

Specialist knowledge across the world...

Find out more >

# EducationInvestor

news and views on the business of learning

Hello sunniva2014  
86.140.209.75  
[Edit Profile](#)  
[Logout](#)

## Menu

- [Home](#)
- [News and features](#)
- [Deals archive](#)
- [Awards](#)
- [Executive moves](#)
- [Conferences](#)
- [Education Summit](#)
- [Round table](#)
- [Advertising](#)
- [Subscribe](#)
- [Contact us](#)
- [About us](#)
- [Admin](#)

## El article

### Bad teacher

*The education industry prizes managers with both academic and commercial expertise. But recruiting them isn't easy, finds **Sunniva Davies-Rommetveit***

For-profit educators have a lot on their plate. Along with providing a stellar education worthy of their steadily rising fees they must employ those with business acumen, entrepreneurship and vision. But there's a dearth of such skilled professionals around; competition to nab them is fierce, too. So how can for-profit providers ensure they recruit the talent necessary to thrive?

Aatif Hassan is a partner at August Equity, which owns the for-profit private school chain Minerva. He says the management pool for schools is simply not big enough. "There is huge potential in the future, but for now the pool is very small."



Perhaps not surprisingly, Minerva's looked outside of the education industry for talent. Its chief executive, Tommy MacDonald-Milner, used to work in private healthcare and special needs education. "Comparatively, these sectors are much more established, as opposed to the private school sector which only accounts for about 8% of the UK's schools," says Hassan.

For some, the key is finding individuals who are prepared to think like business people. Selva Pankaj is the managing director of Regent Group, a for-profit chain offering everything from early years to college education. An excellent manager or chief executive, he says, is someone who can "expect to do very well in a good year, and follow the organisation's lead during a bad year, while maintaining a common-sense approach".

Another requirement, he says, is entrepreneurialism – something that distinguishes businesses like his from public sector rivals. "At Regent, we have a performance-related payment system, linked to team bonus pools that we're also introducing. So when we grow, the staff grows with us."

#### Incentives

Public sector education organisations can have some fairly big advantages over their private sector rivals, of course. All of the country's best universities, for example, are in the public sector.

But public sector employers can struggle to match private sector pay perks, says Edward Wild, founder of head hunter Wild Search. "The appeal [of the private sector] will more likely be a bonus and-or equity, which non-profits cannot offer. Commercial education businesses understandably tend to gear packages towards results rather than simply meeting the basic role requirements."

Inversely, this incentive-based approach could deter those in higher-end, public sector positions, who have secure incomes and pension schemes. Indeed, Hassan points to a divide between public and private sectors, which is by no means all-encompassing, but exists nonetheless.

"Whilst we have Elaine Simpson and Jim Hudson on the board of Minerva – both with significant state school experience – we tend to see people with private sector backgrounds involved in private schools," he says. "In the short time I've been involved, we've appointed four new heads, and all of them have come out of the independent sector."

Yet people do jump ship. Professor Maurits Van Rooijen, chief executive and rector of the London School of Business & Finance (LSBF), is one such example. From 1993 to 2009 he was vice-president for international and institutional development at the University of Westminster. So what convinced him to switch? "The private sector is much more open-minded and has a more global outlook. If anything goes wrong in the public sector, there's often a blame game; in the private sector there's a much more 'take-it-on-the-chin' attitude."

He agrees, though, that it is hard to find people with the right academic, commercial and entrepreneurial skills. So his solution is to hire someone with two out of the three instead: "When you find the person with some or all of these skills, I give them a job, any job," he jokes.

#### 'A gap in the market'

Potentially a body such as the Institute of Leadership & Management (ILM), which runs leadership and management courses, could provide a solution to the skills shortage. Presently, on-the-job training is the norm in the private sector; but for those wishing to enter the industry, there is nowhere to go to gain much-needed skills.

## Search news and features

- Match all
- Match any

Go >



## In this issue



## Latest headlines

[Livias Learning acquires BlikBook](#)

[Philippines: Ayala Education invests \\$9.9m in University of Nueva Caceres](#)

[Exclusive: Sovereign Capital to buy recruitment agency Synarbor](#)

**THE SPENCER GROUP**  
Bringing more to the table



More >

EducationInvestor  
Awards 2015



[Click for more information](#)

"There is definitely a gap in the market here," says Hassan. "A mentoring service which would support teachers in the private sector would widen the pool significantly."

Presently, courses by the likes of ILM are public sector-oriented; there's little or no focus on developing the business skills needed in the private sector. The College of Teachers' Leadership Course for Teachers & Trainers, for instance, speaks of team building and exposure to leadership models. It does not, however, discuss how a chief executive of a private education organisation should craft a business model to maintain its economic viability.

