discipline from the two proposed, which, moreover, may be common (for example, the choice between the disciplines “Logic” and “History of Ukraine”)<sup>23</sup>. Among the reasons for such challenges are lack of funds (university cannot pay the teacher for a course taught to a small group of students), lack of understanding of the student-centred approach, and lack of competition between professors.

In terms of higher creative education, among the study areas studied in this research, the educational standards are approved for all 15 study areas for bachelor degree, and 11 study areas for master degree (there are no standards adopted for study areas 026 Performing arts, 061 Journalism, 187 Wood processing and furniture technologies, 191 Architecture and Urban Planning). For both bachelor and master degrees, entrepreneurship-related competencies are included as both general competencies (universal competencies that do not depend on the subject area but are important for successful further professional and social activities) and special competencies (competencies relevant to a specific subject area that are important for successful professional activity in a particular study area). As for a bachelor’s degree, almost all educational standards include general competencies of (1) ability to speak a foreign language, and (2) ability to use information and communication technologies. Meanwhile, some of the studied areas lack such competencies (for instance, the ability to use information and communication technologies is not required for design, choreography, publishing). Considering the special competencies for bachelors, they include some of the crucial skills needed for conducting business activities. At the same time, in most cases, the wording used in standards is not specific enough to understand the content of a competence. In addition, the set of competencies differs significantly across different study areas. For instance, the special competence “Ability to show initiative and entrepreneurship” is included only in standards for 025 Musical art and 028 Management of socio-cultural activities. Meanwhile, the standard for Musical art does not contain any specific business-related competencies (e.g., business planning, management, law fundamentals).

<sup>21</sup> [The Law "On Higher Education"](#)

<sup>22</sup> [Recommendations on the implementation of the order of the Ministry of Education and Science "On the peculiarities of the formation of curricula for the 2015/2016 academic year" and certain provisions of the Law "On Higher Education"](#)

<sup>23</sup> [Choice without choice: monitoring of elective courses in public universities](#)

The situation is similar to the learning outputs included in standards. Overall, most of the studied standards include competencies and learning outputs related to business planning and project management. In addition, some of the study areas include competencies related to marketing skills (e.g. 027 Museum Studies, Monument Studies; 029 Information, library, and archival affairs). At the same time, competencies related to the basics of law (including the intellectual property rights), the attraction of finance (including cooperation with a donor organisation), etc. are not included in the standards. Considering the standards for master's degree, it provides some additional competencies related to entrepreneurship activities. For instance, some of them include a general or special competence related to the ability to develop and manage projects. In addition, contrary to the standards for a bachelor's degree, many standards for master's degree include the knowledge of intellectual property rights (although for some of the study areas (e.g., 021 Audiovisual art and production) such competence is not included even though it is quite relevant). Overall, even though standards for master's degrees usually provide a wider range of general and special competencies, it is also characterised by the incompleteness of covered topics and generic wording.

**Professional pre-higher education** | On the contrary to higher education, standards for professional pre-higher education (educational and professional degree of professional junior bachelor) for creative study areas are approved by the Ministry of Culture and Information Policy of Ukraine. As for now, 8 educational standards are adopted. Similar to the standards for bachelor and master degrees, most standards for junior bachelor degrees contain the general competence related to the ability to communicate in a foreign language and use information and communication technologies. Considering the special competencies and learning outcomes, some study areas include the ability to show initiative and creative entrepreneurial skills (although such competence is included only in standards 022 Design, 023 Fine arts, decorative arts, restoration, and 028 Management of socio-cultural activities). Moreover, contrary to the standards for bachelor's degrees, all standards for professional junior bachelor's degrees include special competencies related to copyright protection.

**Vocational education** | Almost all relevant educational standards for vocational education usually contain comparatively more specific general professional requirements, related to entrepreneurship skills. For example, most of the standards adopted between 2006 and 2016 contain the requirement to "possess knowledge on legal issues of an industry, the basics of doing business, state registration of business entities and labour legislation within the professional activities". Standards that were adopted and approved after 2016 provide an even more detailed and specific set of skills and knowledge, including the procedure for establishing a private enterprise, maintenance of documentation, basic knowledge of management and marketing, interaction with the state authorities, development of the business plan, basics of labour law, etc. In addition, under the support of UNDP, the syllabus, tutorial and online course "Fundamentals of Entrepreneurship" was developed to improve the business-related skills and knowledge of students in vocational schools. The curriculum and tutorial were approved by the Ministry of Education and Science and are now being integrated in the formal educational process.<sup>24</sup>

**Professional qualifications** | Apart from the educational qualifications, an important role in defining a more specific set of key learning outcomes and competencies needed to perform a certain type of work or conduct professional activities. The basis for forming professional qualifications are professional standards that can be developed by employers, professional associations, government bodies, scientific institutions, etc. Meanwhile, at the beginning of 2022, no professional standards were adopted for the professions in the creative industries.

### 2.2.2 Quality of educational process

**Institutions responsible for ensuring the quality of educational process** | Quality of the educational process on the level of laws and policies is regulated by The State Service for the Quality of Education of Ukraine and The National Agency for Higher Education Quality Assurance (NAQA).

<sup>24</sup> [UNDP presented an online course on the basics of entrepreneurship](#)

**The State Service for the Quality of Education of Ukraine** is the central executive body, whose activities are directed and coordinated by the Cabinet of Ministers of Ukraine through the Minister of Education and Science. The State Service implements state supervision (control) over educational institutions regarding their compliance with the law. State Service for Education Quality<sup>25</sup>:

- oversees the compliance with the quality of education and educational standards in preschool, general secondary, extracurricular, professional higher education;
- provides assistance to educational institutions to improve the quality of educational activities, guarantee the quality of education and build public confidence in Ukrainian education;
- conducts institutional audits of educational institutions;
- monitors the quality of educational activities and the quality of education in the manner prescribed by law;
- considers citizens' appeals on issues within its competence;
- carries out international cooperation on issues within its competence.

The **National Agency for Higher Education Quality Assurance (NAQA)** is a permanent collegial body authorised to implement state policy in the field of quality assurance in higher education. NAQA is responsible for<sup>26</sup>:

- formulation of the requirements for the quality assurance system of higher education, development of the regulations on the accreditation of educational programs and submitting it to the Ministry of Education and Science for approval;
- development of the procedure for institutional accreditation of higher education institutions and submitting it to the Ministry of Education and Science for approval;
- analysis of the quality of educational activities of higher education institutions;
- conduction of the licence examination, preparation of an expert opinion on the possibility of issuing a licence to conduct educational activities in the field of higher education, etc.

**Management of educational institutions** | Law of Ukraine “On Education” enshrined the right of educational institutions to autonomy, stating that “state guarantees the academic, organisational, financial and staffing autonomy of educational institutions”<sup>27</sup>. As mentioned above, university autonomy is possible in four dimensions: academic, organisational, staffing, and financial. The European University Association (EAU) considers these dimensions of autonomy as follows<sup>28</sup>:

- Academic autonomy refers to a university’s ability to decide on various academic issues, such as student admissions, academic content, quality assurance, the introduction of degree programs, and the language of instruction;
- Organisational autonomy refers to a university’s ability to decide freely on its internal organisation, such as the executive leadership, decision-making bodies, legal entities, and internal academic structures;
- Staffing autonomy refers to a university’s ability to decide freely on issues related to human resources management, including recruitments, salaries, dismissals, and promotions;
- Financial autonomy refers to a university’s ability to decide freely on its internal financial affairs. The ability to manage its funds independently enables an institution to set and realise its strategic aims.

<sup>25</sup> [State Service for the Quality of Education of Ukraine](#)

<sup>26</sup> [On establishment of the National Agency for Higher Education Quality Assurance](#)

<sup>27</sup> [Law of Ukraine on Education 2145-VIII](#)

<sup>28</sup> [University Autonomy in Europe](#)



The level of autonomy is determined by what and to what extent is regulated by laws or public authorities. EAU has developed a system of criteria for examining the autonomy of universities in different European countries. Ukraine was not among the countries where such a study was conducted, but the analysis of our legislation in accordance with the criteria of EAU university autonomy may be quite practical<sup>29</sup>.

Given the autonomy of educational institutions (especially in terms of higher education), the efficiency of management of such institutions is considered to be a key factor in assuring the sufficient quality of the educational process. Meanwhile, according to the conducted interview, state- and community-owned educational institutions often suffer from poor management, which often lacks incentives to improve the quality of the educational process according to the market needs. It is linked to the ineffective and intransparent system of monitoring and evaluation of the quality of management of educational institutions that does not allow to hire the most qualified managers. To improve the situation, the public system of monitoring and evaluation of KPIs set for managers of educational institutions needs to be established. In addition, the current system of financing of educational institutions does not consider the opinion of the students, as well as professional results of the graduates after they leave an institution. Improvement of the financing formulas will create incentive for improvement of educational programs and educational processes within the institutions, as they will have to compete over the financial resources.

Considering the positive measures which have been supported developing management of educational institutions and overall content of educational programs, Ukraine joined the Bologna Process in 2005 and has committed itself to reforming the higher education system in line with European standards and values<sup>30</sup>. This process aims to unify the criteria for higher education and provides an advantage of integration of the Bologna principles is the international acceptance of diplomas obtained in Ukraine. The connection of Ukraine to the Bologna Process has resulted in the new supporting laws. Besides, Ukraine has successfully started the implementation of European standards in education. In July 2014, the updated law “On Higher Education” was approved. There are also achievements of the integration is that the number of higher education institutions was reduced from 325 universities in the 2013-2014 academic year to 281 universities in the 2019-2020 academic year and the resolution on information disclosure of the higher education institutions activities was adopted. In addition to this, in 2020 the list of priorities and tasks of the Bologna Process in Ukraine until 2030, were discussed and adopted by the Minister of Education and Science of Ukraine with Advisory Members and Partners of the Bologna Process. Among the most important tasks were determined by an aim of the Bologna process to be balanced academic mobility and enhanced role of higher education in achieving the goals of sustainable development until 2030.

Due to focusing on sustainable development goals in higher education, implementing the Bologna Process brought substantially positive impact on the entrepreneurship education for creative industries in Ukraine. In particular, more flexibility is now available during the educational process. Certain curriculums can be developed for different programs at the same time. Thus, students theoretically are able to choose those subjects which will help them develop entrepreneurial skills they need as an additional course. This flexibility also brings more transparency and openness for higher educational institutions, which can share curriculums among other schools or universities and help to develop a strong network of well-skilled creative industries professionals.

**Quality of teaching personnel** | The interviewed stakeholders believe that even though there are several educational institutions that are able to ensure a high quality of educational services provided by experienced professionals, the majority of teaching personnel in the state- and community-owned institutions do not possess sufficient knowledge and practical experience needed to teach business-related skills. This is linked to both lack of

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<sup>29</sup> [University autonomy in the context of Ukrainian legislation and practice](#)

<sup>30</sup> [The priorities of the Bologna Process until 2030 should be balanced academic mobility and a strengthened role of higher education in achieving the goals of sustainable development - Yehor Stadnyi](#)



incentives for management of educational institutions to attract high-quality professionals into the educational process (which can be partially changed by improving the quality of management and approach to financing the educational institutions), as well as a gap between the remuneration in the private sector and in educational institutions. Even if an educational institution has additional funds to attract top-notch experts to the educational process, it is limited in the ability to propose a market level of remuneration, as the official salaries are regulated by the single tariff grid in the public sector. To ensure the financial capacity of educational institutions, it is important to improve their financial autonomy, providing them with the possibility to attract private funds (e.g. bank loans, investments, etc.).

According to the European Universities Association, there are several possible approaches for the management of the financial resources. For example in Austria, Denmark, Estonia, Finland, Flanders, Wallonia, Latvia, The Netherlands universities can borrow money without restrictions; In Brandenburg, Ireland, Italy,<sup>31</sup> North Rhine-Westphalia, Slovakia universities can borrow money up to a maximum percentage; and in some cases as in Sweden universities that do not have foundation status may borrow money through a specific government-backed bank.<sup>32</sup>

**Private sector engagement** | In Ukraine, the range of issues related to the participation of employers in training and retraining in educational and research processes is regulated by current laws of Ukraine<sup>33</sup>, in particular:

- “On Education”,
- “On Vocational Education”,
- “On Higher Education”,
- “On scientific and scientific and technical activities”,
- “On taxation of corporate profits”,
- “On promoting social formation and development of youth in Ukraine”,
- “Commercial Code of Ukraine”, etc.

Currently, Draft Law “On Involving Employers in Training and Retraining, Educational and Scientific Processes” is developed, but it needs significant revision. However, different types of cooperation are allowed and carried out on a regular basis in Ukraine. For example, students have to do an internship in a company or government agency to specialise in order to get a degree. This commitment is often a mere formality, and in reality, the internship does not provide students with needed skills and knowledge. Moreover, to strengthen the interaction between universities and businesses various laboratories, science parks, conferences, forums, schools, or competitions, can be organised.<sup>34</sup>

In Ukraine, low-level cooperation is the most common, such as financial aid, student job fairs, business involvement in curriculum development, and inviting business representatives as lecturers. From 2020, the amount of funding for universities depends on their activities. Thus, universities have an incentive to work with employers to provide better results for their students and get more funding. To do this, universities must show when creating a program that it works with employers and that their point of view has been integrated into the curriculum.<sup>35</sup> At the same time, according to the interviews with sector representatives and separate governmental institutions, in many cases the engagement of the private sector in many cases is rather formal and does not bring additional value to the educational process.

In creative industries, according to the interviews conducted with the sector representatives, there are very few universities that are interested in engaging private sector players in the educational process, even though there are legal preconditions for different forms of cooperation (engagement of employers to examination commissions,

<sup>31</sup> [A 130 million loan to the University of Bologna from EIB](#)

<sup>32</sup> [University Autonomy in Europe - Financial Autonomy](#)

<sup>33</sup> ["Prospects for expanding the participation of employers in the development of vocational education." Analytical note](#)

<sup>34</sup> [How to promote cooperation between universities and business?](#)

<sup>35</sup> Ibid

academic councils of universities, dual education). In addition, educational institutions often are not aware about existing legal mechanisms for private sector engagement. As a result, the cooperation between educational institutions and sector representatives is now underdeveloped. Meanwhile, some of the interviewed representatives of educational institutions noted that they actively engage sector representatives (e.g., as invited lecturers).

**Dual education** | A dual form of vocational education is a way of learning, in which theoretical material is mastered in the institution with a teacher, and practical training takes place in the workplace. This approach is based on consolidating theory in practice and learning in the production environment. The graduates of the dual form of education are able to work with technology, understand all technological processes and have experience of working with experienced professionals. After graduation, they are offered open vacancies at the same company, so their employment is quite high.<sup>36</sup>

Currently, a dual form of vocational education in P(PT)O is regulated by the order of the Cabinet of Ministers of Ukraine № 660-r “On approval of the Concept of training specialists in the dual form of education”<sup>37</sup> and the order of the Ministry of Education and Science № 1551 “On approval of the Regulations on the dual form of vocational-technical education”<sup>38</sup>. The Ministry of Education and Science also provided methodological recommendations on concluding an agreement on obtaining vocational education in a dual form (letter of the Ministry of Education and Science dated May 18, 2021, № 1/9-260.)<sup>39</sup>

In the 2020-2021 academic year, 217 vocational education institutions use a dual form of education. Admission to dual education was 6,660 in 192 institutions. Meanwhile, according to the interviews with sector representatives, dual education is barely represented in the field of creative industries. Interviewed experts indicate that lack of knowledge and motivation among both educational institutions and industry representatives are key reasons for such a situation.

### 2.3 Non-formal and informal education

According to the conducted interviews with industry representatives, non-formal and informal education plays a significant role in the creative industries in the field of, as formal education often does not provide needed business-related skills and knowledge.

