The Business Studies University: Turning higher education into further education

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This paper argues that changes to both further and higher education that are already well underway are clarified by what can be called the model of the Business Studies University (BSU). The BSU elevates undergraduate student choice of equivalent level modular courses to the 'heart of the system' (DBIS, 2011). This is rejected by those few institutions not part of the current competition to cram in funded students; instead, they adhere to traditional academic disciplinary knowledge. As a result, at one pole of a bifurcating hierarchy higher turns into further education, with 'cramming' for academic higher education at the other.

**Keywords**: business studies; higher education; further education; education; training.

'I am a man of business. What business have I in this present world, except to stick to business? No business.'

*(Mr Panks in Little Dorrit by Charles Dickens)*

**Introduction: Over the precipice**

A recent report on further education (FE) and higher education (HE) funding described the two sectors (as they are still thought of in the UK but not in the USA – see Harbour, 2015) as 'Heading for the precipice' and asked 'Can further and higher education funding policies be sustained?' (Wolf, 2015). Clearly they cannot, although this is a problem that some in government wish would just go away – Hodgson and Spours recount: 'Vince Cable’s revelation that DBIS [Department for Business, Innovation and Skills] officials proposed FE colleges be abolished to save money and no one would notice' (2015: 204). This is a view shared by many academics, who just wish to be left alone to continue their familiar activities, like so many cartoon characters who have run off the edge of a cliff but, because they have not noticed, keep on running in mid-air – or in the case of many academics, writing papers citing each other’s scholarship and theoretical insights while boosting their own at the usual round of conferences.

Yet, despite record university application rates for undergraduate courses in 2015, even though such courses can now entail debts of up to £53,000, the Coalition Government’s Higher Education Minister, David Willetts, lost his Great University Gamble (McGettigan, 2013). He admitted as much when he said that he did not expect to recover more than a third of what will add up to £330 billion of unpaid loans by 2046 (Ainley, 2015). The problem was intensified by the repayment threshold remaining at £21,000. This suggests that the policymakers behind the scheme underestimated, or were even unaware of, the depreciation in graduate salaries that were a consequence of the decline in 'graduate jobs'. Nevertheless, it was likely that the new Conservative Government in 2015 would raise fees, alter the terms of repayment, or both. They

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first turned maintenance grants into loans and froze the repayment threshold against inflation, predictably hitting poorer students, whose numbers may have increased absolutely but have not held up proportionately, as Dorling pointed out (2015). Both measures will add to the complex loan/insurance packages backing variously priced courses with different anticipated rates of return in employment, which are the subject of speculative financial calculations – if buyers could be found for these ‘financial products’ and if their ‘miss-selling’ could be avoided in a future PPI-type scenario! In the meantime, fees may be raised in line with inflation, subject to Teaching Quality and widening participation.

If fees were uncapped completely, Oxford, Cambridge, and a handful of other ‘top’ universities would charge as much as they could, pricing themselves out of the system, while being reluctant to forsake all state support – perhaps maintaining (possibly as a condition of such support) extensive bursaries and scholarships. This would leave universities that could not compete on price to go to the wall. Many would collapse into virtual learning centres, in the way that franchised courses to overseas partners and campuses abroad already sustain home provision for many universities and faculties. Other ‘efficiencies’ could further unravel institutions: for instance through sharing back-office support for merged services (as at Nottingham and Birmingham, and Queen Mary and Warwick), if not through outright ‘mergers’ or takeovers (as in the case of the London Institute of Education by UCL). Management buyouts or corporate buy-ins are also possible, as well as the closure of under-recruiting or under-researching departments and other cost-cutting measures, such as the attack on pensions in the older universities. In the newer ones we might see more two-year ‘degrees’ taught over four terms a year. Private ‘universities’ and colleges offering more cut-price deals to state-funded students will be further encouraged, despite repeated scandals over dubious standards, such as the Independent Learning Accounts scam (NAO, 2002), only this time chugging for students. Such a free market would fragment what is left of a more or less coherent HE system but, as with school vouchers, it is unlikely that the Conservative Government will proceed directly to this ‘Big Bang’ solution as the consequences would be dramatic and incalculable, creating the ‘perfect storm’ Peter Scott warned of as a result of ‘mounting turbulence’ (2013: 54).

Although the likelihood of such turbulence is amplified by the market with Students at the heart of the system (DBIS, 2011), this possibility is largely ignored by academic commentary, which focuses more on the commodifying effects of marketization, often mainly on academics themselves. However, this paper argues that the most significant of these consequences is the redefinition of large parts of higher education as further education to create a new single FE (or nominally FHE) sector, or what Palfreyman and Tapper (2014:v) call ‘tertiary education (TE)’, which now combines ‘all post-18 education whether delivered in further education colleges or within universities’. The model for this TE is provided by what can be called the Business Studies University or BSU.

