Developing Commercial Awareness

‘Industry awareness combined with an understanding of our organisation AND the ability to think in a commercial way’  

Mercer

What is commercial awareness?

‘Industry awareness combined with an understanding of our organisation AND the ability to think in a commercial way’  

Mercer

In the UK, organisations recruiting graduate trainees, interns or placement students each have their own list of strengths and competencies against which to assess applicants. Among the usual suspects (e.g. effective team working, communication, drive, problem-solving, etc.) you will often find ‘commercial awareness’.

Whatever your degree subject or area of work you wish to enter, there is no escape from the demand that you have an understanding of how a business or an organisation works. Clearly it is an important requirement in roles in finance and management, but it doesn’t stop there. Any organisation providing a service or selling a product needs professionals and managers who can understand the needs of their clients and talk their language. Law firms, IT and engineering firms and advertising agencies are just a few examples.

Employees have to understand how the organisation they work for operates, and what impacts on costs and profit margins. The public sector is not exempt. From the smallest charities to huge government departments, the need to control costs and budgets and understand the implications of shifts in the economy (national and global), is vital.

‘Start now, read every day!’  

SEO London

Developing your business sense is a long term strategy. A quick scan of the Financial Times the night before a job interview just will not do. Start to build your knowledge long before you make applications and be prepared to carry on for the rest of your working life.

Where do you start? Do what the professionals do. We surveyed some of our key employer contacts to find out how they keep their fingers on the pulse of the global economy – and ensure their knowledge is current and informed. Read on for our insiders’ tips on how you can develop your commercial knowledge, and gain an edge, but first, for the financially clueless amongst you, keep these resources close to hand:

Economics A to Z
www.economist.com/economics-a-to-z

Financial Glossary
www.bbc.co.uk/news/business-15060411

‘You have to make a habit of it’  

KPMG

• Spend 20 minutes every day following major business stories. Pick issues that interest you to make it less of a chore and more likely you will convince at interview.

• Follow particular organisations. Could you offer ideas about how they could develop their activities and improve their results – particularly in the work area that interests you (e.g. marketing, PR, legal, operations, IT, investment, Finance, etc.)?

• Be ready to answer questions at interview about those companies.
Developing Commercial Awareness

Remember that the interviewer (possibly at a senior level in the organisation) is likely to be very experienced and knowledgeable – and will know if you don’t know what you are talking about!

‘Read QUALITY newspapers, especially the business pages’ Waterstons

- Watch or listen to the news especially for developments in your chosen sector.
- Focus on the business section of a quality broadsheet e.g. The Times, Telegraph, Guardian, etc. on a daily basis, and the Economist on a weekly basis.
- For more sophisticated business news analysis try the Financial Times or Bloomberg.
- Look at sector-specific pages of newspapers, in print or online, like Media Guardian or Public Agenda in The Times.
- Read professional journals and websites associated with your specialism e.g. Computer Weekly, The Actuary, Nursing Times, The Bookseller, PR Week etc.

‘Have an opinion’ SEO London

- You don’t need to know every factual detail but should have an opinion - why has X occurred? Do you agree with decisions made?
- Read opinion and commentary sections in the news to help you develop your views.
- Step back from a story and consider it from a commercial or business perspective. Who are the key stakeholders? What would be their concerns and questions?
- Join relevant student societies to network and talk with others with similar interests.
- Find ways to talk to professionals working in your target industry about their views on current issues and developments in their organisation and sector.
- Follow key figures, commentators and senior leaders in your sector e.g. check out if they have a blog, have given interviews to the press, been quoted, follow them on Twitter, etc.
- Remember that there are not necessarily right or wrong answers or opinions about business or economic issues.
- Ensure you have formulated your own opinions and can express them backed up with sound argument.

‘When researching an organisation use the PESTEL approach’ - analysing it from a Political, Economic, Social, Technological, Environmental and Legal perspective’ Mercer

- Look at a company’s or organisation’s inputs, processes and outputs, and the support required to make them happen.
- Understand how your chosen function fits into the organisation’s business model – and how you, and your chosen function can enable it to be successful.
- Research and understand the organisation’s customers. Look at the end consumer or service user – their needs and behaviours will affect the organisation’s strategy. Be aware of the market in which the organisation and its customers or users operate – and the key influencing environmental and socio-economic factors.
- Who are the key stakeholders? What would be their concerns and questions?

‘A commercially aware candidate ideally has some previous commercial experience or exposure – nothing beats the real thing’ AXA UK

- Gain experience in a commercial or business environment, small or large.
- Intern in a professional area or organisation you would like to join on graduation.
- Consider your extracurricular activities e.g. involvement in university societies, charity fund raising etc. and any aspects that relate such as setting targets, managing costs and budgets.
- Reflect on your jobs and unpaid experience so far, and the insights you gained into factors that affected or threatened the success of each organisation.