**Non-formal education**<sup>40</sup> | There are plenty of non-formal educational opportunities that are used by the representatives of creative industries to improve their skills and knowledge. The most known of them are provided by Kyiv Academy of Media Arts<sup>41</sup>, Projector Creative & Tech Online Institute<sup>42</sup>, Cultural Project<sup>43</sup>, Creative Spark<sup>44</sup>, Creative Enterprise<sup>45</sup> etc. Interviewed experts noted that representatives of creative industries actively participate in non formal education opportunities to improve their competences. Some of the sector representatives also acquire needed skills and knowledge using separate courses provided by formal educational institutions (Lviv Business School, Kyiv-Mohyla Business School, etc.). At the same time, as it was mentioned above, most of the surveyed representatives of the creative industries believe that the non-formal and informal education can complement the formal education, but not fully replace it.

<sup>36</sup> [Dual education](#)

<sup>37</sup> [The CMU Order "On approval of the Concept of training specialists in the dual form of education"](#)

<sup>38</sup> [The Ministry of Education and Science Order "On approval of the Regulations on the dual form of obtaining professional \(vocational\) education"](#)

<sup>39</sup> [The Ministry of Education and Science Letter № 1/9-260](#)

<sup>40</sup> The best practices in Ukraine will be studied in details during the 2nd stage of the project

<sup>41</sup> [Kyiv Academy of Media Arts](#)

<sup>42</sup> [Projector](#)

<sup>43</sup> [Cultural Project](#)

<sup>44</sup> [Creative Spark](#)

<sup>45</sup> [Creative Enterprise Ukraine](#)

**Informal education** | As some of the interviewed employers mentioned, many employees start working in creative industries without having all needed practical skills, and learn those skills in the workplace.

**Validation of non-formal and informal education** | There are several mechanisms that enable non-formal and informal education recipients to receive educational and professional qualifications. First of all, formal educational institutions have a right to officially recognize the results of the non-formal and informal education, received by students, according to the special adopted provisions. Also, in 2021, the Order of the Ministry of Education and Science of Ukraine “On the Standard Provision on the Qualification Centre” was adopted, creating the preconditions for the development of the network of qualification centres in Ukraine. Qualifications centres are entities that have a right to assess and recognize the results of education, including non-formal and informal education, and appropriate/approve a professional qualification, officially recognized in the labour market. Meanwhile, the establishment of such centres requires the adoption of professional standards for professions in creative industries.

### 3. KEY CONCLUSIONS

The autonomy of educational institutions is considered as a positive reform aimed to increase the competition between institutions based on their unique educational programs and other elements of the education process, which will eventually lead to a better quality of educational services. The quality of the education process is supervised by the government by ensuring its alignment with the adopted educational standards. Meanwhile, according to the results of interviews with sector stakeholders and a survey of creative industries representatives, the quality of the educational process currently does not correspond to the market needs and does not enable graduates to perform professional activities without additional non-formal and informal education.

The educational standards for the study areas associated with industries do not provide a specific understanding of particular business-related competencies and learning outcomes that graduates need to possess after finishing the educational institutions. They often lack crucial skills and knowledge associated with business planning, dealing with legal requirements, attracting financial resources, etc. In addition, there are no adopted professional standards for professions in creative industries.

Meanwhile, the adoption of high-quality educational and professional standards is an insufficient condition to improve the quality of the educational process and ensure its alignment with the market needs. To do so, it is needed to improve the quality of management in educational institutions, attract professionals with practical experience to the education process, facilitate the cooperation between educational institutions and the private sector, expand the financial autonomy of educational institutions, etc.

As the quality of the formal education in terms of business-related competences is perceived to be insufficient by the majority of stakeholders, an important role in the sector is played by non-formal and informal education. There are several mechanisms for recognition of the results of such education, although they require additional actions taken from business representatives.

## CHAPTER 2: UK EXPERIENCE OF ENTREPRENEURSHIP EDUCATION IN CREATIVE INDUSTRIES

This chapter is in two parts. The first section provides a general overview of the higher education system in the UK. This is intended to aid understanding of the overall context within which specific initiatives related to the creative industries (such as those discussed in part 2) operate, which will inevitably have both similarities and differences with the system in Ukraine.

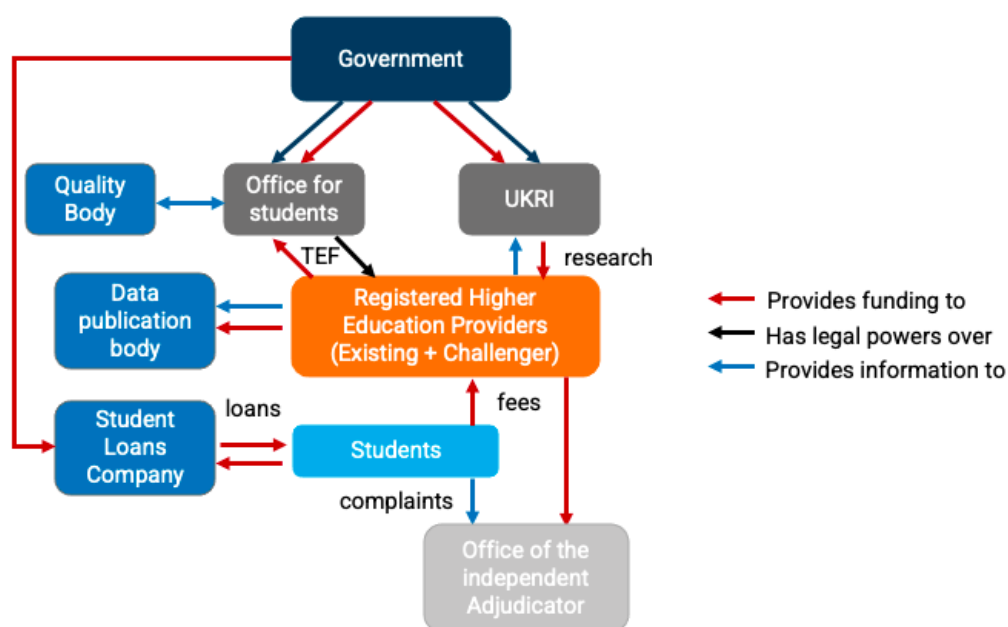
The second section of the chapter sets out a number of specific case studies in the UK, illustrating examples of good practice in developing links between HE institutions and industry, and in providing opportunities for students on creative courses to develop business and entrepreneurship skills. These studies cover a range of different models which could be drawn on and/or adapted by institutions in Ukraine, including for example partnerships with local creative industry clusters, work placement programmes, involving industry practitioners in structured guest speaker programmes, and opportunities for students to start and incubate businesses as part of their studies, or to design solutions to real industry challenges.

### 1. OVERVIEW OF THE UK EDUCATIONAL FRAMEWORK

#### 1.1 Introduction

This section provides an overview of the United Kingdom (UK) Higher Education Framework. Higher education policy is devolved across the four nations of the UK (England, Scotland, Wales and Northern Ireland) and whilst the UK government, in addition to being the governing authority for higher education in England, remains responsible for certain aspects such as quality assurance and regulations for international students across all nations. This overview will focus on England as the largest education system, but an outline of the key differences with the other nations is provided at the end.

**Figure 17.** Outline of UK Higher Education Governance<sup>46</sup>



In 2020-2021, there were over 2.7 million students across 218 higher education institutions (HEIs) in the UK, broken down as follows:<sup>47</sup>

<sup>46</sup> Evans, G. and Bishop D. (2016) Higher Education and Research Bill. Cited in Visser, M. (2017) Digitalisation of learning will have a greater impact than the new Higher Education and Research bill. Online at [Digitalisation of learning will have a greater impact than the new Higher Education and Research bill | LinkedIn](https://www.linkedin.com/pulse/digitalisation-learning-greater-impact-new-higher-education-research-bill-visser-m/)

<sup>47</sup> HESA (2022) Higher Education Student Statistics: UK, 2020/21. Online at [Higher Education Student Statistics: UK, 2020/21 | HESA](https://www.hesa.ac.uk/news/2022/01/higher-education-student-statistics-uk-2020-21)

- Undergraduate: 2,008,525
- Postgraduate: 743,340
- Students from the UK: 2,146,475
- Students from the EU: 152,905
- Students from non-EU countries: 452,225

In the same year, there were 190,180 students enrolled in 'Design, and Creative and Performing Arts'.<sup>48</sup>

The overview covers the following topics:

- The University Landscape;
- Funding;
- Regulation;
- Current Policy Debate;
- Creative Industry-related Courses;
- Core Difference across the Devolved Nations;
- Teaching Entrepreneurship Skills in Creative Courses.

## 1.2 The university landscape

In 2018-19 there were 164 HEIs in the UK, with a total of 2.38 million students recorded by the Higher Education Statistics Agency (HESA). There were 19 publicly funded HEIs in Scotland<sup>49</sup>, 10 in Wales<sup>50</sup>, 5 in Northern Ireland<sup>51</sup> and 130 across England. There are 18 leading universities in London, more than any other city in Europe, with approximately another 40 higher education institutions. Universities form various alliance groups to shape policy development across a range of higher education issues. The most well-known alliance is the Russell Group, a collection of 24 world-class, research-intensive institutions with a reputation for high academic achievement.

All universities in the UK are independent bodies and have autonomy to set their curricula, run their finances and pursue and share knowledge. There are no government-owned universities and staff are employed by the university rather than being civil servants. Older universities operate under a Royal Charter granted by the monarch. A Royal Charter gives the university independent legal nature and powers to self-govern and set out its objectives and governance framework.

The Further and Higher Education Act in 1992 changed funding and administration within England and Wales, enabling 35 tertiary education teaching institutions with a vocational focus, known as 'polytechnics' and including art colleges and conservatoires, to become independent universities and award their own degrees. A similar change occurred in Scotland. The 'new' universities were now established as higher education corporations (HECs) which must be conducted in accordance with articles of government approved by the Secretary of State.

Most UK universities are charities operating as not-for-profits, delivering charitable objectives in furthering education and through learning and research. They receive charitable donations. Universities are exempt from charity registration because their governance structures and statute are considered to be strong.

'Public' universities receive funding from the government to supplement students' tuition fees. There are approximately 6 'private' universities in the UK which do not receive government funding. They are financed by student fees alone and operate as charities or as limited companies.

**Course structure** | A Bachelor's degree (BA) is the most common type of undergraduate degree for arts, humanities and social sciences subjects. Students in England study for three years, or four if the course is offered with a sandwich placement year. To graduate with a BA, students must attain 360 credits and deliver a major

<sup>48</sup> HESA (2022) Higher Education Student Statistics: UK, 2020/21. Online at [Higher Education Student Statistics: UK, 2020/21 | HESA](https://www.hesa.ac.uk/data-and-figures/higher-education-student-statistics-uk-2020-21)

<sup>49</sup> Brand Scotland <https://www.scotland.org/study/scottish-universities>

<sup>50</sup> Higher Education Funding Council for Wales <https://www.hefcw.ac.uk/en/regulation/higher-education-providers/>

<sup>51</sup> Department for the Economy, Northern Ireland <https://www.economy-ni.gov.uk/articles/higher-education-division>

project or dissertation in their final year. Students gain credits for each completed module studied. Credits represent the number of notional hours expected for a student to complete the module, most commonly 15 or 30 per semester and 120 per year. Over the duration of the course, students will study compulsory and optional modules to make up the total credits. Assessment of modules can vary and may include an exam, an essay and/or a project. Students can divide the credits over two separate but related subjects to gain a joint honours degree. A postgraduate Master's degree takes 1-2 years and requires more advanced and focussed independent study.

Students can take a placement year between the penultimate and final year of their studies. This is an opportunity to gain experience working within the relevant industry. Companies advertise opportunities for placements. Universities often have a career service or specialist staff within departments or faculties to help students apply for and secure placements, and to support them during this year. Students may also take a year abroad at an overseas work placement or at one of their university's international higher education partners.

Undergraduate student numbers are highest in the medical and biological sciences subjects. Most creative courses fall under 'Media, journalism and communications' and 'Design, and creative and performing arts' in the table below, which together attract nearly 200,000 students from across the UK each year.

**Table 1. Higher Education undergraduate student enrolments by Common Aggregation Hierarchy (CAH) subject and sex<sup>52</sup>**

	2019/20				2020/21				
Subject Area	Female	Male	Other	Total	Female	Male	Other	Not known	Total
01 Medicine and dentistry	30,685	20,235	30	50,955	33,555	21,060	35	0	54,645
02 Subjects allied to medicine	176,920	43,215	135	220,275	201,460	48,250	190	0	249,895
03 Biological and sport sciences	44,855	48,185	80	93,120	46,680	49,380	150	0	96,210
04 Psychology	73,945	16,615	125	90,680	82,740	18,800	165	0	101,705
05 Veterinary sciences	6,975	1,310	5	8,290	7,605	1,400	10	0	9,020
06 Agriculture, food and related studies	8,645	4,710	15	13,365	9,410	4,730	25	0	14,170
07 Physical sciences	22,455	30,810	50	53,315	23,455	30,800	105	0	54,355
09 Mathematical sciences	13,925	23,755	45	37,725	14,315	24,220	80	0	38,610
10 Engineering and technology	24,240	109,035	95	133,370	25,380	111,250	170	0	136,800
11 Computing	17,370	83,945	145	101,455	19,625	91,015	275	0	110,915

<sup>52</sup> HESA (2022) Higher Education Student Statistics: UK, 2020/21 <https://www.hesa.ac.uk/news/25-01-2022/sb262-higher-education-student-statistics/subjects>

13 Architecture, building and planning	14,325	26,210	20	40,555	15,115	26,685	40	0	41,840
26 Geography, earth and environmental studies (natural sciences)	12,760	11,720	15	24,495	12,855	11,500	35	0	24,385
<b>Total science CAH level 1</b>	<b>447,095</b>	<b>419,740</b>	<b>760</b>	<b>867,595</b>	<b>492,195</b>	<b>439,090</b>	<b>1,275</b>	<b>0</b>	<b>932,560</b>
15 Social sciences	134,310	67,570	145	202,030	142,965	70,615	235	0	213,815
16 Law	57,830	31,295	35	89,165	63,955	35,765	60	0	99,780
17 Business and management	135,180	150,495	65	285,740	151,395	170,015	235	0	321,650
19 Language and area studies	56,885	21,815	280	78,980	53,915	19,895	370	0	74,175
20 Historical, philosophical and religious studies	36,885	29,970	165	67,020	36,300	29,565	180	0	66,050
22 Education and teaching	50,410	9,170	40	59,620	50,480	8,680	55	0	59,210
23 Combined and general studies	22,565	12,865	30	35,460	23,185	13,030	45	0	36,260
24 Media, journalism and communications	19,840	14,235	60	34,130	19,610	14,515	95	0	34,220
25 Design, and creative and performing arts	101,225	58,435	770	160,430	101,740	58,980	935	35	161,695
26 Geography, earth and environmental studies (social sciences)	5,450	3,850	0	9,305	5,330	3,765	5	0	9,105
<b>Total non-science CAH level 1</b>	<b>620,590</b>	<b>399,705</b>	<b>1,590</b>	<b>1,021,880</b>	<b>648,880</b>	<b>424,825</b>	<b>2,225</b>	<b>35</b>	<b>1,075,965</b>
<b>Total</b>	<b>1,067,680</b>	<b>819,445</b>	<b>2,350</b>	<b>1,889,475</b>	<b>1,141,080</b>	<b>863,910</b>	<b>3,500</b>	<b>35</b>	<b>2,008,525</b>

### 1.3 Funding

#### 1.3.1 University funding

There are a variety of income streams for HEIs in England, with the majority derived from tuition fees and education contracts. This has significantly increased since 2014, whilst other streams have shown minimal to no increases (see table 1).