The Business Studies University

The BSU already exists in many HE institutions, where it presents a new model of higher education in the way that modular course choice is presented to students as what the sociologist of education Basil Bernstein (1990) called ‘a collection code’ of equivalent level modules without any necessary progression from one to another. These can be addressed in any order since Business Studies (BS), as the central and defining activity of the BSU, collects together a number of otherwise unrelated areas of study or practice in relation to the central activity of business. However, business is so large and diffuse an activity that the sub-disciplines collected around it
do not focus on any one central practice with theoretical progression, according to Bernstein’s notion of an ‘elaborated code’ that gives access to developing orders of meaning.

Instead of elaboration, collection can be the typical pattern for the more than 20 percent of English undergraduates following (one would no longer say ‘reading’ in relation to any undergraduate programme) courses with ‘business’ in their titles. These are ranged in a hierarchy of cost from the most expensive MBAs at postgraduate management schools to undergraduate business studies and business administration in FE. In addition to this suite of studies, there are also more or less optional modules additional to other programmes of study, supplementing them with various aspects of what can be called business studies – such as marketing or business organization (e.g. ‘entrepreneurialism’). Even the ubiquitous ‘employability’ might be counted among them. These modules are available to students in traditional discipline studies, including science, technology, engineering, and mathematics (STEM) subjects, especially when these are related to business – if not to BS. For example, in engineering, the syllabus might include not only how to build a bridge that will proverbially stand up but also how to sell it to a client. Something similar might also apply in abstract and theoretical areas, for example so-called ‘practical’ or ‘applied’ philosophy.

Similarly to these supplementary courses, the various modules or courses delivered in BS programmes are typically taught by experts who have PhDs in their various areas of expertise (e.g. accountancy, marketing, etc.) but who also come from traditional disciplines (especially economics) that have often been agglomerated into a business school. The danger is of course that there is a constant tendency to fissipation of such schools or faculties into their constituent parts – with students doing degrees in, for example, economics within business schools that are ‘houses of many mansions’. This could be regarded as a strength of the BSU since it can ‘let a thousand flowers bloom’, responding flexibly to market opportunities and developments as well as addressing issues of real social and academic concern, for example the environment. These concerns can include alternative and heterodox approaches, for example to ‘critical management studies’ (Alvesson, 2013). However, a fundamental liability is that this collection of equivalent level, more or less introductory courses does not add up to a row of beans, as Mark Twain might have said. In this way, undergraduate and even postgraduate BS is characteristically more like a modularized GNVQ than a non-modular A level (Allen, 2004).

In a reaction against the BSU, more traditional approaches through traditional academic disciplinarity have been asserted as a sign of Distinction (Bourdieu, 1984). However, as Rajani Naidoo (2003) pointed out, this only ‘protects the integrity of the academic enterprise … [by] unleashing new forms of elitism’. Yet in what have become the competing discourses students may acquire through higher study, at least in the humanities, collection codes can collapse into unrelated option choices. For example in the USA, ‘the English curriculum has bloated until it includes soap operas, Looney Tunes, muscle magazines, bubble-gum cards and graffiti’, as Frederick Crews (2006: 171) has the fictional Professor N. Mack Hobbs proudly declaring. Students then choose arbitrarily from the range of modules available so that their ‘choice’ depends mainly on what everybody else is doing, following fashions or trends and/or the reputation of the lecturer and subject (how ‘hard’ s/he and the subject assessment is rumoured to be). This could be said for ‘student choice’ in much of the humanities, and social and cultural studies nowadays.

Choice does not have to be so arbitrary though. It can, at least potentially in BS, have a vocational reference, so that a student might be sent by an employer to university or college to acquire background theory and practice in a particular combination of the available options that would be valuable for effective performance in a particular post. Similarly, a student who wanted to enter a particular line of employment (or self-employment) might put together his or her own route through the range of courses on offer, perhaps guided by a tutor. In fact, this is
what most BS students vaguely try to do, but they are bunched together in ‘foundation’ or ‘core courses’ to which they are lucky if they can add their individual interests in more specialized areas. So it is ‘student choice’ – insofar as it is available to consumers – that becomes the central guiding activity of undergraduates in such collections of study that the contemporary BSU brings together. Mastery within a given community of practice constituting an academic discipline related to professional (or at least semi-professional) Expertise (Collins and Evans, 2007) is the preserve of the still extant professions – such as law or medicine – where further study is normally entailed. Mastery is then demonstrated at master’s level (as in the USA, when after four years as an undergraduate the ‘real HE’ is often said to begin), but Masters usually last only one year full-time in England.

