

## **A place for private sector degree awarding institutions in HE (0070)**

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The discussion provided under the conference theme includes a wide range of issues impacting on the changing landscape of higher education. However, it fails to mention the worldwide growth of the private sector as a major contributor to higher education provision. This growth has been fuelled by the move towards a system of mass education. In countries such as the USA, where provision is more devolved and diverse, the private sector has been able to make a significant contribution (Kember, 2010). This has also been seen in Asian countries such as Japan, South Korea, Taiwan and Hong Kong (see Hayhoe, 1995; Wang, 2003 and Kember 2010).

In contrast private sector organisations in the UK, although in higher education as service providers, mostly in collaboration with public-funded institutions, have only been able to apply for degree awarding powers since 2004, (QAA, 2004). This followed consultation and discussion stimulated by the UK Government's White Paper, *The Future of Higher Education* (DfES, 2003), in which it was proposed that the criteria for assessing applications for degree awarding powers should be modernised to reflect the increasing diversity of higher education learning. Specifically the ministerial statement included the words: '... the government has decided in relation to England: to modernise the criteria for the granting of degree awarding powers to make it easier for non-traditional higher education organisations to apply ....', (DIUS, Ministerial Statement, 16<sup>th</sup> July, 2004)

It is not only the UK government that has reviewed the approach to granting degree awarding powers. Moodie (2007) reports that governments in countries such as the US, Canada, Australia and New Zealand were also considering amendments to the rules. Several pressures appear to have contributed to this trend. For example the changing relationship between the state governments and public colleges and universities has changed to reflect a more market-driven scenario (see for example Eckel, 2007; Meek, 2000; Kwiek, 2008). There has been a shift in the values provided by education with state governments requiring a widening of participation, enhancing excellence in learning and teaching, *and* in research; whilst also calling for an enhanced contribution of higher education to the economy and society (Barratt and Barratt, 2007).

There is an argument that due to their more managerial and market approach private sector organisations are able to adapt to changes in the market place. Whilst the majority do not attract research funds many are very successful teaching institutions (Kwiek, 2008). Private for-profit colleges have often been successful at attracting students because they offer degrees in curricula that are in higher demand from employers and students (Floyd, 2007; Ward, 2007). This career oriented education is valued by governments as well as individuals. They are adept at attracting students who are interested in achieving a return on their investment by taking courses that increase their employability (Eckel, 2007; Sommerville, 2005).

This is borne out somewhat by the organisations that have taken advantage of the change in criteria in the UK. They include The College of Law, BPP College of Professional Studies Limited, Ashridge Business School, and the IFS School of Finance. It is perhaps no surprise that they are specialised, professional and vocational in focus which is potentially indicative of the future shape of private sector degree awarding institutions.

Encouragement for mature learners and vocational skills had been encapsulated in government sponsored papers (for example in the UK: DfEE, 1998; Leitch Report, 2006; in the USA: Kellogg Commission, 1997). Further the impact of recent increases and debate concerning tuition fees has caused uncertainty for many universities about the effect on student numbers and the proliferation of league tables have added to the competitive climate (Barratt and Barratt, 2007). This increased

competition, and need for flexible responses to environmental changes, makes entering the market for higher education an attractive proposition for private sector organisations. Offerings such as two year degrees, multiple entry points, and flexible provision are easier to cope with free from the shackles of a traditional academic culture. Also as tuition fees rise, higher education becomes more viable for the private sector providers.

It is unsurprising that these students paying a higher fee will in turn demand a higher standard of service from the universities and be more assertive in what they expect for their money (Middlemiss, 2000). The increasing number of students and pressure on quality of service and accountability has increased the pressure on academics. Harman (2003) highlights studies that report an increasing tension between the traditional view of academic work and the focus on increased teaching, less time for pure research and more pressure for industry sponsored research. In particular Anderson, Johnston and Saha (2003) note an outcome as being an overall reduction in academic standards.

Reforms in higher education indicate that there is a systematic shift of control away from governments towards the institutions (Varghese, 2004). This changing relationship places more emphasis on the degree of autonomy, accountability and funding (Eckel, 2007). Marks (2008) highlights a concern that the increasing market-orientation of institutions and a growing tendency to treat students as customers could have consequences for the quality of higher education provided. In Poland, Kwiek (2008) noted that the opening up of the system to private providers was accompanied by liberal quality assurance mechanisms and licensing and accreditation procedures, with guidance via an enabling framework (Steier, 2003). In the UK the Quality Assurance Agency oversees quality and there is a safeguard in place such that private sector institutions only gain degree awarding powers on a six yearly, renewable basis. Perhaps this should apply to all institutions.

If the current UK private institutions with taught DAP are indicative of the future trend the debates of teaching only/led institutions, the drawbacks of vocational and narrow learning, and seeking a wider definition of scholarly activity (Glassick et al, 1997) are set to run, but the academy must be prepared to recognise the contribution of private sector degree awarding institutions.

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