**Table 2.** *Income of HEI by academic year (£ millions)*<sup>53</sup>

Year	Tuition fees and education contracts	Funding body grants	Research grants and contracts	Other income	Investment income	Donations and endowments
2014/15	15,541	5,345	5,968	5,902	230	532
2015/16	16,811	5,167	5,886	6,045	261	578
2016/17	17,757	5,105	5,916	6,165	254	585
2017/18	19,018	5,124	6,224	7,363	256	737
2018/19	20,300	5,326	6,577	7,964	401	927
2019/20	21,546	5,499	6,293	7,285	373	931

The Office for Students (OFS) is responsible for the allocation and distribution of public money to HEIs in England. In 2021-22, they allocated £1,437 million, broken down as: £1,266 million recurrent funding; £150 million capital funding; and £21 million for national facilities and regulatory activities.<sup>54</sup>

To receive funding, HEIs must be registered with the OFS under one of these categories<sup>55</sup>:

- **Registered – Basic:** For institutions not receiving public funding or student support (i.e., tuition fee loans). They must meet or exceed Level 4 of the academic standard set out in the Framework for Higher Education Qualifications (FHEQ) and be a member of the Office of the Independent Adjudicator (OIA). This category is designed to provide students with reassurance and therefore act as a contingency.
- **Approved:** For institutions designated to receive student support. Institutions must meet standards including quality assurance, finance sustainability, management and governance (FSMG) checks and the Competition and Markets Authority's standard on students' rights as consumers.
- **Approved (fee cap):** This category includes most UUK member institutions and is designed for institutions who directly receive public funding. This requires stricter FSMG standards and compliance with terms and conditions tied to government grants.

There are four relevant funding streams offered by the OFS which are outlined below.

**Recurrent Funding**<sup>56</sup> | A recurrent teaching grant for HEIs in the 'Approved (fee cap)' category of the OFS register which is the main funding stream. It provides:

- Funding for courses with high teaching costs such as medicine, dentistry, engineering and sciences (£900 million in 2021-22).
- Funding to support student access and success for students living in particular geographical areas with, for example, low levels of participation and particularly amongst underrepresented groups (£40 million for 2021-22).
- Funding for specialist institutions with world-leading teaching (£53 million for 2021-22).

<sup>53</sup> [What is the income of HE providers? | HESA](#)

<sup>54</sup> [Funding allocations - Office for Students](#)

<sup>55</sup> [Implementation of the Higher Education and Research Act 2017 \(ioe.ac.uk\)](#)

<sup>56</sup> [Recurrent funding - Office for Students](#)

Within this, recurrent funding aims to address policy areas and government priorities (e.g., promoting access and participation, equality of opportunity and higher-quality education) set by the government each year<sup>57</sup>. Funding is distributed using a formula that is typically based on the number and types (full-time/part-time) of students reported to be attending the university.

**Funding for Specialist Institutions<sup>58</sup>** | A stream within recurrent funding (see above). OFS provides additional funds to 16 specialist providers in England because of the higher costs, distinctive nature, and public value and diversity they bring to the higher education sector. These are typically small institutions. Institutions wishing to be considered specialist, will be assessed by OFS's Specialist Provider Panel. OFS is currently reviewing the criteria for allocations to 'world leading specialist providers'.

**Capital Funding<sup>59</sup>** | Designed to support sustainable investment in higher education, capital funding is available for 'Approved (fee cap)' institutions to acquire or maintain land, buildings and equipment (fixed assets). £150 million has been allocated for 2021-22; £19 million for national facilities and regulatory initiatives and the remainder for institutions. Funds are distributed through a bidding competition, with a small proportion allocated through a formula. Recipients are expected to submit a monitoring form to confirm they have used the funds as indicated. In 2021-22, OFS prioritised:

- Facilities for high-cost Science, Technology, Engineering and Maths (STEM), healthcare and other technical subjects which meet the special skills needs of industry.
- Facilities supporting the development of flexible learning and modes of delivery (e-learning, part-time study etc.)
- Fixed assets that show value for money.

**Funding Competitions** | OFS funding competitions which aim to address the gaps and issues affecting students, and where evidence suggests that students and HEIs will not achieve the specific objectives independently or through other means. There are two types HEIs can apply for: challenge competitions (OFS funding only) and funding competitions (OFS and/or other organisation funding). Bidders have to provide their own resources in addition to the funds, and the bids must include explicit support from students and other partners (e.g., business) depending on the competition.

For example, OFS launched a challenge competition to develop short courses to address current technical skills gaps, ahead of the governments' Lifelong Loan Entitlement scheme (launching in 2025, it will provide every adult 4 years of HEI education across their lifetime).<sup>60</sup>

### 1.3.2 Student finance

**Tuition Fees** | HEIs in England which receive a Teaching Excellence Framework (TEF) award can charge a maximum tuition fee of £9,250 per year for full-time undergraduate courses, and those without a maximum of £9,000.<sup>61</sup>

**Student Loans** | Students who usually live in England studying their first degree can receive loans from the government (through Student Finance England) to cover the full cost of tuition. Eligibility criteria include:

- Attendance at a qualifying university.
- Completing a recognised course (e.g., Bachelors, Masters, foundation degree).

<sup>57</sup> See [rt-hon-gavin-williamson-cbe-mp-t-grant-OFS-chair-smb.pdf \(officeforstudents.org.uk\)](#) and [OFS-strategic-guidance-20210208.pdf \(officeforstudents.org.uk\)](#)

<sup>58</sup> [Funding for specialist providers - Office for Students](#)

<sup>59</sup> [Capital funding - Office for Students](#)

<sup>60</sup> [Higher education short course trial - Office for Students](#)

<sup>61</sup> [About the TEF - Office for Students](#)

- If studying part-time, a student must complete at least 25% of the course each year compared with a full-time student.

Loans are paid directly to the university and incur interest. They are paid back to the government once students graduate and their income is over £25,725 a year; they will then repay 9% of their income above this level.

Maintenance loans are available to help with living costs whilst at university, such as accommodation, food, equipment and transport. It typically covers a large proportion of costs, but not all. Maintenance loans are calculated based on household income as well as other factors (see Table 23). Due to the higher cost of living, there is an uplift for study in London.

**Table 3.** *Student Maintenance Loans Breakdown for Full-Time Students*

Criteria	2022-2023 Academic Year
Living with your parents	Up to £8,171
Living away from your parents, outside London	Up to £9,706
Living away from your parents, in London	Up to £12,667
You spend a year of a UK course studying abroad	Up to £11,116

**Additional Financial Support<sup>62</sup>** | There is a range of additional support available, depending on student circumstance such as:

- Hardship funds – Students can apply to universities directly for grants if they are experiencing financial hardship. This can be because they are from a low-income family, have children, are disabled and are homeless among other factors.
- Students with children – Grants to support with childcare or learning costs, or to support if an adult is financially dependent on them.
- Disabled Students' Allowance – Grants for additional course-related costs due to impairment, mental health condition or learning difference. This is assessed by individual need, not income.

## 1.4 Regulation

The current Regulatory Framework for Higher Education in England was established primarily through the Higher Education and Research Act 2017 which, in particular, established the OFS as the new independent regulator for higher education.<sup>63</sup> This legislation was introduced following a Government White Paper setting out a major programme of higher education reform aimed at increasing competition between HEIs, increasing choice and transparency for students, and simplifying regulation, essentially through two bodies – the Office for Students, as regulator of the higher education “market” and UK Research and Innovation as the consolidated research funding body.<sup>64</sup>

The legislation sets out the OFS's regulatory obligations and powers. This includes the requirements to establish a register of HEIs in England, and to set and enforce conditions of registration; and powers to authorise (and revoke) degree-awarding powers for institutions, to regulate quality and standards, and to make decisions on distribution

<sup>62</sup> [Student finance: Extra help - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/student-finance-extra-help)

<sup>63</sup> <https://www.legislation.gov.uk/ukpga/2017/29/contents>

<sup>64</sup> Success as a Knowledge Economy, Department for Business, Innovation and Skills, May 2016

of grant funding (over and above tuition fees and other income generated by HEIs themselves – see above). The Act also gives OFS a number of general duties which it must consider in performing its functions including, for example: the need to protect institutional autonomy; the need to promote quality, choice and competition; and the need to promote equality of opportunity.

The legislation sets the parameters for the regulator's independence from the Government. Under the Act, the Secretary of State (SOFS) for Education may give guidance to the regulator: this is not legally binding, but the OFS is required to "have regard" to such guidance in performing its functions. But there are constraints on the Government's powers to give guidance: the Act requires the SOFS to "have regard to the need to protect the institutional autonomy" of universities and makes clear in particular that s/he cannot interfere in content of individual courses, the ways in which they are taught or assessed, criteria for appointment or dismissal of staff, or for the admission of students. The Act also allows for the Secretary of State to give Directions to OFS – which must be followed – but within similar constraints, and these must be approved by Parliament.

### 1.5 Office for Students

The Office for Students sets its primary aim as being "to ensure that English higher education is delivering positive outcomes for students – past, present and future". It seeks to ensure that "students from all backgrounds (particularly the most disadvantaged) can access, succeed in, and progress from higher education. It uses a range of regulatory tools to deliver these aims, including<sup>65</sup>:

**Registration of providers** | HEIs are required to register with OFS if they wish to access public funding, recruit international students or award their own degrees. In order to register and remain registered, providers must meet a range of specific conditions, in areas such as: access for students from all backgrounds; financial sustainability; good governance; transparency and accountability; and quality and standards of provision (see below).

**Degree Awarding Powers** | OFS grants (or maintains) degree awarding powers to institutions against a range of criteria, summarised as a requirement to have "a self-critical, cohesive academic community with a proven commitment to the assurance of standards supported by effective quality systems."

**Minimum Quality and Standards Requirements** | The conditions for registration with OFS include a set of minimum requirements for quality and standards. These have recently been reviewed and cover:

- The quality of academic experience (up-to-date, appropriate, effective etc);
- Resources, support and student engagement;
- Successful student outcomes "which are recognised by employers and/or enable further study";
- Assessment and awards (valid and reliable, credible, effective etc);
- Meeting any other defined "sector-recognised standards" in relation to awards granted to students.

**Grant Funding** | The OFS is responsible for distributing specific elements of grant funding to institutions, supplementing the tuition fees and other income which universities generate themselves. These include additional funding for "high-cost subjects", recognised as important areas where costs exceed the level which can be covered by fee income; and specific funding for "world leading specialist institutions", including specialist colleges and conservatoires linked to the arts and creative industries.

**Teaching Excellence and Student Outcomes Framework (TEF)** | TEF is an assessment process operated by the OFS, which provides a rating for each HEI based on its overall level of excellence in teaching and the outcomes achieved by graduates in terms of employment or further study. The assessment process involves a combination

<sup>65</sup> See the Office for Students Regulatory Framework (OFS 2018) and subsequent amendments

of evidence submissions from the provider and analysis of official data. These are considered by an independent panel including students, academics and other experts. TEF ratings are awarded at Gold, Silver or Bronze level. Institutions with a TEF rating are allowed to charge slightly higher tuition fees (£9250 per year, versus £9000 per year).

The TEF is seen as a powerful tool to inform student's choices of what and where to study, recognising excellence and incentivising providers to raise their standards and enable outcomes which meet the needs of employers and industry. The current TEF specification was developed by Government in 2017<sup>66</sup>, but full responsibility for the TEF has since been passed to the OFS.

OFS is currently consulting on a revised approach to the TEF, retaining the rating scheme but developing the detailed framework with the aim of strengthening the incentives on providers to deliver excellence and positive impacts for students.<sup>67</sup> The new TEF process would be conducted every four years and would specifically focus on two aspects of provider performance: "student experience" and "student outcomes" with specified "features of excellence" for each. The new TEF framework would be more closely aligned with the registration conditions around quality and standards.

There are two other bodies which play important roles in the regulatory system for HEIs in England:

- **Higher Education Statistics Agency (HESA):** HESA is the "Designated Data Body" for higher education in England (selected by OFS). This means it has specific duties under the 2017 Act to collect and publish detailed information on higher education, to inform students, prospective students and providers, and to provide evidence and data to OFS to inform its regulatory activities. Its output includes the recently revised Graduate Outcomes Survey, a major exercise gathering perspectives and current status of graduates which claims to be the biggest annual social survey conducted in the UK. The survey of 2018/19 graduates incorporated responses from nearly 400,000 graduates.
- **Quality Assurance Agency for Higher Education (QAA):** The QAA is a charity which focuses on providing advice and support on quality assurance and enhancement activities to HEIs and regulators. QAA is the Designated Quality Body for OFS, providing reviews and advice, and undertaking specific quality assessments as part of the registration process for HEIs (though this process is under review). It also works with regulatory bodies and institutions in Scotland, Wales and Northern Ireland.

## 1.6 Current policy debate

The future provision and funding of post-18 education in England has been under review since 2018, when the Government commissioned an independent review chaired by Dr Philip Augar. The stated aim of the review was to "ensure that post-18 education is giving everyone a genuine choice between high-quality technical, vocation and academic routes, students and taxpayers are getting value for money and employers can access the skilled workforce they need"<sup>68</sup>. However there were also concerns that at the rising public cost of higher education, as the proportion of school leavers staying in education steadily increased, including the impact of the student loan book on public finances.

The Augar Review published its findings in May 2019 and made over 50 recommendations, including proposals aimed at "bearing down on low value higher education" and at shifting the balance of course provision and places in favour of areas seen as "strategically important" – achieved through a range of possible measures such as

<sup>66</sup>

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/658490/Teaching\\_Excellence\\_and\\_Student\\_Outcomes\\_Framework\\_Specification.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/658490/Teaching_Excellence_and_Student_Outcomes_Framework_Specification.pdf)

<sup>67</sup> <https://www.officeforstudents.org.uk/media/42846a2c-aa90-40a7-9a0c-f207ddb599da/consultation-on-the-tef.pdf>

<sup>68</sup> <https://www.gov.uk/government/news/prime-minister-launches-major-review-of-post-18-education>

differential tuition fees and caps on student numbers<sup>69</sup>. These two issues have been seen as being of particular importance, and potential concern, for the future supply of key creative HE courses on which the creative industries depend.

Government policy discussions around skills needs have tended to emphasise the importance of STEM skills to the future economy. While these are undoubtedly critical areas, there have been concerns from some that the importance of creative skills – set to be in increasing demand across the economy, as well as being vital to the fast-growing creative industries themselves – may be overlooked. In relation to value, the Augar report referred to research, based on long-term projections from short-term data, suggesting that graduates of creative arts and related courses went on to earn significantly less than those from STEM and other areas – and would therefore show a much higher rate of default on student loans. This led to debate around how “value” of degrees can best be measured – it has been argued in particular that judgements based on short-term earnings following graduation are likely to discriminate against sectors such as the creative industries with high levels of atypical, project-based, working patterns; and that focusing solely on earnings is overly narrow and that much more rounded measures are needed to capture the full value of the higher education experiences, including impact on quality of work, achievement of personal aspirations and broader wellbeing, as well as meeting future skills needs.<sup>70</sup>

Following various stages of discussion and consideration, the Government published its response to Augar, in the form of a policy statement and consultation in February 2022.<sup>71</sup> Its proposals include a number of changes to the student finance system (including lowering the salary threshold at which loans start to be repaid, and extending the maximum repayment term from 30 to 40 years), short term freezing of tuition fees, and consultation on potential measures to increase the funding focus on “high-quality provision that delivers good outcomes for students, society and the economy at large”, including via student number controls. The debate continues, but this latest statement includes creative arts as one of the key areas for future skills supply and recognises the strategic importance of meeting the demand for “shortage occupations” in creative industries.

It has long been recognised in the creative industries that the quality of key creative higher education courses across the UK is variable. While many are world-class, there has been concern among industry employers that some courses are less effective than others at preparing graduates for entry into the sector. This has led to a number of industry-led initiatives aimed at providing accreditation or quality marks to distinguish those courses which are seen as meeting industry needs, and to incentivise high-quality provision (see “Creative Industry-related Courses section below). Issues being explored further with the Government in the context of the wider higher education reform agenda include the scope for incorporating industry views into official regulatory and assessment frameworks such as the Teaching Excellence Framework described above.