Current private education providers could join forces to plug this gap. Combining their expertise to create a managerial development path would widen the pool from which providers could choose.

Another idea could be to start graduate fast-track schemes for the sector. Such programmes could involve being a teacher for a number of years, while taking part-time managerial courses. After, say, five to seven years, these fast-trackers could take a final examination and subsequently be appointed to a managerial position.

Certainly the pool of people who might be interested in such a scheme is growing: there are more Oxford and Cambridge graduates going into teaching than any other career at present. But Michael Needley, a founding partner at Sovereign Capital and adviser to Astrum Education, adds that providers should be flexible about what skillsets would make good managers, too.

"You have to look at an organisation's aims and whether it is a mature university or one that's still growing, for instance. You then have to match the managerial skill set needed around that organisation's goals," he says.

Having a combination of individuals with education and other backgrounds can be a potent blend, adds Wild. He points to the fact that healthcare to education is a "good lateral transfer and may be easier than coming from within a very different educational context, which didn't involve working with a private education owner or consortium".

Clearly one cannot generalise too much about what makes a good manager in the for-profit education sector or, for that matter, any other industry. But a gap needs to be filled: juggling the demands of academia and business is no easy feat, and more managerial training courses are needed. Given that there is a rising number of graduates embarking on teaching careers who would surely welcome such courses, private education providers should take heed.



Posted on: 14/07/2014

#### Latest news

##### South Africa: Curro drops Advtech takeover bid

31/07/2015

South African schools group Curro Holdings has dropped a R6 billion (£300 million) takeover bid for smaller rival Advtech.

##### Learning Technologies Group acquires Eukleia for £7.5m

31/07/2015

Corporate training firm Learning Technologies Group (LTG) has acquired Eukleia, a provider of e-learning to the financial services industry.

##### Civitas Learning acquires BlikBook

31/07/2015

US-based software provider Civitas Learning has acquired British learning platform BlikBook for an undisclosed sum.

##### Philippines: Ayala Education invests \$9.9m in University of Nueva Caceres

31/07/2015

The education branch of conglomerate Ayala Corp, Ayala Education, has invested \$9.9 million (£6.3 million) for a 60% stake in the University of Nueva Caceres (UNC) in the Philippines.

##### Exclusive: Sovereign Capital to buy recruitment agency Synarbor

31/07/2015

Private Equity firm Sovereign Capital has made an offer to buy teacher recruitment agency Synarbor PLC, EducationInvestor understands.

##### UK: Zondle to stay open after funding lifeline

30/07/2015

Games-based learning business Zondle is to stay open after an eleventh hour intervention by an "anonymous donor".

##### Exclusive: Bridges Ventures brings forward Babington sale

30/07/2015

Bridges Ventures has brought forward its sale of apprenticeships business Babington Group, EducationInvestor understands.

##### University of South Wales closes London branch

29/07/2015

The University of South Wales has closed its London

**DAC beachcroft**

Leading provider of legal services to the education sector

[www.dacbeachcroft.com](http://www.dacbeachcroft.com)

#### Features and analysis

##### Realising the potential of student-led innovation

When it comes to developing ed tech, students and teachers are our secret weapons, argues Jisc's Martin Hamilton

##### Watching the watchdogs

New European Union data protection laws could cause headaches in the education sector. Kirsten Noben investigates

##### Tribal's war

Profits at Tribal Group took a hit last year following the non-renewal of a major Ofsted contract. Can the firm make up the lost ground, asks Daniel Thomas

##### Top marks

Dan Sandhu is betting big on the assessment market with his firm Digital Assess. Julian Hall meets the tech impresario to find out more

**THE SPENCER GROUP**  
Bringing more to the table



More

campus after failing to enrol a single student.

**Cognita schools roadshows £280m bond**

29/07/2015

International schools operator Cognita has begun road-showing a £280 million bond to fund its expansion.

**US: Providence Equity Partners seeks up to \$3.4bn for Blackboard sale**

29/07/2015

Learning management system (LMS) provider Blackboard has been put on the market by its owner Providence Equity Partners, Reuters has reported.

**Gravy train?**

Several trends bode well for an active training deal environment in Europe in the second half, argues Martin Luen

**Stars, stripes and start-ups**

M&A activity in the US education industry is hotter than ever. Kirsten Noben looks at what's driving the trend and the subsectors getting most love

**The name's bond...**

Social impact bonds offer an innovative way of channelling private investment into public services. But can the market's limitations be overcome, asks Daniel Thomas

**A tottering policy**

The government's plan to double free childcare hours is in danger of derailing, finds Sunniva Davies-Rommetveit