

THEME 2: Has control of quality been usurped by the market and by information technology?

It has been suggested that:

- higher education is a business with a potentially infinite number of providers accessible through the Internet;
- the notion of a bounded location for learning and for research is obsolete;
- quality monitoring is swimming against the tide as the market will ultimately arbitrate on quality;
- monitoring procedures, which might be designed to exclude unacceptable provision, are stifling creativity;
- quality monitoring is about restricting the number of providers and ensuring the pre-eminence of the old order?

Discussion questions:

1. Will the higher education provision significantly change and will those who can deliver what is required survive?
 2. Will quality monitoring become redundant, overwhelmed by market forces?
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Introduction

There was little direct analysis of what a market is or what it would mean in the higher education context. There was a recognition that the notion of a ‘market’ in higher education needs to be carefully explored — it is not an ‘obvious’ notion. It was noted that a decade or so ago a conversation about markets, quality costs, efficiencies and the like would not be taking place – there has been a move toward a market-focused discourse in higher education.

There was some discussion of what higher education is marketing, is it a qualification, an experience, a civic service? There is a difference between selling degrees and selling experience.

Quality monitoring and gold standard

It was generally agreed that whatever the extent and nature of the market, there will be a need for higher education to have quality monitoring processes in place, at the very least accreditation, because the market is neither self-regulating nor will pure competition ensure the retention of the integrity of higher education.

There was, thus, an underlying ‘gold standard’ notion of higher education as an international endeavour. It was implied that higher education encapsulates a certain type of learning experience, usually coupled with research and scholarly activity, and that outcomes of both are of an implicit level or standard. Furthermore, a degree has a universal structure and integrity, which is specified in law in some countries, such as Sweden. There was no expectation, even from within countries with more experience of private sector provision, that the market could deliver these expectations of higher education unaided. The voluntary accreditation system in the US is testament to the need for external legitimation of the higher education endeavour.

Impact

The ‘market’ has a different bearing on higher education in the United States to that of most other countries represented at the Seminar. The USA apart, there have been warnings for a decade in, for example, New Zealand, that the market will have an impact but little has changed. In the last resort, no universities have been allowed to go bankrupt and the government mediates any pseudo-market impact. Similarly, there is no evidence of promised market forces generally influencing Australian higher education.

Political issues influence the degree of influence of market forces. In Australia, for example, a relatively right-wing government is currently encouraging entrepreneurship,

The issue is not that there will be a higher education market, which will determine quality but that some aspects of a ‘market’ will impact on higher education either to encourage improvement or possibly to inhibit it. Despite their interconnections, it was also considered necessary to distinguish between the impact of information technology and of the ‘market’.

Three issues tended to be discussed. First, the public versus private sector of higher education, which has more relevance in some countries than others, and was discussed briefly. Second, the creation of pseudo-market conditions, by governments, to encourage competition between institutions. Third, the presumption of greater consumer choice and the necessity, therefore, for higher education to respond to customer needs and requirements.

Public versus private

Competition between public and private institutions occurs in some countries, while in others, there is no significant private higher education sector. In Sweden and Denmark higher education is free to participants and so there are no private fee-charging universities.

There is some concern about mushrooming private provision in some sectors and the impact on standards. In South Africa, for example, the growth of private institutions is

linked to a perceived drop in standards. In India, private providers are ‘cherry-picking’ most popular programme areas, such as computing and business. In the US, state governments are favourably inclined toward the entrance of private universities as it saves the tax payer money. The US market is saturated but still more private universities are being established.

The expectation in some countries is that public universities will provide basic ‘theoretical’ learning and that private universities will focus on lucrative (postgraduation) vocational skill development.

Pseudo-market conditions

Competition and efficiency

The pseudo market has four elements: first, to use competition to improve services and drive down costs. This competition is often linked to moves towards contingent funding, such as performance funding or funding to contract.

It was argued that increased competition between institutions *for* students is lowering standards and quality, rather than raising them. Contingent funding, such as performance indicators act to distort institutional values and can also lead to corrupt practices.

It was felt that the response to pseudo-markets would be the growth of consortia, both national and international groupings, institutional and subject-based. Indeed, in some areas, such as business, there are already mutual recognition consortia of various types.. There was also the expectation that as higher education globalised and was confronted by market conditions, that there would be mergers between institutions. At its extreme, we may not only see mergers but ‘mega universities’ (made up of the ‘best’) or omni-universities (regional, vertical and horizontal networks of post-compulsory education providers and research organisations).

Income streams

The second element of pseudo-markets is the encouragement of institutions to actively develop other, non-governmental, income streams. This represents a shift in most countries and even in the United States, the big public universities, which hitherto had funding with no strings attached, are now having to adapt to performance funding.