### 1.7 Creative industries-related courses

Research carried out by the Creative Economy and Policy Research Centre shows that there is a far higher proportion of creative graduates working in the creative industries than in other sectors, with 35% of creative graduates being employed in the creative industries six months after graduation, rising to 37 percent three years later. In comparison, only 18.5% of engineering graduates work in ‘engineering activities’, while 44.7% of law graduates work in ‘legal activities’ three and a half years after graduation<sup>72</sup>.

Just over half of graduates who worked in the creative industries six months after graduation had a creative degree, and just under half of those at three and a half years. This varies across subsectors. For example, three

<sup>69</sup>

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/805127/Review\\_of\\_post\\_18\\_education\\_and\\_funding.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/805127/Review_of_post_18_education_and_funding.pdf)

<sup>70</sup> See, for example: <https://www.pec.ac.uk/assets/publications/Higher-Education-Strategic-Importance-Policy-Brief-PEC-092021.pdf>

<sup>71</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1057091/HE\\_reform\\_command-paper-web\\_version.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1057091/HE_reform_command-paper-web_version.pdf)

<sup>72</sup> Creative Industries Evidence Centre, For Love or Money Research Report



and a half years after graduation, creative graduates make up 82% of all graduates employed in the design sector, 78% of graduates in the music, performing and visual arts sector, and 75% of graduates in the architecture sector. Most creative graduates work in sectors with the subject of their degree. This shows that industry is mainly employing graduates with qualifications linked to their area. Within the creative economy, creative and non-creative graduates tend to perform different roles. Over half of creative graduates work in creative roles as 'specialists', and only 17% work in non-creative 'support' roles<sup>73</sup>. This shows the heavy reliance from industry on graduates with creative degrees to sustain the creative economy.

Several industry associations work closely with creative subsectors to support skills development. JAMES is one example from the music sector.

In 2006, The Music Producers' Guild (MPG) and the Association of Professional Recording Studios (APRS) created Joint Audio Media Education Support (JAMES). This was made up of representatives from each association, with the aim of offering industry-based advice, support and course accreditation to prepare students for work in the media. JAMES provides:

- JAMES Course Accreditation as a marker of added value and quality which provides assurance to prospective students, parents and employers. Industry assessors review the teaching facilities, the programme of study and the quality of student work. Alongside this they hold a confidential, open discussion with current students and recent graduates. During the inspection visit, along with the ability to gauge a course's relevance to industry, the professionals may informally discuss and advise on topics with the students and course team.
- Summer Schools are available to selected students from JAMES accredited courses. Over 5 days, students experience working in recording/production with an established producer/engineer.
- Industry access is provided through JAMES' numerous relationships and connections, allowing educators and students access to working professionals from a wide range of media subsectors. Professionals have opportunities to advise on degree course evolution to help shape the future of the industry.

ScreenSkills Select is a similar initiative for the film, TV, VFX, animation and games sector. ScreenSkills Select courses are independently assessed by industry evaluators, who use set criteria and provide annual feedback to strengthen links and relevance to the industry. Institutions apply to have their courses endorsed by ScreenSkills Select. To be recognised, course must offer:

- Industry relevant course content;
- Links to local and national employers in the screen industries;
- Preparation for a career on screen.

With an industry-recognised course, the HEI can attract more students. Educators and students on the courses also have access to additional industry insights events and professional development<sup>74</sup>.

In another example, The Royal Institute of British Architects (RIBA) validates programmes at over 50 course providers in the UK. RIBA Validation ensures compliance with internationally recognised standards in architectural education and encourages excellence and diversity in student achievement. Boards visit schools of architecture to carry out an assessment of the courses. The boards are made up of practising architects, academics and architecture students. Graduates may take up a RIBA Chartered membership, where they can add the letters RIBA after their name. RIBA architects can gain further professional development recognition through mentoring RIBA students.

<sup>73</sup> Ibid

<sup>74</sup> ScreenSkills Select <https://www.screenskills.com/information-and-resources/information/screenskills-select/>



## 1.8 Core differences across the devolved nations

Outlined below are some of the key differences between England, and the other devolved nations of the UK. This is not a comprehensive assessment, and further research can be undertaken to fully explore the regulatory, governance, funding and other differences in higher education provision.

### 1.8.1 Scotland

- **University Funding:** The Scottish Funding Council is a non-departmental body of the Scottish Government that is responsible for the allocation of public funds for colleges/HEI (average annual investment of £1.9 billion). Each college/HEI submits an 'outcome agreement', setting out what it plans to deliver in return for SFC funding. The plan must align with the government's priorities and SFC's strategic framework.
- **Student Funding (tuition):** Scottish students who choose to study full-time in Scottish HEI do not have to pay tuition fees for their first degree (undergraduate). This is covered by the Student Awards Agency Scotland (SAAS) upon application (it is not automatic). Scottish students studying in the rest of the UK are charged tuition fees set by the chosen university/course but can still apply for maintenance loans from SAAS.
- **Student Funding (maintenance):** Students can apply to SAAS for means-tested loans and bursaries, regardless of where they study in the UK. Key bursaries are the Young Student's Bursary (under 25, and a 'dependent') and the Independent Student Bursary, both in the form of an annual payment - see Undergrad Funding - SAAS - Higher Education - Student Loan.
- **Length of Study:** Undergraduate degrees are four-years, allowing students to study a range of subjects (typically up to three) before specialising.
- **Awards:** The historic universities of Scotland award a Master of Arts (MA) as a first degree in select humanities subjects, rather than a bachelor's degree (issued in the rest of the UK). This is not equivalent to a postgraduate Masters.
- **Entry:** Students can enter higher education at the age of 17 (instead of 18 in the rest of the UK) or remain in school for a further year. For some universities/courses, students from other parts of the UK attending Scottish universities from the age of 18, can have direct entry into second year. This is typically an outcome of studying at an advanced level and/or high grades.

### 1.8.2 Wales

- **Curriculum:** There are significant efforts to promote the Welsh language across all aspects of society in Wales. In HEIs, official documents are produced in both Welsh and English and modules/courses can be taken in Welsh with the Coleg Cymraeg Cenedlaethol providing scholarships on a sliding scale (33-66% of the course).
- **University Funding and Regulation:** Whilst the majority of university funding is supported by tuition fees, the Higher Education Funding Council for Wales (HEFCW) is the public body responsible for the allocation of public funds (£206.5 million in 2021/22) based on formulas including subject, study model (full or part time), level (undergraduate or postgraduate) and amount of high-quality research undertaken at the institution. This is mostly distributed as direct block grants.
- **Regulation:** The Welsh government will introduce the 'Tertiary Education and Research Commission for Wales' in 2023. This will be an independent Welsh Government sponsored body, taking on the function of HEFCW (regulation, governance, funding).

- **Student Funding (maintenance):** To cover maintenance costs (accommodation and living), all eligible students will receive £1,000, with further means-tested grants or loans available - see [What finance is available for Welsh full-time undergraduate students | Student Finance Wales](#).

### 1.8.3 Northern Ireland

- **University Funding:** HEI is mostly funded by government grants which are allocated and distributed annually by [The Department for the Economy](#) (government department). Allocations are made against a series of aims including to support widening access, to improve quality of teaching and learning, and to fully exploit the university's contribution to the economy and responsiveness to the needs of business and community. A smaller proportion is derived from tuition fees, which are backed by public loans.
- **Student Funding (tuition):** The maximum tuition fee is capped (subject only to inflationary rises) for Northern Irish students who choose to study a full-time undergraduate course at a Northern Irish HEI, which can be covered by a loan. For 2022/23, it is capped at £4,395. Northern Irish students studying in the rest of the UK are charged tuition fees set by the chosen university/course but can also apply for a tuition fee loan.
- **Student Funding (maintenance):** Students can apply for means-tested loans and grants to cover maintenance costs, as well as childcare, equipment and course-related travel for eligible students. Loans are for full-time students only and depend on where they live, study and the length of their course.

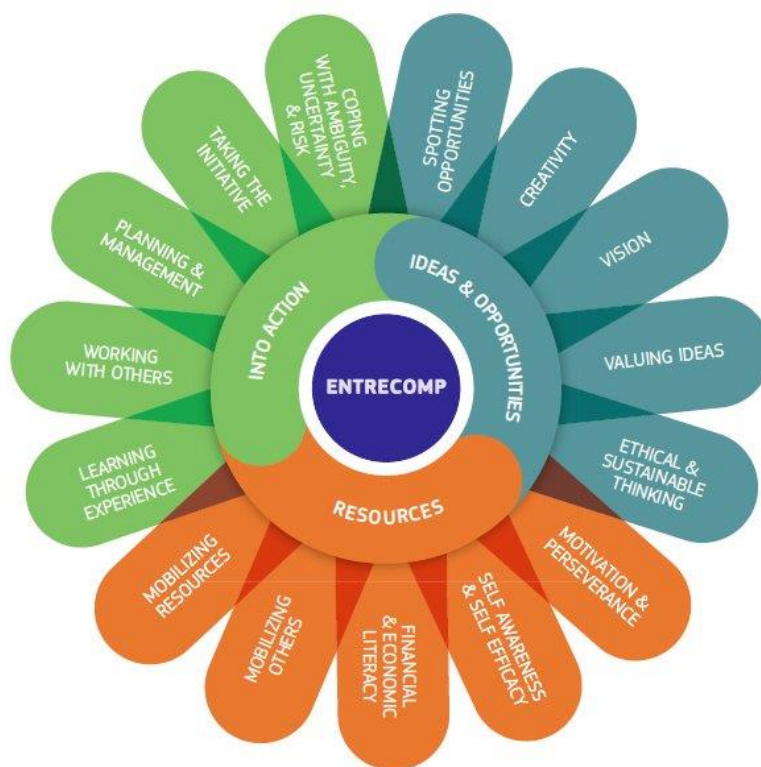
### 1.9 Teaching entrepreneurship skills in creative industries

Many HEIs use EntreComp as a reference framework for designing courses with the relevant skills that graduates need. The European Commission developed the European Entrepreneurship Competence Framework to describe the skills, knowledge and attitude that people need to be entrepreneurial and create value for others. It is used across sectors and can be applied in different ways<sup>75</sup>. Programme directors at HEIs use this framework to identify the skills that should be taught on their creative courses.

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<sup>75</sup> European Commission The European Entrepreneurship Competence Framework (EntreComp)  
<https://ec.europa.eu/social/main.jsp?catId=1317&langId=en#:~:text=EntreComp%20is%20a%20free%2C%20flexible,practice%20to%20develop%20entrepreneurial%20skills>

**Figure 18.** *EntreComp Reference Framework*



## 2. SELECTED UK CASE STUDIES

### 2.1 UK Music – Music Academic Partnership

Founded in 2008, UK Music is an industry-funded body which represents the interests of the British music industry (recorded, published and live). Their work includes providing a platform for discussion, policy support (including research), advocacy, and education and skills development initiatives. On the later, this includes developing apprenticeships, rehearsal spaces and career resources as well as the Music Academic Partnership (MAP).

MAP was set up in 2015 to **create direct relationships (and formalise existing ad-hoc agreements) between education institutions and the music industry**. It is a collaboration between UK Music/its members and further and higher education institutions, as well as awarding bodies. It now has 20 member institutions (growing year-on-year), which vary from multi-disciplinary universities to specialist arts colleges and conservatoires. Undergraduate courses are the primary focus. Institutions pay a 'relatively low' membership fee to support the costs of the education director role at UK Music and to provide central funds for activities.

The aims of the programme are to:

- Nurture collaborative projects such as research and careers events;
- Inform and engage with the next generation of industry professionals;
- Develop expert knowledge base to feed into education and skills policy work;
- Provide individuals who want to build careers out of their passion for music with extra opportunities.

Overall, it seeks to maximise the chances of students in UK colleges and universities finding a job in any part of the music industry.

#### 2.1.1 Course Content

Unlike the other case studies, MAP generally **runs alongside the taught curriculum** (arranged and delivered by the university) and has a greater focus on **ways to deliver course content**. This primarily involves running career

sessions (such as with media recruitment specialists), masterclasses, networking events and guest lectures. They also conduct outreach initiatives for prospective students. UK Music has worked with MAP members on events such as a Careers Fair (BBC Introducing LIVE), Skills Show and through publications such as the UK Music Careers Pack and Music Education Directory.

UK Music also provides MAP members with **advice on setting up new courses, specific modules or, in some cases, adopting a quality assurance role** as part of a wider panel. This has included recommendations for practical activities within the curriculum, such as how to build in work placement opportunities and supporting institutions to secure these.

MAP engages with a wide range of courses from business (e.g. Music Management), to creative disciplines (e.g. Production and Performance). Regardless, there is a **strong focus on teaching business skills and particularly Intellectual Property, as well as soft skills such as forming creative and professional relationships to support networking**. Both are seen as vitally important to both artists and professionals in the industry. Institutions also often have business-focused modules with **practical industry activities** (which have become more popular), such as establishing and running a record label or series of performances. These are assessed as part of the course and UK Music provides advice and/or industry contacts.

The MAP programme also features an annual 'Outstanding MAP Graduate Awards' (OMGs) as a way to gather and promote success stories. Each member institution can nominate up to two recent graduates each year for their academic performance and efforts towards career development (e.g., research, community work, business success, contributions to the wider musical life of the area). Nominations are judged by UK Music's Skills Programme Board who also examine their career following graduation and potential to make an impact in the future.

### 2.1.2 Industry Cooperation

As outlined above, MAP focuses on industry-led events. UK Music's members are keen to engage with education institutions and will provide speakers, but **recruitment of students for MAP members remains a key issue**. UK Music is tackling this by sharing information on MAP members and placing them at the forefront of their communication on education and skills.

Overall, **UK Music / MAP's engagement and influence is through developing a more informal but close continuous relationship, and strong industry connections with institutions**. UK Music uses industry insights to shape the MAP programme, institution revalidation and to provide course feedback (when requested, they generally don't provide continual feedback), but it is **not an industry-accreditation process** like JAMES for audio production. Likewise, there is **no formal measure of success for industry collaboration**. The OMGs do provide some level of information on graduate outcomes, but there are ongoing concerns/discussion about using narrow measures of success (e.g. on immediate progression of graduates) which may not work against smaller institutions and diversity of opportunities.

### 2.1.3 Challenges

**Fees, marketing and communication** are the main challenges MAP faces:

- Membership fees can cause pressures and particularly in a period when institutions are tightly resourced, which can put relationships at risk of being cut to save money.
- Issues with fees may arise where there are internal disconnections between funding decision-makers and those who are directly engaged with the programme.
- MAP issues regular newsletters, including event listings, to the academic partners in institutions, but is reliant on them to disseminate the information to students.

- There is scope for greater promotion of MAP membership across institutions, to build its recognition and awareness of opportunities.

### 2.1.4 Policy

By engaging with the sector, UK Music aims to support the government with skills and education policy and has developed a specialist committee to oversee this area. As an organisation, they are currently collaborating with the UK Government and other stakeholders on the National Plan for Music Education. Also, through consultation (including with MAP members), research and programming, they have produced a number of assessments: from economic studies such as Music by Numbers 2020 to education appraisals like Securing Our Talent Pipeline. Map members who have also been involved in the UK Music Diversity Report will be engaged in a follow-on project (in development) for the UK Live Music Census.

This work has helped shape their MAP programme by **addressing gaps and opportunities in the sector, whilst delivering on the organisation's strategic objectives**. As MAP adopts a largely advisory role from the perspective of industry, rather than directly influencing the core curriculum, it has not drawn on government policy per se.