This is also the nature of the academic vocation, which is being lost to what is no longer (insofar as it ever was) a ‘community of scholars’ but that could be recovered by giving students a sense of joining an ongoing conversation to which they could make their own contribution through what Lave and Wenger called Peripheral Participation (1991) that is then legitimated by some sort of (final) examination or demonstration (e.g. in an end-of-degree show or production by art or drama students). This was once inherent in other practical vocations, such as architecture and craft skills in England, then relegated to further education (see below), where the skill developed through a practical course of study was demonstrated in a ‘Masterwork’ (Gimpel, 1983).

Business schools afford the prime example of this organization around the central student activity of more or less guided (by self or others) choice. However, the inherent tendency is that, with students rather than subject knowledge at the heart of the system (DBIS, 2011), this choice is commodified by what official indicators of ‘outcomes’ signal are more or less valuable choices in terms of their monetary exchange value. Also, such a curricular organization invites further prioritizing of research over teaching as ‘an activity too lowly for the twice-born’ (Bailey, 1977: note 9 on 61). As a consequence, traditional disciplinary researchers only combine their research with teaching by contributing their specialized findings to undergraduates, for whom they are often largely irrelevant. Or, in an inversion of these priorities, some subjects, such as languages, may be relegated to a ‘service function’ that may be taught by specialists in Dante whose undergraduate input is in everyday, or perhaps ‘business Italian’ preparatory to a placement abroad as part of a Business with Italian degree.

Aiming higher or going further?

The last two decades have seen huge increases in student numbers in English higher education, which has changed rapidly from an elite to a mass-participation system. As is the case with education and training in general, increased participation is closely related to changes in labour market opportunities, as ‘a good degree’ is now essential for hopes of most secure employment. The Blair–Brown Labour Governments set the ambitious target of half of 18–30-year-olds being in HE by 2010. Although this target was never reached, by the time New Labour left office a third of women and a quarter of men over 18 were applying for degree courses. This was despite the introduction of £1,000 fees in 1997, which were subsequently tripled and then tripled again.

Expanding university education was central to the Labour Government’s ‘upskilling for globalisation’ strategy (see the 2006 Leitch Review of Skills, Prosperity for All in a Global Economy). But the Coalition Government’s Minister for Universities and Science, David Willetts, was under pressure to reduce student numbers, while also seeking to heighten differentiation by charging what the market would bear. This did not happen however. Anxious not to be seen as providing an ‘inferior product’, but also because universities were now dependent on student fees to fund their courses, almost all higher education institutions announced that they would charge the
maximum fee, which was capped at £9,000 in a compromise with the Liberal Democrats in the Coalition. Despite this, young people have continued to enter higher education in large numbers in the hope of achieving secure and at least semi-professional careers. According to the Times Educational Supplement (10 July 2014), in 2014 659,030 applications were submitted to study for a full-time undergraduate course by 30 June – the final cut-off point for the Universities and Colleges Admissions Service (UCAS). In 2015, for the first time more than 500,000 students took up an offer of a place at a UK university, a rise of 16,800 year on year. Of the extra applications, 15,130 were from students based in England, with women now constituting 60 per cent of the undergraduate population – though this proportion would be reduced if courses in education and health were excluded. Despite some pick-up in the economy and the relentless propaganda for ‘apprenticeships’ (Allen and Ainley, 2014), and even though there has been a demographic fall in numbers of 18–19-year-olds, numbers are again at record levels, boosted by those forgoing a gap year to claim the last year of maintenance grants. Such is the desperate competition between nearly all HEIs that it is easier than ever to get in.

Despite increased participation, and because elite universities have not – at least for the time being – been able to differentiate themselves in the market through fee increases, institutions continue to differentiate themselves in other ways, such as the reintroduction of entrance examinations by the University of Cambridge. Russell Group universities require students to have top grades in at least two ‘facilitating subjects’, but from 2012 have been gradually released from rationing the most qualified applicants among themselves. Consequently, all but two universities plus the London School of Economics and Bath did not go into clearing for any of their courses last year but are in a frantic competition to cram in as many applicants as possible because their funding depends upon it. In other words, institutions poach students from one another, creaming off students who thought they were heading for more ‘middling’ universities but can use post-results ‘clearing’ to trade up – ‘trade down’ from the universities’ point of view.