Compliance

Third, psuedo-markets have also been used to encourage compliance with government agendas, such as widening access, developing employability for an international labour market and encouraging recruitment to specific disciplines. While some special-initiative funding, or quality-linked funding has been successful in encouraging compliance, in the

last resort supply needs to be met by demand. For example, engineers are in short supply in UK, Ireland and Canada but higher education institutions have been generally unsuccessful in encouraging students to undertake engineering degrees.

It was noted that there is a general suspicion in higher education of government motives behind their influence on the quality agenda. In the Netherlands, for example, quality assurance has been used as a means to impose changes in higher education, with a focus on employability. Potentially, such changes could have serious impact on what constitutes higher education, especially if this is led by short-term market demands.

Diversity

The fourth element of pseudo-markets is the diversity issue. There was also ambiguity expressed about diversity. On the one hand, a diverse system was seen as having transformative potential for a wide array of students but, on the other hand, also had the potential to drive down standards. It was argued that while diversity is to be encouraged it is important to ensure that diversity does not mean mediocrity.

It was pointed out that in most countries, institutions are not free to grow and develop as they like. Often there are controls on expansion and diversification across subjects imposed by the state or its agencies or by professional or regulator bodies. Furthermore, given restriction on the raising of capital and investment in capital projects, there are physical limits on the potential expansion of institutions in most countries.

The main issue was the dilemma of diversity and equivalence. That is, diversity of institutions, providing different student experiences and having different missions and subject focuses but at the same time, ensuring that the student in any institution has an equivalent experience and that the outcomes are the same. This is, to some extent, less of a concern in the United States, although 'Ivy League' institutions are evident in nearly all countries. The difference and equivalence of student experience remained largely unspecified. The implication was that the physical and social experience was different but that the intellectual development was ultimately the same. 'Subject benchmarking' (determined by academics), it was suggested, will assist the definition and maintenance of standards and quality (by defining outcome skills and attributes, rather than content). There was scepticism that any specific model could deliver equivalence without (a) being overly burdensome and rigid and (b) imposing a national (or international) curriculum.

What was also implicit was that diversity applied to research and that there was no intention or need to ensure equivalence between institutions. Indeed, some older universities are obliged to concentrate on research because that is their strength in the 'market place'.

There was a concern that, in responding to pseudo-markets and consumerism, a growing and unbridgeable divide may occur between elite universities and others resulting in a two-tier system of global, international, institutions operating in self-accrediting consortia, without reference to national quality system, and local and regional universities

subject to state control. It was considered essential, by some delegates, to find a means for constructive debate to avoid the worst effects of a university system that is fragmented by the markets into rigid hierarchies which reinforce status distinction rather than encourage and promote diversity.

Given diversity, it was argued that in pseudo-market conditions, any evaluation of quality must be against the mission of the institution, not some absolute evaluation criteria. These need to be negotiated independently with institutions. There is little evidence of this happening even in mission-based fitness-for-purpose systems, not least because it would inhibit comparative league tables.

Consumer choice

The consumerist discussion focussed on the role of the internet and the potential for virtual higher education, the increased student choice and the development of students' skills and abilities.

Internet

The internet was seen as the most significant 'market' challenge. The increasing use of the internet has led to growing awareness that education is a 'tradable commodity'.

Globalisation is a factor, made possible through technological developments. Higher education is no longer confined within national boundaries. Providers are springing up in other countries (such as Hong Kong).

However, the internet was not seen as a threat in the sense of drawing students away from conventional higher education. There has always been a distance-learning market and internet-based courses simply enhance that sector.

Distance learning

Whether it is a good idea for institutions to dabble in an electronic distance learning market is a moot point. It was suggested that the experts such as the OU in Britain and University of Phoenix in the United States have experience and good quality-assurance processes in place, which most other institutions cannot match. The involvement in this market by non-specialist institutions, it was suggested, was financially motivated, rather than a real commitment to non-traditional distance learners. In practice, much of this market in non-specialised institutions relates to professional education and continuous professional development.

It was also suggested that, in any country or even language group, there was no real need for more than one e-university. That is, there might, for example, be a single e-university in a country that is a consortium of providers all contributing elements through the internet, with a central co-ordinating and degree-awarding institution. This is not yet

happening. For example, in the United States every state is developing distance learning separately. Internationally, English-speaking institutions/countries will be at an advantage when developing e-learning but also English will be the main site of competition.

E-based distance learning, whether via a specialist provider or as a 'side-line' should still be faced by the same quality assurance principles as other conventionally delivered programmes. If a registered provider then the institution needs to conform to explicit quality regulations. There was some concern that on-line learning, because it is 'remote', will undermine quality and quality monitoring. On the other hand, it was suggested that quality monitoring of (wholly) on-line provision can be far more in-depth than an institutional visit for a conventional course because it could be continuous and is unobtrusive: the monitor can simply engage in a manner similar to the on-line student. In short, virtual review could be like snooping on-line. However, support for students will have to be different on-line.