### 2.2 Abertay University

Abertay University is located in Dundee, Scotland. It is a smaller institution with 4,500 students (90% undergraduate, 10% postgraduate) who are mostly from the UK (86%). **Abertay is one of the UK's leading technology universities with National Centre for Excellence status in video games and cybersecurity education** - it launched the world's first computer games degree in 1997, its video games degrees have ranked first in Europe over the last seven years and the university's alumni include the creator of Grand Theft Auto.

Abertay's success is an outcome of local circumstance and the perception and buy-in of local people. It was originally founded in 1888 as Dundee Institute of Technology (DIT) and was historically regarded as an industrial-facing university. The decline of traditional industries and (particularly from the 1980s) the introduction of computer manufacturing, digital businesses, easy access to home computers and increased enrolment of local people in computer science at DIT, led to the suggestion by local people for a department of computer games at the now Abertay University. **Dundee has since become a significant creative hub for the global video games industry**, with more games developers per head of population than anywhere in Europe. It is also the UK's only UNESCO designated City of Design with an annual Design Festival.

#### 2.2.1 Course Content

Abertay's 'Division of Games and Arts' is an interdisciplinary department offering both undergraduate and postgraduate degrees. It brings together expertise in digital art and performance, game design, sound and music production in order to support one of Abertay's research priority areas, Creative Industries.

Employability is a key factor in course design. **Degrees are mapped onto core jobs in gaming** such as design, production, app development, modelling, animation, and audio, which are brought together in different combinations. These are continually reviewed to align with industry trends and developments, both globally and locally.

**Overall, it is important to consider how these skills are taught. Courses include practical activities to teach students entrepreneurial (particularly IP) and soft skills (e.g., decision making, professionalism, leadership), in a wider effort to promote innovation in the curriculum.** For example, for both undergraduates and postgraduates, industry representatives act as a client and present students with an actual, albeit non-critical, challenge which has yet to be resolved by industry due to lack of resources (time, capacity). Within this, students learn about 'process' and 'delivery' to guide them in developing their own business in the future. Meanwhile, Abertay found that teaching students certain skills such as completing tax forms was a challenge as students were disengaged. Instead, they introduced such topics through guest speakers.

### 2.2.2 Industry Cooperation

The local gaming ecosystem shapes the courses at Abertay. Local entrepreneurs, including graduates, have advised on the **necessary new skills students require to meet current industry needs**, which were at the time not being delivered by other institutions. This led to the creation of several courses and has helped Abertay become a front-runner in the field. There are also a number of enterprise activities that involve industry (locally and beyond):

- Pump-priming research funding for projects which involve students in the development of projects and prototypes.
- Abertay is a member of the Santander Universities Network / Santander Employability Scheme which provides industrial placements (internships) with SMEs for 2-3 weeks, part or full time. This has included a local games studio.
- Hosting competitions and events (e.g., DARE Academy, see below).
- Abertay's Enterprise Centre 'Bell Street Ventures' provides support to students and recent graduates to realise their ideas, provide resources and connect them with business.

The DARE Academy is Abertay's **annual video game design competition**. It is developed in collaboration with the Innovation for Games and Media Enterprise (InGame) creative research and development hub that sits within Dundee's games cluster (see policy for further information). The **competition simulates an industry environment**. Over the summer holidays, students design prototype games under the guidance of industry mentors before being judged in September. In addition to a cash prize, **winners receive support and services from InGame** including commercialisation support, priority access to InGAME facilities and specialists, and assistance to access future investment opportunities. The competition has a track-record of producing successful start-up companies such as North Sea Games.

Abertay receives formalised feedback through Screen Skills, the industry-led skills body for Screen Industries whose work includes identifying skills gaps and investment requirements, career information and quality-marking professional pathways.

### 2.2.3 Challenges

**The difference in pace between education institutions and industry is the main challenge for partnership development.** Universities are generally seen to be slower, which causes friction with industry who seek to implement change quickly, both within business and the wider sector – specifically the talent pipeline. A notable example was the introduction of new software (HTML 5) which was immediately adopted by industry, who then sought students and graduates with expertise. A university's standard response would be to introduce the content in the following academic year, producing graduates with expertise in 4 years. Due to Abertay's industry connections, they were able to secure trainers from Microsoft immediately to train students.

### 2.2.4 Policy

InGame is funded by the Arts and Humanities Research Council, a public body that distributes government funding to support research and postgraduate study in this field within the UK. The funding is part of the **Government's Industrial Strategy which included establishing 9 creative clusters across the UK to connect research (education institutions) with industry to drive R&D and innovation**.

The cluster is led by Abertay University, in partnership with other higher education providers and in collaboration with local industry stakeholders including games businesses, the BBC, Microsoft and Sony. Its mandate is to **respond to 3 high-level local challenges - creative risk, technological innovations, and commercial expertise**. The goals include **workforce development** to enable the creation of original content and help build a new generation of creative R&D practitioners, as well as **collaborations / partnerships between industry and higher education**.



**institutions** to, for example, improve access to high-cost development services. These influence Abertay's course design and delivery.

### 2.3 London College of Fashion (University of Arts London)

The University of Arts London (UAL) is a group of 6 institutions<sup>76</sup> - formerly independent art, design, fashion and media colleges - located across London. UAL has 18,000 students from 130 countries, but with a similar proportion between UK and International students (46% UK, 13% EU, 41% International). It is renowned for its **state-of-the-art campus facilities** (e.g., creative workshops) and is ranked second in the world for Art and Design and in the top 15 UK universities for industry connections.

UAL's London College of Fashion (LCF) is the UK's only specialist fashion education institution. It has a strong global reputation, offering over 60 degrees and 165 short courses ranging from business to design and curation. LCF comprises three academic schools, one of which is the Fashion Business School (FBS) which offers specialist fashion business courses that are uniquely designed for students who wish to pursue business disciplines in the fashion and lifestyle industries. Courses are accredited by a number of UK professional, statutory and regulatory bodies (e.g., Chartered Management Institute, Chartered Institute of Marketing, Chartered Institute of Management Accountants, British Display Society). FBS also meets the wider university's commitment to promote responsible leadership and innovation by ascribing to PRiME (Principles of Responsible Management Education).

#### 2.3.1 Course Content

**FBS is a traditional business school sitting within an arts context with a craft heritage.** Courses include marketing, buying and merchandising, and management at both undergraduate and postgraduate levels, and follow a traditional business curriculum which is uniquely tailored to the fashion industry. Courses are also designed to teach students about global challenges facing the fashion industry, such as sustainability. LCF is also currently working to map courses and modular units against the The European Entrepreneurship Competence Framework (EntreComp).

UAL, as a wider institution, is dedicated to careers and employability and specifically industry experiences for students as part of taught courses which influences LCF's courses. **A combination of curriculum development, student enterprise programmes, a business incubator and industry collaborations create a dynamic network to support enterprising graduates develop career aspirations, professional awareness and entrepreneurship.** A key reference point for course design includes the Creative Attributes Framework, which offers a structured approach on how to embed and enhance enterprise and employability in the curriculum. This not only guides staff, but also educates students from the beginning about the qualities, skills, behaviours and experiences needed for successful professional careers.

#### 2.3.2 Industry Partnerships

LCF works to support the UK government's Industrial Strategy and creative economy development. It does this by **engaging with businesses on ways to future-proof industry (e.g., skills gaps, roles, success factors)** and better prepare students for careers. It also extends into entrepreneurship and innovation short courses specifically to help freelancers, gig-economy workers and start-up businesses develop the necessary skills for the creative industry. FBS was also recently awarded the Chartered Association of Business School's Small Business Charter, on behalf of UAL.

FBS courses engage with industry through:

- Guest lecturers who bring industry experience and tangible skills on how to launch and scale up business.

<sup>76</sup> These are: Camberwell College of Arts, Central Saint Martins, Chelsea College of Arts, London College of Communication, London College of Fashion, Wimbledon College of Arts and UAL Creative Computing Institute.



- Incorporating at least one brief from industry each year which aims to expose students to current issues and design innovative solutions.
- Offering an Enterprise year (an additional year during the degree) with a separate qualification (diploma) and is open to students from any School within LCF.
- Embedding enterprise projects in FBS courses (e.g., Fashion Management) where students are given £200 to design and develop a business project as part of their course.

FBS reaches across LCF; it currently offers the Enterprise year to all LCF students and plans are also underway to offer postgraduate elective enterprise modules. This is so all students can benefit from FBS's enterprise expertise.

In 2016, LCF set up a Student Enterprise Team, now part of Graduate Futures, to provide business support to students **outside of the formal curriculum** and includes 1-2-1s, skills building sessions and field activities. It also provides placements/work experience opportunities to all undergraduate and several postgraduate courses. To date, 60 businesses and 600 students have benefited. Graduate Futures also hosts an **annual LCF Enterprise Challenge** with a cash prize, support and mentoring to student entrepreneurs with innovative ideas, as well as alumni networking events including industry panels with topics such as IP. At the university level, there are also **Enterprise and Employability practitioners** who deliver workshops, presentations and facilitate learning opportunities for all courses.

The success of entrepreneurial education / skills development is assessed using standard UK metrics such as Graduate Outcomes and the National Student Survey.

The Centre for Fashion Enterprise, recently re-positioned as part of FBS, currently provides a virtual hub but has plans for a physical space within the university's Stratford campus from 2023. It will support SMEs in the fashion and fashion-tech industries with strategy development through workshops and expert advice.

### 2.3.3 Higher Education

LCF, as with other UAL institutions, seeks to have a strong local impact. This has become even more important with the university's relocation to East London which has 30% of London's fashion SMEs and 35,000 jobs, and is supported by the Fashion District. LCF will work to **support more local talent in London through outreach in local schools and by providing skills and training to a local workforce** in order to address critical shortages in technical skills whilst also enabling new businesses to offer job opportunities.

UAL has a strong history of **working with communities** across London and the UK on projects that have a positive social impact. These short-term activations also support talent development and access to employment. Delivered through LCF, the 'Making for Change' project partnership with the government Ministry of Justice, gave **women prisoners the opportunity gain industry-recognised qualifications and build experience and employability** through training and skills development. This was not only to reduce re-offending, but also **addresses the skills shortage within the UK fashion manufacturing industry**.

### 2.4. Institute for Creative and Cultural Entrepreneurship (ICCE), Goldsmiths

Goldsmiths is an international-facing **arts institution**. It is a single-site university with around 8,500 students (72% undergraduate, 28% postgraduate) and is part of the University of London: a federation of 17 independent member institutions with global reputation, ranging from larger universities such as UCL to smaller specialised institutions such as the Royal Academy of Music and the Courtauld Institute of Art.

Goldsmith has 20 academic departments covering the arts, humanities, social sciences, cultural studies, computing, law, teaching, social work and business management. The Institute for Creative and Cultural Entrepreneurship (ICCE) delivers entrepreneurship, cultural management and policy education through academic programming as well as external events and activities. ICCE focuses on **interdisciplinary collaborations and**

**experimentation**, compared to other academic departments / subject disciplines. This feeds into their **research into innovative business, finance and management models** in the Creative Economy.

#### 2.4.1 Course Content

ICCE runs 10 postgraduate programmes, 1 BA degree and a PHD programme based around 7 different pathways (e.g., music, fashion). It also offers a small selection of short courses which can count towards a master's course accreditation. These provide practical workplace skills which are currently focused on the museums and galleries sector, as well as digital marketing.

ICCE aim to ensure their curriculum reflects the **cultural policy and the issues that are shaping them, the needs of the creative industries and current global and industry-specific challenges** (e.g., climate change, inequalities, ethical sponsorship). This is not only by engaging with industry, but also research.

There are a number of specific business skill that are built into the curriculum:

- Degrees have a major focus on practical areas such as modelling and mapping, alongside theory / academic content.
- MA Cultural Policy and Arts Admin includes a workstream on audience development (segmentation, market positioning, branding), working with specialist industry organisations who influence course design and provide work placements.
- 'Business Planning and Management Practices' is an elective module that connects students with business to learn about finance, budgeting, recruitment, health and safety etc.
- 'Entrepreneurial Modelling' is a core module of the MA in Creative and Cultural Entrepreneurship. During the 12-months of the course, students design and launch a business. The main submission required for the module is a business plan.
- Core skills students are encouraged to learn are finance, business structures and associated legal requirements and time management.

**SYNAPSE is a university-wide programme of workshops, mentoring and business development support** for students to explore entrepreneurial tools within their degree. It works with students at every level – across disciplines – focusing on enabling students to be career ready. It usually takes the form of a 3-hour workshop, with opportunities for 1-1 guidance as follow-up and is tailored to each discipline.

#### 2.4.2 Industry Partnership

ICCE works closely with a wide network of industry contacts as well as other specialist higher education institutions to support curriculum development (including regular guest lectures) and training opportunities. For some courses, work placements are compulsory and formally assessed. **Generally, ICCE staff adopt an intermediary role between students and employers to facilitate and secure opportunities, but students themselves have to follow a formal application process** (as for a real job) and sometimes suggest new organisations they'd like to work for. There is a reserve module for those students who can't do placements (contemporary issues in cultural policy, whilst other courses provide optional opportunities for placements, but students are expected to source these. ICCE also run a number of schemes:

- The **Start-up Visa scheme** (Business Development scheme) is for international applicants seeking support to develop businesses over a two-year programme. It is a competitive process for a maximum of 20 visas per year, with flexible support including incubator space, workshops and networking events. Participants have to divulge information on earnings and other KPIs and be on campus 4 days per month.

- The **Student Enterprise scheme** is the equivalent to the Start-up visa scheme for existing, domestic students in other disciplines. ICCE takes on 2-3 students per year and provides a diagnostic tool for them to focus on and track business development, as well as data insights.
- The **Sustainable Enterprise London Festival** was developed through local creative businesses which ICCE had built relationships with when developing a new module as an alternative to placements during the pandemic. It was a three-week festival of sessions with businesses, in addition to 10 lectures.

ICCE receive feedback from students and, informally, from guest speakers and industry partners at the beginning and end of a work placement. There is no formal feedback mechanism with industry at present.

#### 2.4.3 Challenges

The extent of industry connections in undergraduate courses (i.e., ICCE's BA course) can be new and challenging to students and so time and additional support is needed to help students adjust.

It is challenging to persuade departments to accommodate the SYNAPSE programme as part of taught courses in part due to time/resource commitments.

#### 2.4.4 Higher Education

Goldsmiths is one of 50 institutions in the Civic University Network, which means they are committed to **prioritising the local economy and quality of life** in the borough of Lewisham and across London. This includes opening the campus to the public (e.g., free public art gallery), providing support to local SMEs and through the **Inspire Lewisham programme, working with business and local residents to develop critical skills and find/provide employment opportunities.**

## CHAPTER 3: CREATIVE INDUSTRIES DURING THE WAR - CHALLENGES AND RECOMMENDATIONS (POLICY BRIEF)

### 1. GENERAL BACKGROUND

On February 24<sup>th</sup> the military forces of the Russian Federation invaded Ukraine. As a result of the ongoing war, operations of many businesses as well as activities of local authorities were disrupted or suspended, especially in the East and South regions of Ukraine.

Before the start of the full-scale Russian invasion, the Ministry of Culture and Information Policy of Ukraine, the Centre for Economic Recovery and the Counterculture Partnership LLP have been working on the development of recommendations for improvement of business-related skills in education in creative industries under the support of the British Council as part of the policy grant. As a result of the Russian full-scale aggression, the focus of the research was adjusted to better address current needs of the Ministry and the sector.

This Policy Brief provides a high-level overview on how the war affected the sector, and provides a list of relevant initiatives for facilitating entrepreneurship education in the sector in short, medium and long terms.