Teacher–student ratios vary from 1:26.3 at the University of East London to 1:10.2 at University College London, while Oxford and Cambridge maintain a tutorial system of individual undergraduate teaching. The latter universities have financial and real estate holdings worth £3 and £4 billion respectively – the next richest, the University of Edinburgh, has £150 million (McCulloch, 2015: 12). These resources are manifested in gross inequalities in provision – a single Oxbridge college library often being bigger than many university libraries, for instance. The system is self-reinforcing, and as a consequence the general rule is ‘the older the university, the younger, whiter, more male and posher are its students’ (Ainley, 2015), with Warwick and Bath the exceptions that prove the rule.

The close links between elite universities and private schools have been repeatedly remarked upon, with students from these schools making up 39 per cent of Cambridge undergraduates, and 43.2 per cent of Oxford undergraduates (Sutton Trust, 2014). This results in the much criticized dominance of a privately schooled elite over nearly all areas of public life. State school admissions to Cambridge dropped by nearly two percentage points in 2014 despite university summer schools, masterclasses, and open days to encourage them – skimming the cream as far as their rivals are concerned. Taking all universities together, graduates who attended private secondary schools were seven percentage points more likely than graduates from state schools to go on to professional employment (Sutton Trust, 2014).

The HE sector is thus at the apex of ‘the endless chain of hierarchy and condescension that passes for a system [of higher education] in England’ (Scott, 2015). Those from lower socio-economic groups are sorted into the lower reaches of the student population, to obtain lower end ‘graduate jobs’ if they are lucky. The opposite effect is seen with Oxbridge graduates, who earn £7,600 more per annum on starting employment, compared with those from the new
According to the graduate recruitment agency High Fliers, 40 per cent of ‘top’ graduate recruiters target just 15 universities, with one in seven targeting just 10 (High Fliers Research, 2014). Institutions targeted by employers are those heading the university rankings based on teaching quality and academic research as well as student destinations.

As McCulloch (2015: 12) comments, ‘It is not necessarily the case that all of those universities not in the Russell Group offer to their students an inferior quality of educational experience.’ It can be suggested that this tends to be the case, however – as reflected in the staff–student ratios mentioned above, there have also been complaints (for example, about Russell Group member Bristol University in 2013) that, as a result of ‘cramming them in’, teaching for some undergraduates has been reduced to a few hours per week. Rather, as McCulloch continues, ‘the status of the increasing numbers of qualifications awarded is not regarded as particularly valuable in the job markets’ (2015: 12).

Students and parents are well aware of the social hierarchy of subjects and institutions. Many can see that, as Michael Bailey and Des Freedman predicted in 2011:

The UK’s higher education system is to be transformed into a patchwork of academic supermarkets with, at one end, research-led Russell Group universities continuing to super-serve wealthier customers with a wide range of niche offerings while, at the other end, former polytechnics … will be forced to clear their shelves of distinctive or idiosyncratic goods and to focus on those products for which there is already a clearly defined (mass) market. All shoppers, meanwhile, will have to pay higher prices.

(Bailey and Freedman, 2011: 2)

This is in effect the unitary FHE sector that Palfreyman and Tapper call ‘tertiary education (TE)’ (2014: v).

In the STEM subjects, at one end state support underwrites academic–industrial–medical complexes sponsored by Big Pharma and the corporations. At the other, University Technical Colleges together with various other links with schools, FE, and training, widen participation to technician-level undergraduate STEM courses. Thus, as Alison Wolf put it, universities are ‘colonising areas of vocational education and training which were traditionally the preserve of … vocational schools or colleges’ (Wolf, 2015: 74), with the result that ‘more academically low achieving students are being recruited’ (Wolf, 2015: 67).

A high level of applications for courses that are perceived to be directly vocational is understandable given the available alternatives and the increases in student fees. However, the definition of a ‘graduate job’ has become ever more elastic as this is a key indicator on which funding for universities depends. This is worse for the more vocationally inclined post-1992 universities but also includes many students who opt for science and technology subjects elsewhere only to find that, to avoid relegation to technician-level laboratory work they have to proceed to postgraduate studies. This is further turning still larger parts of HE into FE and squeezing what remains of FE engineering, for instance, out of FE and into HE, as employers prefer graduates to apprentices for increasingly routinised technical work. At the same time, leading graduate employers continue to recruit more from a small number of elite institutions than they do from specific subject disciplines.