International quality monitoring

Globalisation, it was suggested, made it difficult to keep a grip on standards. One potential impact of the intranet, though, may be to encourage a shift to international quality systems or consortia for accreditation. Furthermore, students are demanding assurance that their qualifications will have international currency.

It was felt, at least within the EU, that, post-Bologna Declaration, Europe is moving towards a structure in which second-tier accreditation, on a voluntary basis, will serve to 'top up' national quality systems. There has been active discussion in ENQA and Nordic countries about moves towards accreditation and mutual recognition. INQAAHE have also considered their role in any international developments. UNESCO and IMHE are also involved (although GATE has dropped out of the picture now that it has been taken over by commercial sector).

However, there was scepticism about the possibility of 'common standards' in national or international systems. A counter-argument suggested that some professional bodies are operating an international labour market. Furthermore, there was a sceptical view expressed by students, that the development of European Union-wide accreditation will lead to more bureaucracy and that useful information they need could be obtained by less bureaucratic approaches.

The development of virtual learning may stimulate reflection by institutions and encourage them to be cognisant of changing requirements. For example, an e-university started off-shore did act as a stimulus for Australian higher education institutions to look carefully at what was being offered. An example of a *reaction* to market forces and quality issues.

Integration of internet into conventional programmes

The real issue is the integration of the internet into conventional on-site courses, using it as a tool to complement other forms of learning facilitation.

Course delivery

Delivery of courses is changing, for example the use of conferencing facilities to make contact with students and study materials available electronically rather than hard-copy information. The mechanics of course delivery are different as too are attendance patterns, with more flexible delivery and off-campus support, especially at the postgraduate or continuing professional development level, with more part-time study while working full-time. This may or may not be leading to virtual communities of learning.

What has become apparent, in some settings, is that the internet has been used as a vehicle for providing course organisation material (as well as subject content) and that, as a result, syllabi, course requirements and expectations, assessment criteria and outcomes have become more clearly defined and expressed.

Assessment of students

In any event, the integration of the internet into the conventional programmes requires a reconceptualisation of conventional student assessment practices (grading of student achievement). Apart from anything else, conventional approaches such as requiring essays is prone to extensive plagiarism given available electronic resources. Thus, imagination is required in assessment practices. One area of potential advantage is in the assessment of group working, using electronic resources to monitor group engagement and contributions, which is not easy to do in paper-based assessments. There is also a need to change the way students are assessed so that they can operate effectively once they get into employment, thus some form of assessment of a wider range of abilities is required.

Resources and ownership

Imaginative integration of the internet into programmes is time-consuming and does require support for academic staff if the process is to be more than making lecture notes available electronically. It takes a long time and costs a lot to develop interactive programmes and the result needs to have a reasonable shelf-life to make it feasible. The problem is that the pace of change of technology raises expectations amongst stakeholders that higher education finds it increasingly difficult to keep up with.

It was suggested that making use of the internet disaggregates courses so they are not 'owned' in the same way as conventional courses. Rather than one person producing their course in its entirety, courses are produced by teams with specialists or by outsourcing aspects. This might lead to problems of quality assurance or it may enhance quality as elements will be undertaken by professionals, such as design and layout experts.

Electronic quality documentation

On another front, altogether, the institution web site might ultimately be the sole locus of information for quality monitoring reviews. Rather than produce large amounts of paper document for monitoring purposes, the reviewers might receive them electronically, or better still, simply dip into the site to see what material is available to (a) the general public (b) registered students and staff.

Student choice

One aspect of student choice is the potential mobility of students and the opportunity for degrees, for example, to be 'compiled' both horizontally across institutions or vertically at a number of universities.

Accumulation

Horizontal accumulation arises when students take diverse 'modules' from different discipline areas within an institution. Vertical accumulation refers to the process of accumulating credits from two or more institutions using credit schemes that enable students to pursue a discipline area by moving from one institution to another, or, in Europe, to take advantage of European Union schemes to take one or more semesters/terms in institutions in other countries.

In practice, few students tend to take up vertical accumulation other than to take part of the time somewhere else. Moving on is not as easy or even possible despite the existence of systems to enable it. A fully free accumulation by taking bits and pieces from a variety of institutions is rare, and not actively encouraged, not least because there is an issue of whose award the varied accumulated modules adds up to. There were questions as to whether the internet would encourage or enable vertical accumulation.

The internet gives students more choice as there are, potentially, more providers. However, for the majority of students, the social aspect of learning is central and the internet provides an adjunct to the learning situation, which allows students more flexibility in the way they learn.