**Impact of war on Ukrainian economy** | War has had a significant negative impact on the Ukrainian economy. It is projected that in case war will continue to take place for several more months, Ukraine's GDP may decrease by 45%. Such a decrease will be caused by decrease in business activity, sharp fall in export and import, etc. At the same time, public and private investments drop, along with a decline in government and household consumption will cause a negative impact on the economy and business activity in Ukraine. To fight against the crisis the Government of Ukraine takes measures aimed at the reduction of state expenditures. Analyzing the prewar period, in the process of reducing government costs, education, along with creative education, most of the time was one of the first fields to reduce costs. Therefore, it is expected that state funds allocated for the development of education, in particular, the creative industries: will decrease significantly.<sup>77</sup>

**Challenges for the creative industries** | Creative industries take an important part in the economy of Ukraine. In 2020, creative industries reached 4.2% of the value added to the Ukrainian economy, which is amounting to UAH 132.4 billion. Employment in creative industries in 2020 reached 4%, which is 360.3 thousand Ukrainians. Compared to 2019, businesses in creative industries in Ukraine paid 15.8% more taxes, with the amount of UAH 26 billion in absolute terms. However, due to the war and decrease in business activity in the regions, which are mostly affected by military invasion, the overall amount of taxes will decrease sharply, including taxes from the creative industry's businesses. As a result of the war, many areas of activity were affected, including the creative industry, which faced many challenges. Architectural design companies and creative ones, whose activities were mostly focused on clients from Ukraine, suffered the most, as a third of these specialists are not employed, as many companies have suspended their activities. Among the people who lost their jobs were specialists of various profiles and skill levels: from designers, content managers and communicators to creative and art directors. While programmers and strategy managers were least affected by losing jobs. Most of the representatives of the sphere of creative industries that kept their jobs, declared that the volume of work decreased more than twice and some of them reduced their salaries. Also, due to surveys conducted by Happy Monday, approximately half of surveyed representatives of the creative community defend Ukraine in the ranks of the Armed Forces and/or territorial defence.<sup>78</sup> Meanwhile, the same survey indicates that 34.6% of companies in the sector suspended their activities, while almost 35% of employees have lost their jobs. In the survey conducted by the Ukrainian Cultural Foundation, 73.5% of respondents (representatives of the cultural sphere) indicated that they continued their core professional

<sup>77</sup> [Europe and Central Asia Economic Update, Spring 2022 : War in the Region, World Bank Group](#)

<sup>78</sup> [How the war affected the creative industry: a study by HappyMonday, 13.04.2022](#)

activities during the war. At the same time, 76.7% of respondents anticipate the decrease in the number of jobs in the sector, 51.3% expect the decline in state financing.<sup>79</sup>

It is likely that many professionals from the creative industries, who were forced to shift to other sectors or moved abroad during the war, will not return to the sector. This will make it particularly important to implement measures aimed at strengthening the pipeline of new entrants with the business/entrepreneurial skills which will be needed (alongside wider support to the sector) to enable the creative industries to recover and return to growth.

However, Ukrainian creatives have found ways to help Ukraine during the war. For example, fashion designers started producing items for the Ukrainian army instead of the regular outfits. Fashion brands are sewing military uniforms, shoes, military grids, bed linen for the defenders and even producing bulletproof vests. Leading Ukrainian creatives, bloggers, singers, musicians, and advertising agencies have joined the 'information front'. They disseminate true information about the Russian attack by creating videos, designs, songs, even memes, and other means of communication. They are the reason why the world's top celebrities learnt about the war and supported Ukraine. More than 300 000 IT professionals and amateurs are united to counter Russian cyberattacks and work to block Russian governmental and propagandistic websites. Ukraine's creative industries representatives all over the world launch fundraising campaigns, spread the truth about the atrocities of the war, and appeal to isolate and impose further sanctions on Russia. Ukrainian creative hubs and libraries work as volunteer centres and host internal refugees.

At the same time, the Government's capacity to support the sector is quite limited, since currently the resistance to Russian aggression is the top-priority. Therefore, the Government has redistributed a part of budget expenditures to finance the Armed Forces and other military-related spheres. Therefore, it is likely that the support and recovery of the creative industries in general, and entrepreneurship education in the sector in particular, will heavily rely on the assistance of the development partners.

**Changes in education** | The educational process was significantly influenced by the beginning of the war and underwent many changes. The day after the start of a full-scale Russian invasion of Ukraine on February 24, the Ministry of Education and Science of Ukraine (MES) recommended halting the educational process in educational institutions at all levels and sending students for a two-week vacation. However, after this period, the educational process in the areas where the security situation allowed it began to resume. Universities are working online in some of the oblasts of Ukraine, while in other oblasts forced vacation were introduced. Also, in some cases, students from universities, which do not work, have the opportunity to participate in listening to subjects in their specialties, and after finishing will receive a document certifying the completion of courses, which applies to the diploma for their main university. Also, teachers who were evacuated from fighting zones are invited to join the educational process on other territories of Ukraine.

The university's admission campaign in 2022 has also changed. On March 24, the Verkhovna Rada passed the Law "On Amendments to Certain Legislative Acts of Ukraine in the Field of Education", which provides for the abolition of ZNO, EVI and EFVI for applicants for education in 2022. The Ministry of Education and Science proposes to introduce a multi-subject test for admission to the bachelor's degree, which will consist of questions on the Ukrainian language (excluding literature), mathematics and history of Ukraine, as well as a motivation letter. Those applying for a contract will only have to submit an application and motivation letter. In the specialty of the creative competition you will need to pass a creative competition and submit a motivation letter. At the same time, as several million people went abroad, and some of them may not return back to Ukraine, there is a high probability of a decrease in the number of applicants to universities.<sup>80</sup>

<sup>79</sup> [Ukrainian Cultural Foundation - Quarterly Report, 1Q, 2022](#)

<sup>80</sup> [Education and the war in Ukraine \(February 24 - April 1, 2022\)](#)

## 2. AREAS FOR POTENTIAL INTERVENTIONS

In this chapter, the potential interventions are organised within three timeframes: (1) anti-crisis (before the war is over, to help the sector with addressing the existing challenges), (2) recovery (to restore the sector to at least pre-war state), and (3) modernization (to facilitate the sectors' long term development). While the majority of the suggestions concern the field of entrepreneurship education in creative industries, some of proposed initiatives (especially within the anti-crisis and recovery stages) also cover the resiliency of creative industries and education sphere in general.

### 2.1 Anti-Crisis

The key goal of this stage is to help representatives of the creative industries and educational institutions to continue their operations during the wartime, as it will help to save jobs and prepare the sector for the following recovery. The initiatives concerning the educational process are mostly aligned with the vision of the Ministry of Education and Science of Ukraine, provided in the proposals to the Positional document for recovery of Ukraine, but may also incorporate some proposals of the project team.

Description of the proposed activity	Justification	Responsible bodies	Funding sources
Ensuing the resilience of creative industries			
Launching the special grant financing programs for businesses in creative industries	<p>As a result of the war, many businesses in creative industries faced a lack of operational capital due to the decline in demand or active military actions in their regions. Many sectoral representatives were forced to suspend or fully stop their activities.</p> <p>To avoid closure of businesses, there is a need to provide sector representatives with access to financial resources needed to continue their activities and keep paying salaries to their employees.</p> <p>Meanwhile, considering the specifics of the creative industries, which often do not have sufficient assets to be used as collateral (and, therefore, cannot afford even subsidised 0% loans), the best way to support them is to provide grant financing. The design of such a program should incorporate the continuation of the operations and paying salaries to employees at least for several months. The applicants' ability to reorganise the activities to better address current challenges / start exporting Ukrainian creative products should be considered as an advantage for the decision.</p>	Ministry of Culture and Information Policy	Development partners (provision of grants)
Providing support to creative businesses with relocation	During the war many businesses could not continue their activities due to the intense military actions in their regions. While the Government has launched the initiative aimed at helping Ukrainian producers with relocation (mainly to the Western Ukraine), representatives of creative industries barely apply for such an	Ministry of Culture and Information Policy, Ministry of Economy, Ministry of Digital Transformation, Entrepreneurship and Export Promotion Office,	Development partners

	<p>opportunity, which is more tailored to more 'standard' sectors of the economy (e.g., food processing, manufacturing, etc.).</p> <p>Therefore there is a need to design more customised solutions that can be used by creative industries. The package of such support should preferably include:</p> <ul style="list-style-type: none"> <li>- Helping with identification of relevant sites / production premises (especially for businesses producing 'physical goods', e.g., folk arts and crafts)</li> <li>- Helping with the development of business plans for reorganisation of operations, calculating the financial indicators, finding new clients (including abroad), etc.</li> <li>- Providing with access to finance for relocation (preferably - in a form of grants) <ul style="list-style-type: none"> <li>- may be combined with the first initiative in the sector</li> </ul> </li> <li>- Helping relocated businesses to start cooperation among themselves / with local producers, establishment of 'creative clusters' that can ensure higher output than separate enterprises.</li> </ul>	State Property Fund of Ukraine	
Ensuring the continuity of the educational process			
Creating safe conditions for obtaining and providing education for current students	<p>Due to the lack of conditions for education in the regions where active hostilities took place, there is a need to provide support to teachers and students who are temporarily relocated to other regions of Ukraine and unable to return to their educational institutions due to their destruction, damage, mining.</p> <p>This requires the adaptation of educational policy to wartime conditions (for example, postponement or introduction of unscheduled vacations, postponement or cancellation of compulsory examinations; organisation of admission campaigns, provision of distance learning, etc.).</p>	Ministry of Education and science, local governments	Development partners, state budget funds, funds from local budgets, charity
Providing access to educational services for students who have been forced to change their place of residence	Ensuring the continuation of education for students who were reallocated to other regions of the country or had left the territory of Ukraine. This should incorporate measures needed to enable remote learning, for example, organising sites with access to high-quality Internet connection and needed equipment, establishing micro campus partnerships with other education or cultural institutions in different cities, etc. This will also create incentives for people who left the country to return to Ukraine.	Ministry of Education and science	State budget funds, funds from local budgets
Providing displaced teachers	Providing support in the educational process of	Ministry of Education	Development



with jobs that meet their potential and the needs of local hromadas	persons from the temporarily occupied territories and the introduction of an algorithm for attracting displaced teachers to the organisation and implementation of the educational process in the relevant territories to preserve human resources	and science, local governments	partners, state budget funds, funds from local budgets charity
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## 2.2 Recovery

The key goal on this stage is to help the creative industries to recover at least to the pre-war level of development. Similar to the anti-crisis stage, the initiatives concerning the educational process are mostly aligned with the vision of the Ministry of Education and Science of Ukraine with some amendments proposed by the project team.

Description of the proposed activity	Justification	Responsible bodies	Funding sources
Improving the institutional framework for supporting creative industries			
Launch of the National Office for the Development of Creative Industries as the main provider of state support for creative business and innovative development of creative industries	<p>Currently in Ukraine there are no channels, mechanisms, institutions for rapid support of creative business - there exists either support for cultural projects, or business assistance that is not adjusted to the specificity of creative industries (such as affordable loans - to get them creative industries still do not have sufficient assets).</p> <p>Therefore, it is necessary to create an institution that will accumulate and distribute targeted support for creative businesses. Based on it, the main support programs will be implemented (export promotion and capacity building; reimbursement of rental rates for Ukrainian brands; grant support for research and development, new technologies in the creative industries, etc.). <b>Without such an institution, the implementation of the majority of suggested proposals is impossible.</b></p>	Ministry of Culture and Information Policy, Ministry of Digital Transformation	State budget funds
Launching the working group on the entrepreneurship education in creative industries as part of the Creative Economy Council under the Cabinet of Ministers of Ukraine	<p>Since the implementation of the abovementioned initiatives needs the engagement of multiple stakeholders, the establishment of the working group as part of the Creative Economy Council under the Cabinet of Ministers of Ukraine will enable the Ministry of Culture and Information Policy to consolidate the positions of different parties, legitimise the suggested changes and gain commitment from key decision makers.</p> <p>However, since working groups under the Council operate at a grassroots level, <b>the proactive community of the eager changemakers is an essential prerequisite for the launch of the working group.</b></p>	Industry representatives and their unions, educational institutions Ministry of Culture and Information Policy, Ministry of Education and science, National Qualification Agency, other relevant authorities	Development partners

Providing access to finance			
Development and implementation and grant program for creative enterprises	<p>Considering the sector's specificity, in many cases creative enterprises find it difficult to attract market financing for their development. Therefore, the best way to support the recovery of the sector is to launch a special grant program.. In this case, creative businesses will gain access to affordable financial resources without increasing debt burden.</p> <p>Such programs may be provided not only to industry players, but also to the providers of the non-formal educational services in the field of creative industries.</p> <p><b>The measure should be implemented as one of the programmes of the National Office for the Development of Creative Industries.</b></p>	Ministry of Finance, Ministry of Culture and Information Policy, other relevant authorities, educational institutions	Development partners, state budget funds
Support of creative businesses that returned to Ukraine or restored their activities after the war	<p>One of the biggest risks and challenges is the non-return of creative professionals and talents of Ukraine after the war, namely the brain drain: not only because of the security situation, but also because of job losses and low demand.</p> <p>Therefore, the support to the creative businesses that will return to Ukraine and resume operations after the war is needed. This kind of support will include compensation of their rent rates, utilities, payrolls, etc. for a certain period of time (3-6 months). This will help entrepreneurs to revive economic activity.</p> <p><b>The measure should be implemented as one of the programmes of the National Office for the Development of Creative Industries.</b></p>	<p>Ministry of Culture and Information Policy, Ministry of Economy, Ministry of Digital Transformation, Ministry of Finance</p> <p>National Office for the Development of Creative Industries</p>	State budget funds, development partners
Restoration of educational infrastructure			
Restoration of war-affected educational institutions	<p>As of April 14, at least 869 educational institutions were damaged. Therefore, there is a need in restoration and development of a modern network of educational institutions. The restoration of institutions should be complemented with the establishment of new or broader partnerships with international educational institutions, as well as partnerships with private sectors and investors.</p>	Ministry of Education and science, Ministry of Finance, Ministry of Infrastructure, Ministry of Communities and Territories Development	Development partners, state budget funds, funds from local budgets, funds of newly created specialised funds
Recognition of education results			
Introduction of support in employment of Ukrainian citizens who studied abroad	<p>Development of supporting measures and introduction of a procedure for recognition of learning outcomes and educational documents obtained by students while studying abroad to simplify the employment procedure and reduce</p>	Ministry of Education and science, Ministry of Economics, National Qualification Agency	State budget funds

	the outflow of potential personnel in the field of entrepreneurial skills in the Creative industries		
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## 2.3 Modernization

The key focus in this section is made on practical recommendations on how to improve the adoption of business-related skills and knowledge in creative industries. Meanwhile, the section also include some proposals on general sustainable development of the sector.