‘We do prefer candidates coming through our assessment process to have some basic understanding and, more importantly, interest in the industry they intend to work in.’ FDM Academy

- Typical questions we ask during our assessment day include, ‘What is the latest financial news story you have heard in the past week?’, or ‘What are the main challenges facing the IT industry?’ FDM Academy

- Once candidates reach the assessment centre stage they are put through a number of exercises that broadly simulate the working
Developing Commercial Awareness

environment, so any commercial awareness here can help to differentiate between the top applicants.

‘Get your commercial news from the same sources as city professionals’

SEO London

Whatever you read, make sure the writing, analysis and opinion is reliable and well-regarded. You can’t go too wrong with the big names in print, online and broadcast journalism, and include reputable players in the global media to broaden your knowledge and opinion.

**Business sections and sector specialist sections of quality newspapers/online news**

- The Times: [www.thetimes.co.uk](http://www.thetimes.co.uk)
- The Telegraph: [www.telegraph.co.uk](http://www.telegraph.co.uk)
- The Guardian: [www.guardian.co.uk](http://www.guardian.co.uk)
- BBC: [www.bbc.co.uk/news/business](http://www.bbc.co.uk/news/business)

**Specialist financial and economic press**

- The Financial Times: [www.ft.com](http://www.ft.com)
- Bloomberg: [www.bloomberg.com](http://www.bloomberg.com)
- The Economist: [www.economist.com](http://www.economist.com)
- Wall Street Journal: [uk.wsj.com/home-page](http://uk.wsj.com/home-page)
- South China Morning Post: [www.scmp.com](http://www.scmp.com)

**Other sources**

- Latest UK government policy relating to your sector: [www.number10.gov.uk](http://www.number10.gov.uk)
- Professional journals and professional bodies relevant to your chosen role/profession/sector
- Websites of organisations that interest you
- Websites of organisations such as professional services, consultancies and law firms that offer services to business clients often have briefings, news summaries, podcasts, etc. on open access e.g. [www.pwc.co.uk](http://www.pwc.co.uk)
- ACCA (Association of Chartered Certified Accountants) podcasts on commercial awareness [www2.accaglobal.com/ukgraduates/commercial/](http://www2.accaglobal.com/ukgraduates/commercial/)
- Graduate recruitment pages of employers’ websites that define commercial awareness and how to develop and demonstrate it e.g. [www.herbertsmithfreehills.com/careers/london/graduates/apply-now/our-application-process/tabs/what-is-commercial-awareness](http://www.herbertsmithfreehills.com/careers/london/graduates/apply-now/our-application-process/tabs/what-is-commercial-awareness)

Don’t delay - take action now

- Read a current hot business story on e.g. the BBC news website: [www.bbc.co.uk/news/business](http://www.bbc.co.uk/news/business)
- What is the background to the story?
- Identify who or what are the key players.
- In what ways are the key players affected by the story?
- What is the consensus of opinion on the story?
- Look at other resources for different takes on the story e.g. [www.economist.com/europe.wsj.com/home-page](http://www.economist.com/europe.wsj.com/home-page)
- Look up any terms you don’t understand: [www.economist.com/economics-a-to-z](http://www.economist.com/economics-a-to-z)
- Speculate – how is it likely to end?
- Follow the story as it develops.

Thank you to those organisations who have contributed their wisdom on developing commercial awareness:

ACCA: [www.accaglobal.com/ukgraduates](http://www.accaglobal.com/ukgraduates)

Allen and Overy: [http://www.aograduate.com](http://www.aograduate.com)

Axa UK: [www.axa.co.uk/graduates](http://www.axa.co.uk/graduates)

CapGemini: [graduates.uk.capgemini.com](http://graduates.uk.capgemini.com)

FDM Academy: [www.fdmacademy.com](http://www.fdmacademy.com)

GE: [www.ge.com/uk/careers/index.html](http://www.ge.com/uk/careers/index.html)

KPMG: [www.kpmg.co.uk/careers](http://www.kpmg.co.uk/careers)

Mercer: [www.mercer.com/ukgrads](http://www.mercer.com/ukgrads)

Morgan Stanley: [www.morganstanley.com/careers](http://www.morganstanley.com/careers)

SAP Business Analytics: [www.careersatsap.com](http://www.careersatsap.com)

SEO London: [www.seo-london.com](http://www.seo-london.com)

Teach First: [www.teachfirst.org.uk](http://www.teachfirst.org.uk)

Waterstons: [www.waterstons.com](http://www.waterstons.com)

**Using the Library**

You can access a number of resources for business information through the Library. These include:

- Market research databases
- Company information
- Industry information
- Bloomberg – professional tool for financial information
Developing Commercial Awareness

- Marketline – market research database
- Factiva – current news database
- Business Source Complete and ProQuest for company information
- Lexis for newspapers
- Economist.com full website access
- FT.com for a personal student subscription

Go to the library website at [www.city.ac.uk/library](http://www.city.ac.uk/library) and click on Get help for my subject to access the library’s subject guides, contact your subject librarian, and get more information about how the Library can help you develop commercial awareness and prepare for interviews.