The distinction made by Weaver (1974) between ‘going further’ and ‘going higher’ was always, as he said, interpreted with ‘“higher” as a measure of social status rather than intellectual achievement’, so that ‘to travel further is accounted of less merit than to climb higher’. The real division between traditional FE associated with the manual trades and elite HE associated with the ‘non-manual’ professions was always one of social class. The accentuated differentiation of a minority academic HE from a mass, ‘vocational’, nominally FHE, tertiary education (TE)
reveals not only a new binarism in English higher education, with the new dividing line within and across institutions drawn much higher up the hierarchy than previously, but also new divisions of knowledge and labour in employment. Meanwhile, the other *Half Our Future* (Newsom, 1963), with inferior vocational or no qualifications, are relegated to non-graduate entry jobs.

The logic of going further in the new TE is that of a horizontal collection of equivalent competences as described by Bernstein and typified by the curriculum of the BSU. The logic of going higher is that of Bernstein’s elaborated code of vertical progression towards an abstractly generalized overview from the top of an ivory tower. In theory it would be possible to combine these two approaches on the polytechnic principle of uniting practice with theory. Ruth Silver suggested this in 2004 when she was Principal of Lewisham College of Further Education. She proposed that at the same time as students at Lewisham’s partner universities of Goldsmiths, Greenwich, and South Bank aimed higher, they should also go further by attending Lewisham to acquire the practical competences employers always complain are missing in graduates who have only acquired theoretical ‘book knowledge’ without practical application. What Silver called ‘thick HE’ would thus unite practical competence with generalized knowledge. Unfortunately the idea never caught on. There could perhaps still be an opportunity for it to do so if HE were not reduced to FE but combined with it.

**Conclusion**

Unfortunately, it is probably too late for this possibility to be realized in the foreseeable future. As Wolf writes, with ‘the shift from “traditional” FE and the rise of work-based learning’ (Wolf, 2015: 26), ‘apprenticeships’ are presented to 18+ year-olds as the only permitted alternative to becoming a student (Allen and Ainley, forthcoming). With academic centres in FE long gone and sixth form colleges under pressure – both given preference over small and often unviable school sixth forms, particularly nowadays in academies and ‘free schools’ – the big picture is of a shift of students formerly on ‘vocational’ courses in FE, especially on business-related programmes, into nominal HE/TE. Despite the fees, they sign on in the hope of secure and at least semi-professional occupation, for which the 2.1 or first-class degree now obtained by 70 per cent of graduates (93 percent at Cambridge) has become the essential qualification for interview if not employment (in the way that three A levels were only a few years ago and five A–C GCSEs were before that – see Ainley and Allen, 2010; Ainley and Bailey, 1997). Widening participation is thus presented as professionalizing the proletariat while disguising a proletarianization of the professions as they are reduced towards the conditions of wage labour through the latest applications of new technology and new forms of contractual management that deskil and automate professional and managerial, as well as technical and clerical, non-manual occupations.

With general downward social mobility in this century succeeding limited absolute upward social mobility in the last (Roberts, 2010), and as the class structure goes pear-shaped (Ainley and Allen, 2010), the younger generations are running up a down-escalator of inflating qualifications with no floor left for those in the formerly secure middle-class of occupations to stand on. Their children can no longer guarantee a place in the pecking order but have to compete with many others via academic HE for the dwindling number of secure and well-paid positions available, or else fall into the growing and insecure periphery of irregular employment. As McCulloch writes, ‘Previous middle-class certainties have collapsed’ (2015: 13).

That this development and its effects on higher education are not widely recognized was indicated in the introduction. Perhaps the reason for this is that:

the relative proletarianization of the technical intelligentsia does not signify that they have become a new working class so long as they retain the ideology and culture of professionalism, one of
whose characteristic features is to foster self-blame for failure … [So that] The pervasiveness of self-blame reveals the degree to which the self-perpetuating features of the academic system are introjected by one group of its victims.

(Aronowitz and DiFazio, 1994: 255–6)

Also because the ‘pernicious transparency’ that Barnett (2013: 77) complains of is not attributed to the effects of McArdle-Clinton’s (2008) capsule education, by which holistic skills are disaggregated into their component competences for behavioural assessment and in a parallel process knowledge is decomposed into its constituent ‘bits’ of information for rote regurgitation. This occurs because alienated students conditioned by their previous schooling are both unable and unwilling to undertake the imaginative leap to make meaning that Barnett laments the loss of. In what Lave and McDermott (2002) call estranged learning, without any real community of practice in which acquired knowledge and skills can be applied, learning becomes the rehearsal of performance, for example in the endless presentations upon which so much assessment is based in the BSU. The identity of learners as demonstrated in their behaviour then becomes the object of (ex)change independent of its use value. This restricts development to competence-based behavioural training, instead of building upon it in education. However, while it is impossible to have education without training, it is quite possible – and increasingly common in the BSU of today’s TE – to have training without education.

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References


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