Description of the proposed activity	Justification	Responsible bodies	Funding sources
Financial support of educational institutions			
Attracting funding for a structured programme in the field of entrepreneurship skills in Creative industries and introducing delegation visits	<p>Obtaining funding on the basis of establishing links/cooperation with key institutions abroad, with a goal of creating a structured programme in the field of entrepreneurship skills in Creative industries. This initiative should incorporate two elements:</p> <ul style="list-style-type: none"> <li>- Establishing and embedding cooperation with key institutions abroad over the longer term</li> <li>- Encouraging and/or incentivising universities to work with the private sector in Ukraine, in the development and delivery of entrepreneurship and business skills teaching in creative courses. There are a range of possible models for this, including: guest speaker programmes; integration of work placements into courses, specific partnerships with local creative industry clusters for student projects or graduate schemes; providing opportunities within courses to start and incubate businesses, establishing university-led creative hubs etc.</li> </ul> <p><b>The measure should be implemented as one of the programmes of the National Office for the Development of Creative Industries.</b></p>	Ministry of Culture and Information Policy, Ministry of Education and science, other relevant authorities, educational institutions	Development partners
Improvement of approach to financing and management of educational institutions			
Improvement the formula of financing of educational institutions	Financing of higher educational institutions now is conducted based on the special formula adopted by the Cabinet of Ministers of Ukraine. The current approach is considered to be inefficient, as it does not incorporate any indicators related to the actual professional performance of graduates. Even though the current formula includes the indicator "employment of graduates", it is not applied until	Ministry of Education and science, Ministry of Culture and Information Policy, State Labor Service, State Fiscal Service, other relevant authorities, educational institutions	State budget funds

	<p>the monitoring of employment of graduates will be conducted.</p> <p>At the same time, even if the monitoring is conducted, it does not fully reflect the quality of professional results of graduates. Therefore, the suggestion is to expand the formula using several indicators, such as:</p> <ul style="list-style-type: none"> <li>- Perception of students regarding the quality of educational process in the institution (launching nationwide survey of students)</li> <li>- Share of graduates who were employed in accordance to their major</li> <li>- Number of years graduate spends before the employment</li> <li>- Level of salaries of graduates (e.g., compared to the average salary in the market)</li> </ul> <p>The respective amendments need to be implemented in the Resolution of the Cabinet of Ministers "On the distribution of state budget expenditures between higher education institutions on the basis of indicators of their educational, scientific and international activities" (provision 14), as well as establish effective cooperation between the Ministry of Education and Science, and other government institutions who will provide information for calculating the indicators (State Labour Service, State Fiscal Service, etc.)</p>		
Improving the quality of the management of the educational institutions	<p>The transparency of the process of appointment of the management of educational institutions should be increased.</p> <p>It is suggested to change the legislation in the field to ensure obligatory publication of KPIs used in contracts of managers in educational institutions and monitoring of their achievement, introduce mandatory KPIs (e.g., related to cooperation with the private sector), and include the mechanism of sanctions if KPIs are not achieved (e.g., early termination of the contract).</p> <p>In particular, the amendments have to be implemented in the Law of Ukraine "On higher Education" (provision 42), and Resolution of the Cabinet of Ministers "Separate issues of implementation of Article 42 of the Law of Ukraine "On Higher Education""</p>	Ministry of Education and Science, Ministry of Culture and Information Policy, Verkhovna Rada	State budget funds
Improvement of regulatory framework for entrepreneurial education			

Improvement of educational standards for creative specialties	<p>Improvement of the description of business-related competences and learning outcomes, as well as adoption of missing standards is needed to set formal requirements to educational programs that need to be incorporated by educational institutions.</p> <p>Since the educational standards should correspond to the real market needs, it is important to engage the private sector to draft the standards.</p> <p><b>Development of proposals for changing educational standards may be supported by a special (grant) programme for professionals from private sector and educational institutions. This program can be launched based on the National Office of the Development of Creative Industries.</b></p>	Ministry of Culture and Information Policy, Ministry of Education and science, other relevant authorities, industry representatives and their unions, educational institutions	State budget funds
Adoption of professional standards for professions in the creative industries	<p>Adoption of the professional standards and qualifications, including business-related professional competences, will provide a more specific set of skills, knowledge, mindset and personal qualities that need to be possessed by representatives of different professions in creative industries</p> <p><b>To support the professional community in the drafting of professional standards, a special (grant) programme can be launched based on the National Office of the Development of Creative Industries.</b></p>	Ministry of Culture and Information Policy, Ministry of Education and science, National Qualification Agency, other relevant authorities, industry representatives and their unions, educational institutions	State budget funds
Establishment of qualification centres in the creative industries	<p>After the establishment of qualification centres, the professionals of creative industries will be able to obtain the official recognition (proven by a certificate) of their competences according to the professional standards.</p> <p>Qualification centres may be established on the basis of a legal entity (e.g., sectoral association / educational institution) or its separate department, and accredited by the National Qualification Agency. Prior to establishing the centres, professional standards must be adopted.</p> <p>The key role of the Government of Ukraine in this process is the dissemination of information among sector players and educational institutions regarding the opportunities of establishing qualification centres and benefits that it will bring to the industry.</p>	Ministry of Culture and Information Policy, Ministry of Education and science, National Qualification Agency, other relevant authorities, industry representatives and their unions, educational institutions	State budget funds
Enhancement of cooperation in the creative education			

Establishment of the effective mechanism of cooperation between educational institutions and private sector	<p>Making more specific the mechanisms of cooperation between educational institutions and the private sector.</p> <p>In the short term such mechanisms may include guest speakers, mentoring, etc., while in a longer period of time it can include more sophisticated instruments, such as partnerships with local clusters; guest speaker programmes; work placements; opportunities to start/incubate businesses as part of learning; design practical solutions to industry problems via industry-sponsored competitions or formal learning, etc.).</p> <p>At the initial stage, the initiative should be supported by the Government of Ukraine to promote the opportunity and cover at least part of the costs associated with the establishment of efficient partnerships. In the long-run, considering the autonomy of educational institutions, the state participation in the initiative should be minimised.</p> <p><b>The measure can be implemented as one of the programmes of the National Office for the Development of Creative Industries.</b></p>	Ministry of Culture and Information Policy, Ministry of Education and science, other relevant authorities, industry representatives and their unions, educational institutions	State budget funds
Introducing new liaisons, partnerships and exchange programmes with foreign universities in the field of entrepreneurial skills in the Creative industries	<p>Applying new partnerships between Ukrainian and foreign educational institutions building on Creative Spark and case studies'/others' desire to support and collaborate with Ukraine in order to support the development of creative industries.</p> <p>In practical terms, this could involve Introducing specific support/incentives for Ukrainian providers to develop links with foreign institutions – in the UK and elsewhere - including through sharing/showcasing existing good practice.</p> <p>As one example, this could build on the experience of the Creative Spark programme, sponsored by the British Council, which has supported 10 partnership projects between UK and Ukrainian universities to develop entrepreneurship education related to the creative economy.</p>	Ministry of Culture and Information Policy, Ministry of Education and science, other relevant authorities, educational institutions	Development partners
Provision with crucial skills and knowledge			
Providing practical training sessions and workshops on the pragmatic business issues for education service providers in the field of entrepreneurial skills in the	Considering the fact that during the war many creative industries representatives may exit the sector, there would be a strong need for engaging new creative professionals with sufficient entrepreneurship skills and knowledge, which may be provided by the suggested training	Creative Economy Council under the Cabinet of Ministers of Ukraine  Office for the	Development partners

<p>creative industries (for instance, how to sell on international marketplaces, how to obtain a copyright licence, etc.)</p>	<p>sessions.</p> <p>The practical steps for implementing this initiative should include:</p> <ul style="list-style-type: none"> <li>- Identify key business-related skills needs which are most important (Government in consultation with industry and educational institutions)</li> <li>- Support providers to establish and deliver structured programmes of targeted sessions for potential/recent entrants to creative industries. These sessions could include updates on policy (eg. financial support, trade regulations) that has changed due to the war</li> <li>- Encourage providers to deliver in partnership with experienced local creative industry practitioners, to provide guest speakers, site visits, student projects etc.</li> <li>- This activity could take inspiration from the Creative Enterprise Ukraine programme, led by the British Council with Nesta, which has been running in Ukraine since 2015, and the associated Creative Enterprise Toolkit.</li> </ul>	<p>Development of Creative Industries under the Ministry of Culture and Information Policy of Ukraine</p> <p>Ministry of Culture and Information Policy, Ministry of Education and science, other relevant authorities, educational institutions</p>	
Engagement of young generation			
<p>Launch of the Creative Backpack programme</p>	<p>Launching the Creative Backpack program, in which students travel by the territory of Ukraine and learn about modern creative practices and professions</p> <p>The program will provide state funding for school trips to Ukrainian cities and their acquaintance with creative experience (excursions, workshops, VR / AR trainings, 3D printing, film schools, clothing design, etc.). Advantages of the program include :</p> <ul style="list-style-type: none"> <li>- support for cultural and creative institutions, creative hubs / clusters that introduce children to CI and receive public funds for services provided</li> <li>- revival of domestic tourism and hospitality</li> <li>- development of talents, stimulation of children's interest in creativity, R&amp;D, innovations</li> <li>- "stitching" the country, establishing interregional creative and educational ties.</li> </ul> <p><b>The measure should be implemented as one of the programmes of the National Office for the Development of Creative Industries.</b></p>	<p>Ministry of Culture and Information Policy, Ministry of Education and science, other relevant authorities, industry representatives and their unions, educational institutions</p> <p>National Office for the Development of Creative Industries</p>	<p>State budget funds, funds from local budgets</p>



Providing access to finance			
<p>Launching the institute of angel investors in creative industries</p>	<p>Even though the government of Ukraine has launched a number of programs (e.g., '5-7-9 Credit Program', portfolio guarantees) aimed to provide cheap financial resources to small and medium-sized enterprises, in many cases representatives of creative industries have limited access to such opportunities, as they are also characterised with limited profits on the initial stages of their lifecycle. Moreover, another challenge is that such programs require assets for collateral from borrowers, while creative businesses often do not possess physical assets.</p> <p>The solution may be in establishing the institute of angel investors in creative industries - associations of private sector players who may provide young creative entrepreneurs with affordable finances (equity financing or financing under loan agreement with low/zero interest rate), as well as advisory support on business development.</p> <p>Moreover, such angel investors may also act as guarantors, facilitating the access of creative businesses to bank loans.</p> <p>Key role of the Government of Ukraine in this process is to help private sector players with establishing associations of angel investors in different sub-sectors (fashion, design, music, etc.). <b>In the initial stages, the Government can also co-finance the initiative as one of the programmes of the National Office for the Development of Creative Industries.</b></p>	<p>Ministry of Culture and Information Policy, other relevant authorities, industry representatives and their unions</p> <p>National Office for the Development of Creative Industries</p>	<p>Private financing, state budget funds</p>
<p>Launching regional financial programs for creative industries</p>	<p>Access of creative businesses to financial resources can be also supported by local governments, since (1) creative industries positively contribute to the development of a tourist potential of local communities and regions and (2) the development of the sector can eventually increase revenues of local budgets.</p> <p>The Government can help local authorities (on both oblast and local community level) identify, which sub-sectors of creative industries have the highest potential in their local economies, as well as help to design support programs (e.g., grants, soft loans).</p> <p>To disseminate the information about such opportunities among local governments, online events demonstrating best cases of successfully implemented similar programs may be organised.</p>	<p>Local authorities (local community- and oblast-level), Ministry of Culture and Information Policy</p>	<p>State budget funds</p>

Improving the competitiveness of the sector			
Support for export-oriented business models of creative industries	<p>Exports of creative goods and services before the war amounted to USD 6 billion (including IT, the predominance of services in the structure of exports) and could be a source of recovery in the postwar economy, given the growing global demand for everything Ukrainian and interest in Ukraine. Considering this, the following programs are offered:</p> <ul style="list-style-type: none"> <li>- granting participation of Ukrainian stands and stands in international exhibitions, fashion and design fairs</li> <li>- support in creating new supply chains (trade missions, B2B meetings and platforms)</li> <li>- platforms for finding foreign orders for Ukrainian specialists in the creative industries; etc.</li> </ul> <p><b>The measure should be implemented as one of the programmes of the National Office for the Development of Creative Industries.</b></p>	Ministry of Culture and Information Policy, Ministry of Economy, Entrepreneurship and Export Promotion Office	Development partners, state budget funds
Strengthening the production capacity of Ukrainian creative industries (fashion, book publishing, folk and art crafts and other sectors)	<p>The export orientation of the Ukrainian creative business requires the strengthening of production capacity, which was destroyed due to the war and supply disruptions. This includes raw materials for craft products, fabrics for the fashion sector, paper in book publishing, etc. In this regard, the following programs are offered:</p> <ul style="list-style-type: none"> <li>- scholarships for young representatives of industrial specialties in the creative industries (tailors, cutters, furniture makers, etc.)</li> <li>- grants / subsidies for capital expenditures:</li> <li>- funds for the purchase of equipment and raw materials; funds for the creation of local supply chains of raw materials, especially fabrics and paper</li> <li>- intersectoral programs that integrate Ukrainian CI into reconstruction projects (industrial design, architecture, landscape design, urban planning, etc.)</li> <li>- involvement of foreign specialists-technologists for adjustment of production processes (for example, fabrics), training and exchange of experience;</li> <li>- creation of a platform for finding partners and contractors in order to strengthen production capacity</li> <li>- organisation of ideations between representatives of creative industries and other industries in order to produce ideas of cooperation, solve problems, establish</li> </ul>	Ministry of Culture and Information Policy, Ministry of Economy, Entrepreneurship and Export Promotion Office	Development partners, state budget funds

	<p>communication and promote partnerships.</p> <p><b>The measure should be implemented as one of the programmes of the National Office for the Development of Creative Industries.</b></p>		
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## **ANNEX 1. Questionnaire for survey of representatives of creative industries**

### **I. Information about the respondent**

1. Please choose your sector
  - a. Fashion
  - b. Design
  - c. Arts and crafts
  - d. Book publishing
  - e. Entertainment (concert) and music industry
  - f. Other (please specify)
2. Choose the type of your activity
  - a. Employee
  - b. Employer, business owner
  - c. The self-employed person
  - d. Other (please specify)
3. Please indicate your highest received degree
  - a. Middle school
  - b. Vocational school
  - c. University (bachelor's / master's degree)
  - d. Post graduate
4. Please indicate your educational institution and specialization
5. Specify your gender:
  - a. Male
  - b. Female
  - c. Other
6. Specify the region in which you live
7. Please indicate how old you are
8. In your opinion, do you currently work in the study areas you acquired while studying?
  - a. I work in my study area
  - b. I do not work in my study area, but I actively use the skills and competencies acquired during my studies
  - c. I do not work in my study area
  - d. Other (please specify)

### **II. Perception of the quality of education**

1. Which topics were covered by the curricula of your university / vocational school curricula

- a. Business planning (activity planning, budget planning, project management, etc.) and business development
  - b. Fundamentals of economic and labour law (starting a business, concluding contracts, hiring employees, etc.) understanding Intellectual Property
  - c. Financial management (attraction of financing, budget planning, basic indicators of enterprise efficiency, etc.)
  - d. Taxes and payments (financial reporting, payment of taxes, etc.)
  - e. Pitching for, and attracting, investors into your business
  - f. Marketing of goods and services (market research, positioning, pricing, promotion strategy, etc.) business development
  - g. Interaction with international and national SME support programs
  - h. Other topics related to entrepreneurship education (please specify)
2. Evaluate the importance of creative students' mastery of the groups of skills listed below (on a scale of 1 to 5, where 1 is absolutely not important skills, 5 is very important skills)
  - a. Business planning (activity planning, budget planning, project management, etc.) and business development
  - b. Fundamentals of economic and labour law (starting a business, concluding contracts, hiring employees, etc.) understanding Intellectual Property
  - c. Financial management (attraction of financing, budget planning, basic indicators of enterprise efficiency, etc.)
  - d. Taxes and payments (financial reporting, payment of taxes, etc.)
  - e. Pitching for, and attracting, investors into your business
  - f. Marketing of goods and services (market research, positioning, pricing, promotion strategy, etc.) business development
  - g. Interaction with international and national SME support programs
  - h. Other topics related to entrepreneurship education
3. If you have selected "Other business-related topics", please indicate the topic and rating.
4. Assess the quality of the acquired knowledge / skills on the following topics (on a scale from 1 to 5, where 1 is very low quality, 5 is very high quality).
  - a. Business planning (activity planning, budget planning, project management, etc.) and business development
  - b. Fundamentals of economic and labour law (starting a business, concluding contracts, hiring employees, etc.) understanding Intellectual Property
  - c. Financial management (attraction of financing, budget planning, basic indicators of enterprise efficiency, etc.)
  - d. Taxes and payments (financial reporting, payment of taxes, etc.)
  - e. Pitching for, and attracting, investors into your business
  - f. Marketing of goods and services (market research, positioning, pricing, promotion strategy, etc.)