Learning preferences

There are some circumstances where an electronic, virtual environment provides a better learning experience than a lecture, seminar, television broadcast, or workshop. For example, the anatomy of a frog might be explored through any of these media and some students may prefer to dissect the real thing whereas others might prefer to interrogate a virtual dissected frog.

Thus, students might prefer to use the internet for information gathering and use face-to-face experiences for engaging with, or developing understandings or critiques of, the information. Similarly, some students may wish to take some modules virtually and others through class contact. Increasing student choice, pragmatism and instrumentalism means that universities will need to adapt to such demands. It has been noted, in New

Zealand, for example, that investment in institution's intranet has been matched by a decline in attendance, suggesting that students want choice and variety. This may be in part due to more instrumentalist approaches by students, who increasingly have paid work commitments, or as a result of changes in student cognitive processes due to exposure to a wide variety of media.

Student influence

The possibility for internet delivery for all or part of a programme gives students more choice and a greater influence on curriculum design. While this can be a positive step to empower students, some delegates warned of problems if students are allowed too much influence. For example, students might not want quantitative courses in their degrees, preferring 'softer' non-quantitative courses. However, it was argued that, for balance, it is necessary to ensure both types of courses in a programme such as Business Studies. Furthermore, it is important to balance the different perspectives of stakeholders, the short-term perspectives of students, for example, with longer-term perspectives of employers.

Another element of student influence is the growing student litigiousness observable in some countries. Students want value for money and, for some delegates, this suggested a need for a more defensive type of quality monitoring that helps provide protection from litigation, which delegates thought likely to increase.

League tables

One element of consumer choice, which cuts across government attempts to create a pseudo-market and links to the involvement of private-sector, non-higher education organisations, is the production of 'league tables'. More and more league tables are appearing in various parts of the world, as a way of bringing market forces more directly to bear on higher education. The United States has a long history of media-based league tables of institutions. In other countries these are in their infancy and are often crude and based on limited or even faulty data. However, it is unlikely, in a global higher education environment that league tables of various types will not remain. There is now information available on the internet to overseas students warning them about some institutions at the bottom of league tables.

The view was that constructing league tables should not be a primary, or even secondary role, of quality monitoring processes. Information to stakeholders, an accepted function of quality monitoring, should concentrate on providing qualitative data, that allows potential users to make an evaluation of what suits them, rather than quantitative, summative assessments that presume some kind of absolute standards or benchmarks. Some delegates thought that markets are shaped or distorted by league tables. Others went further and regarded league tables as dangerous, not only because they are often commercial and based on superficial research, but because they impede continuous quality improvement by emphasising the punishment of institutions perceived to be inferior.

Marketable skills

It was also suggested that, increasingly, political and economic imperatives are placing more emphasis on institutions to produce students with particular skills. Market forces will usually see that these skills are addressed. However, market forces place an emphasis on short-term outcomes. It was argued that, in some countries, employers generally want short, sharp programmes that deliver particular skills to students in, say, six months. But these newly-acquired skills will soon be out-of-date and redundant. In other countries, such as the UK, employers are aware of this and are more concerned that undergraduate study develops understandings of basic principles and produces graduates with generic skills rather than specific subject skills. Nonetheless, there is a need for institutions to address some of these required generic skills rather more explicitly, although, it is important to be aware that some employer demands are rhetoric rather than reality. There was some concern that, if higher education did not produce graduates more suited to employer needs, employers will provide what they need themselves.

The role of the university also involves the development of the whole person and, if it is just left to market forces, it is unlikely that this aspect of a university's work would occur. In short, a market-led approach would lead to more emphasis on piecemeal training rather than holistic education. Broader student experience will not be catered for if just market forces are in operation. Furthermore, if academia just responded to market forces, universities would produce numerous accountants but not many artists and musicians. Nonetheless, the market demands for graduates heavily influences the demand of students for particular discipline degrees.

It is, thus, necessary that institutions respond to market forces but in a proactive way, with universities leading the way forward.

Summary

Overall, there was a feeling for many delegates, that it was too soon to tell what impact technology and market forces would have on higher education. There is a shared view that universities will increasingly be under pressure from both market forces and new modes of delivery. However, there was uncertainty about the direction in which these pressures would move the sector.

It was clear, though, that there was no confidence the market would ever be able to self-regulate and there would need to be some form of assurance to stakeholders about the integrity of higher education. This did not need, though, to be in the current dominant form of intrusive monitoring by external agencies.

Rather than a concern about how the 'market' might usurp quality, the discussion focussed on how the internet might enhance the student experience and how the recruitment market impacts on the type of graduate produced in a widening system. There

is a clear employability agenda that seems to cover all countries represented and the pressure is on higher education to be responsive to (a) employer demands (b) government economic requirements (c) student expectations of graduate abilities, while remaining true to the fundamental higher education mission of developing higher-order skills of critique, synthesis and analysis along with an understanding of fundamental principles of a specific subject area.