business development

- g. Interaction with international and national SME support programs
  - h. Other topics related to entrepreneurship education
5. If you have selected "Other business-related topics", please indicate the topic and rating.
6. In your experience, has the quality of graduates' skills changed since you graduated?
- a. Significantly changed for the better
  - b. Something has changed for the better
  - c. Has not changed
  - d. Something has changed for the worse
  - e. Significantly changed for the worse
  - f. Difficult to answer
7. In your opinion, which disciplines can best prepare representatives of the creative industries for a career?
8. Have you participated in non-formal educational opportunities after or during graduation aimed at developing entrepreneurial skills?
- a. Yes
  - b. No
9. If you answered "Yes" to the previous question, please indicate what the possibilities are.
10. What skills and competencies do you consider most important for a modern specialist in the field of creative industries?
11. In your opinion, can non-formal education (courses, trainings, tutors, lectures) and self-education effectively replace formal education (that which provides for the award of state-recognized educational qualifications) in the field of creative industries in Ukraine?
- a. Can be replaced completely
  - b. Can be partially replaced
  - c. Cannot replace, except in some cases
  - d. Cannot replace in any case
  - e. Difficult to answer
12. In your opinion, what and who should do to improve the quality of education in the field of creative industries, in particular in the development of business competencies in Ukraine?
13. In your opinion, what should educational institutions in Ukraine do to improve the quality of education in the field of creative industries, in particular in the development of business competencies (you can choose several options)?
- a. Involve more practising teachers
  - b. Review curricula and increase the number of hours for entrepreneurial skills development disciplines

- c. Improve the quality of teaching disciplines (practical topics, current examples, interactive presentation of material, etc.)
  - d. Organise more thematic extracurricular activities on creative entrepreneurship (excursions, lectures, clubs, creative hubs on the basis of educational institutions, etc.)
  - e. Create more favourable conditions for teachers, reduce the bureaucratic burden on them
  - f. Interact more with potential employers (including through the use of dual education opportunities, internship bases, invitations to career fairs, etc.)
  - g. Participate in international programs, competitions, exchanges, networks and partnerships aimed at developing business competencies in the creative industries
  - h. Establish an advisory body of the educational institution - the council of employers
  - i. Other (please specify)
14. In your opinion, what should employers do to improve the quality of education in the field of creative industries, in particular in the development of business competencies (you can choose several options)?
- a. Develop professional standards in the field of creative industries
  - b. Actively participate in the development of educational standards in the field of creative industries
  - c. To be a member of the Scientific and Methodological Council and scientific and methodological commissions of the Ministry of Education and Science, branch expert councils of the National Agency for Quality Assurance in Higher Education, academic councils of higher education institutions, examination commissions for attestation of higher education
  - d. Participate in the formation of indicators of the state order for the training of specialists with higher education
  - e. Interact more closely with educational institutions (join the educational process through classes and lectures, participate in career guidance work, etc.)
  - f. Organise internships and internships at enterprises
  - g. To form associations of employers in order to advocate for needs at the state level
  - h. Other (please specify)
15. If you have other comments or suggestions, please share with us.

### III. Assessment of knowledge and skills of workers in creative industries

1. How many employees do you currently have?
  - a. 1-10
  - b. 11-50
  - c. 51-250
  - d. More than 250
2. Do you agree with the statement that workers in the creative industries should have entrepreneurial skills?
  - a. Completely agree
  - b. Partially agree



- c. Do not agree
  - d. Difficult to answer
3. How satisfied are you with the level of entrepreneurial skills of your employees?
- a. Completely satisfied
  - b. Partially satisfied
  - c. Partially dissatisfied
  - d. Completely dissatisfied
  - e. Difficult to answer
4. Evaluate the importance of employees' mastery of the skills groups listed below (on a scale of 1 to 5, where 1 is completely unimportant skills, 5 is very important skills).
- a. Business planning (activity planning, budget planning, project management, etc.) and business development
  - b. Fundamentals of economic and labour law (starting a business, concluding contracts, hiring employees, etc.) understanding Intellectual Property
  - c. Financial management (attraction of financing, budget planning, basic indicators of enterprise efficiency, etc.)
  - d. Taxes and payments (financial reporting, payment of taxes, etc.)
  - e. Pitching for, and attracting, investors into your business
  - f. Marketing of goods and services (market research, positioning, pricing, promotion strategy, etc.) business development
  - g. Interaction with international and national SME support programs
  - h. Other topics related to entrepreneurship education
5. If you have selected "Other business-related topics", please indicate the topic and rating.
6. Assess the level of mastery of the skills groups listed below (on a scale of 1 to 5, where 1 is an unsatisfactory level of mastery, 5 is a very high level of mastery).
- a. Business planning (activity planning, budget planning, project management, etc.) and business development
  - b. Fundamentals of economic and labour law (starting a business, concluding contracts, hiring employees, etc.) understanding Intellectual Property
  - c. Financial management (attraction of financing, budget planning, basic indicators of enterprise efficiency, etc.)
  - d. Taxes and payments (financial reporting, payment of taxes, etc.)
  - e. Pitching for, and attracting, investors into your business
  - f. Marketing of goods and services (market research, positioning, pricing, promotion strategy, etc.) business development
  - g. Interaction with international and national SME support programs
  - h. Other topics related to entrepreneurship education

7. If you have selected "Other business-related topics", please indicate the topic and rating.
8. Do you cooperate with formal education institutions (universities, colleges, schools, etc.) on providing practical experience for students of creative study areas (internships and internships, participation in employers' fairs, etc.)?
  - a. Yes
  - b. No
9. If you answered "Yes" to the previous question, please indicate with which institutions and how you interact.
10. Do you provide opportunities to improve entrepreneurial skills for your employees (training, mentoring, training, etc.)?
  - a. Yes
  - b. No
11. If you answered "Yes" to the previous question, please indicate what the possibilities are.
12. If you have other comments or suggestions, please share with us.

## ANNEX 2. The list of criteria for examining the autonomy of universities

- Academic autonomy in Ukraine is overall at the middle level of development<sup>81</sup>:
  1. **The number of study places** in each higher education institution is set in accordance with the licensed volume (Article 24 of the Law “On Higher Education”). The institution determines the number of places, but only in accordance with the available number of resources required by the licence conditions. The number of study places at the expense of the state budget is set by the rules of “broad competition” (Article 72 of the Law).
  2. **Decree programs** are developed and implemented by the institution itself, subject to the availability of a licence, as well as compliance with the conditions of accreditation in the event that the institution wants to obtain the right to issue graduates of these programs state diplomas. The right to terminate educational programs is not regulated by law, so the institution has the right to terminate its educational programs at will, but in practice this is rare. Licensing conditions provide for such a concept as “narrowing of educational activities”, which means reducing the number of study places or closing the program. The decision to “narrow the educational activities” is made by the Ministry of Education and Science.
  3. **The language of instruction** in institutions is Ukrainian. In some cases, in order to create conditions for international academic mobility, the institution may decide to teach one or more disciplines in English and/or other foreign languages, but it must provide knowledge of students in this discipline also in Ukrainian.
  4. Regarding the **selection of quality assurance mechanisms**, The National Agency for Quality Assurance in Higher Education establishes the basic rules and requirements for quality assurance procedures in Ukraine. However, there may also be independent institutions for evaluating and ensuring the quality of higher education.
  5. Higher education institutions in Ukraine have the right to develop and implement the **content of degree programs** within the licensed study area. Article 10 of the Law stipulates that the set of requirements for the content and results of educational activities of institutions within each study area is established by the standard of higher education. The standard defines the key requirements for the educational program and was developed and approved by the Ministry of Education and Science in consultation with stakeholders.
  6. The right of the institution to independently determine the **rules of admission** is quite low in Ukraine. Admission to higher education institutions is carried out in accordance with the Terms of Admission approved by the Ministry of Education and Science of Ukraine.
- Organisational autonomy in Ukraine is rather on the low level:
  1. **The selection procedure, criteria, term of office, and dismissal for the executive head** are regulated by the Law. The elected executive head should also be approved by the relevant public authority.
  2. **The formation of the governing bodies** of a higher education institution is determined by the Law. The involvement of persons who are not employees of the university is not envisaged in the internal governing bodies (rector, dean, academic council). Such persons may be attached to the supervisory board of the university, but the status of the supervisory board does not allow to unambiguously consider it a governing body.
  3. At the same time, the higher education institution has the **right to form, reorganise and liquidate its academic structures**.
  4. The law also stipulates that an educational institution may be the **founder or co-founder of other educational institutions** (general secondary, vocational, professional higher education, colleges).

<sup>81</sup> [University autonomy in the context of ukrainian legislation and practice](#)

In addition, the rights of the national university, according to Article 29, include the right to form on its basic structures of various types (science and technology parks, business incubators, small businesses) in order to implement and implement innovative projects. The law also provides for the right of higher education institutions to establish enterprises for innovation and/or production activities. However, this norm has not become widely used.

- Staffing autonomy in Ukraine is rather on the high level:
  1. Recruitments of pedagogical, scientific, scientific-pedagogical, and other employees are carried out freely by universities.
  2. The dismissal of employees of higher education institutions is regulated by labour legislation, so there is no special regulation.
  3. Salaries for staff, at the same time, are not defined freely by universities - it is fully regulated by the Law according to the Unified tariff grid of categories and coefficients for payment of employees of institutions, establishments, and organisations of certain branches of the budget sphere.
  4. The law also defines the general rules for holding positions of research and teaching staff in higher education. In particular, it is stipulated that pedagogical workers must pass attestation, and they can be assigned pedagogical titles and qualification categories. The procedure for their assignment is determined by the government.
- Financial autonomy in Ukraine is on the low level as for now:
  1. The cycle of public funding for public higher education institutions is one year.
  2. Funding is carried out in accordance with the financial plan (estimate), which is approved in the prescribed manner. The estimate contains an exhaustive list of items of expenditure. In addition, the list of positions on which the institution's funds may be spent, including its own revenues, is regulated by law. Internal movement of funds on the initiative of the institution itself is limited.
  3. Higher education institutions are not eligible for loans.
  4. The balance of funds (own revenues) of higher education institutions is spent on a fixed list of expenditures.
  5. The number of tuition fees is set by the institution itself, but the cost of paid services provided by institutions is determined in the manner prescribed by the Ministry of Education and Science<sup>82</sup>.

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<sup>82</sup> [UNIVERSITY AUTONOMY IN THE CONTEXT OF UKRAINIAN LEGISLATION AND PRACTICE](#)

### ANNEX 3. Mechanisms of distribution of state funding of universities, professors' salaries and government contracts in higher education

State funding of universities has undergone significant changes over the past few years. According to the new formula for the distribution of state budget expenditures on higher education between higher education institutions, approved by the CMU in 2019<sup>83</sup> better-performing universities receive more funding than last year's budget. The calculation of funding in 2020 was made by the Ministry of Education and Science on specific indicators, including: the scale of the university; contingent; regional coefficient; positions in international rankings; the number of funds for research that the university attracts from business or international grants. From 2021, the employment of graduates is added to these indicators, which the Ministry of Education and Science will monitor through an online system. For a gradual transition in 2020, restrictions were introduced for the minimum and maximum changes in the budget of each free economic zone - 95% and 120% from 2019, respectively. Consolidated amount of funding for the preparation of higher education institutions of the state form of ownership of applicants for higher education on the terms of the state order (FS) is calculated by the following formula:

$$FS = FSO + FDP + R,$$

where:

- FSO - the amount of funding for the stable operation of higher education institutions;
- FDP - the amount of funding provided depending on the performance of higher education institutions;
- R - reserve.

The mechanism of professors' salaries calculation is comprehensible. Calculation of professors' salaries is regulated in accordance with the Ministry of Education and Science Order "On streamlining the conditions of remuneration and approval of schemes of tariff categories of employees of educational and research institutions", which approves the size of the categories and coefficients of remuneration of employees of educational and research institutions on the basis of the Single tariff grid<sup>84</sup>. There are 25 categories in the Single tariff grid with respective coefficients for every rate. Salaries are determined by multiplying the salary (rates) of the employee of the 1st tariff category by the corresponding tariff coefficient. Salaries (tariff rates) from January 1, 2021, are calculated based on the size of the salary (tariff rate) of the employee of the 1st tariff category - 2670 hryvnias, from December 1, 2021 - 2893 hryvnias. According to the Scheme of tariff categories of the academic staff of higher educational institutions, each position belongs to the respective category: intern teacher - 15; assistant teacher - 16; senior teacher - 17; lecturer - 19; professor - 20; head of the department (professors) - 20-21; head of the research centre - 15-21; dean - 20-22; branch director - 19-20; president of university - 23-24<sup>85</sup>.

Government contracts in higher education have a substantial impact on the quality of teaching personnel. Government contract in higher education in Ukraine is regulated by the Law "On formation and placement of the state contract for preparation of experts, academic, pedagogical and working staff, advanced training and retraining of staff"<sup>86</sup>. According to the law, the formation of the state order is based on the medium-term forecast of the need for specialists and workers in the labour market. The forecast is calculated on the basis of the need to replace current staff and staff needed for economic development, based on trends in recent years, taking into account statistics and proposals from other central governments, institutions and organisations.

<sup>83</sup> [The CMU Resolution "On the distribution of state budget expenditures between higher education institutions on the basis of indicators of their educational, scientific and international activities"](#)

<sup>84</sup> [The Ministry of Education and Science Order "On streamlining the conditions of remuneration and approval of schemes of tariff categories of employees of educational and research institutions"](#)

<sup>85</sup> Ibid.

<sup>86</sup> [The Law "On formation and placement of the state contract for preparation of experts, academic, pedagogical and working staff, advanced training and retraining of staff"](#)

In 2021, for the first time in Ukraine, private higher education institutions obtained a government contract, which allowed students to receive the right to study in private universities at the expense of the state budget<sup>87</sup>. According to the results of the admission campaign, 5 private universities received budget funds for student education. The Ministry of Education and Science emphasises the intention to continue to apply in the future the mechanism of distribution of government contracts (procurement), according to which the best entrants will receive budget places. Despite the experimental nature of the mechanism for allocating budget funds on the principle of “money follows the best entrants” and the fact that only 43 students study in private universities<sup>88</sup>, the application of this principle in the future may significantly affect the competitive environment in the struggle for students and increase university motivation providing quality educational services.

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<sup>87</sup> [Private higher education institutions will be able to train specialists by state contract](#)

<sup>88</sup> [43 entrants will be able to study on a budget in private higher education institutions](#)

#### ANNEX 4. List of stakeholders for interviews and consultations

#	Stakeholder name	Organization	Position
1	Inna Chornomorets	Ministry of Education and Science of Ukraine	State expert at the Department of Strategic Planning
2	Iryna Shumik	Ministry of Education and Science of Ukraine	General Director of Directorate of Professional Education
3	Oleh Sharov	Ministry of Education and Science of Ukraine	General Director of Directorate of Pre-Higher and Higher Education
4	Tetiana Kolos	Ministry of Culture and Information Policy of Ukraine	Head of the expert group on artistic education
5	Alina Tkachenko	Poltava University of Economics and Trade	Director, Educational and Scientific Institute of Day Education
6	Tetyana Stakhovska	Creative Initiatives LLC (Creascope)	Director
7	Elizaveta Myroshnychenko	Handicraft Chamber of Ukraine (HCU)	Secretary General
8	Mykhailo Yasynsky	All-Ukrainian Trade Union of Music Industry Workers	Chairman, Founder of the Secret Service Entertainment Agency, Music Producer
9	Alyona Dmukhovska	Music Export Ukraine	Producer and Co-founder
10	Dmytro Sidorenko	Atlas Weekend	Director and Founder
11	Volodymyr Kovtunets	National Agency of Qualifications	Deputy Head
12	Olha Rossoshanska	State Agency of Arts and Artistic Education	First Deputy Head





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