

## **Staff Perspectives on Effect of Commercialisation on Stakeholders in Higher Education: Longitudinal Case Study of Alternative Higher Education Institutions in the UK**

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*Abstract - This study is established to investigate perspectives of academic staff on the effect of the profit-centric commercialisation model on HE providers in UK. It seeks to address the effect of commercialisation on UK based alternative providers using a case study approach. The paper examines the staff perspectives on profit-oriented model and the effect on stakeholders like teaching staff and students. To this end 3 research questions are addressed: does the commercial corporate model of profit-based commodified education provision have an effect on the internal stakeholders of HE institutions such as lecturers and students? If so what is the nature of this effect? What lessons can be learnt so measures can be taken to improve the effect?*

*Methodology – phenomenological paradigm was adopted in order to gain a deep insight into the phenomenon of commodification. The approach used was qualitative case study – based on Yin (1994) looking at 3 different alternative HE providers which enabled a triangulated reflection of the UK HE private sector. The main research approach used was focus group interviews - conducted with lecturers, senior managers and students in order to validate the documentary findings which proved useful and robust. The semi-structured interviews were analysed thematically, which provided a depth of understanding of emerging patterns.*

*Findings – the study revealed that internal stakeholders did not feel that the model allowed them to achieve outcomes. The corporate profit-centric model was found to have a strong negative effect on staff and students who perceived it as predatory and exploitative. The model was also a leading cause of staff demotivation and student dissatisfaction.*

*Limitations – the study was not able to delve into deeper on the issues uncovered by the study such as managerial failure, institutional collapse and ethical governance. That will need a complete and independent research on its own since it falls outside of the remit of this enquiry.*

*Recommendations – the study recommends that alternative providers deeply reconsider their motives and alter their working financial framework to not use the education delivery solely as a revenue generation practice. This leads to excessive focus on cost and finances and takes the focus away from the ethical considerations, learning outcomes or the human factors. It also clashes with the personal integrity of academic staff and puts heavy expectational pressure on the staff. Institutional leaders are advised to operate more closely within the quality assurance framework and alignment with best practice across all levels.*

*motivation, Ethical operation,  
Post-pandemic study, Student  
Perception, Education Strategy*

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## **1. INTRODUCTION**

This research is an empirical study seeking to investigate the phenomenon of the effect of commercialisation on the UK higher education institutions (HEI) sector – with a focus on mainly small-medium sized private and corporate alternative providers. The research attempts to investigate a phenomenon in order to address the gap in knowledge which is defined below.

Education in Great Britain and Europe has undergone a major transformation in the course of 20 years initially under the reforms of the labour government in 1997. Beginning with concerns over the limited number of private alternative HEIs given the small numbers at the time of labour government’s leadership. The political pressure was due to state funding at a time when traditionally, Higher Education was entirely funded by the state which paid not only the tuition fees but also maintenance grants for students to live off while studying.

This was acceptable during a period when student numbers attending university were low, but the steady growth in numbers from 1980s meant that by the early 1990s the funding of universities had reached crisis point and it was no longer sustainable for the tax payer to continue funding Higher Education. Trowler (2003) argued that the government was unrealistic in their expectations of what this education policy could achieve. Authors like Chitty (2002) and others state this as the reason for the beginning of deregulation which resulted in commercialisation, leading to both opportunities for private education providers (Chitty, 2002) and challenges in quality management. This paper examines the consequences of this thrust of commercialisation on alternative providers, specifically the impact this has had on the

alternative HE providers in UK – which are not government funded.

### **1.1 Study Background**

Education is a fundamental right of every individual according to the United Nations charter on Human Rights. It has been prescribed by organisations like UNESCO, WHO and other bodies as the shared duty and responsibility of parents, families, governments and nations to provide an education to the members of society in order to establish a fair and just society. However, modern economies and more particularly, developed nations tend to lean towards capitalisation of fundamental services which has included education. As stated above in countries like the UK, the education sector has also fallen under the privatisation drive which aimed to improve efficiency and quality but has become increasingly more profit driven and diminishing quality according to authors like Chitty (2002) and Manian (2018).

Authors like Pius (2022) argue that in commercial context, education provision has become a service sector comparable to other professional service industries which adds to business expectations along with business managerial challenges like employee motivation, job pressure etc. This aligns perfectly with the view that employees in service-based industries are under tremendous pressure and within what has been termed by Gronroos (1982) as the ‘coping zone’. The parallel with other service-based organisations meant that private academic institutions could benefit from lessons learned and applied from understanding commodification and its effect when exposed to similar service-based constraints (Pius et al., 2019).

The similarity between academia and service-based industry made it interesting to note that while there is much literature on the service sector, there is still a major gap in academia. This manifests in the form of a limited number of articles on commodification of education. There is literature on related topics but this is still an area that lacks studies of a phenomenological nature. This paves the way for studies such as this to make a valuable contribution to knowledge. Conventional studies and recent attempts by scholars like Pius et al., (2023); Alharahsheh (2021), and others call for more descriptive studies in higher education. This paper attempts to fill the knowledge gap by conducting a critical investigation into commodification of education by way of longitudinal case study of UK alternative providers to determine what effects if any on the internal stakeholders.

### **1.2 Research Problem Statement**

Given the current emphasis of liberalisation of education and pressure for deregulation of UK and European education sector, there has been a growing academic interest in the phenomenon of commercialisation and its effect on academia. Since the global pandemic there has also been a decline in the number of alternative HEIs across the UK. Authors like Chitty (2002) suggest that there is as yet very little knowledge examining the effect of commercialisation on educational institutions. Lynch (2004) point more particularly to the lack of research into the internal stakeholder perspectives of commodification and the effect on them. This gap in the literature allows for studies such as this to shed light into a new and engaging area. This study examines the effect of commercialisation – particularly the corporate profit-centric model on the internal stakeholders of UK higher education providers.

### **1.3 Research Questions:**

1. Does the current corporate model of profit-based commodified education provision have an effect on the internal stakeholders of HE institutions such as lecturers and students?

2. If so to what is the nature of this effect?

3. What lessons can be learnt so measures can be taken to improve the effect?

This study uncovers valuable information which will assist institutions at policy level decisions. Given the increasing commercialisation of education, there has been an expansion in the HE sector with new modern private universities emerging across the UK (Manian et al., 2018). This however declined during the pandemic with a number of alternative providers either closing down or leaving the sector in favour of relocation to European states. According to a UK government report in 2022, 285 higher education providers in the UK returned data to the Higher Education Statistics Agency (HESA) during the pandemic. In 2021–22, 2,182,560 students were studying at UK higher education providers, with an exact figure of 444,760 postgraduate students (HESA, 2022). Given the increase in profit oriented private education providers there is a need to examine the phenomenon in greater depth to gain a deeper understanding of its full impact on stakeholders.

### **1.4 Study Rationale**

The intellectual inquiry into commercialisation of education has historically been limited to socio-economic and philosophical debates around neo-liberalism and government policies in both UK and the global academic context. The long-established literature in the arena tends to largely neglect the internal stakeholder perspectives. Since the drive towards privatisation of UK industry, there has been a corporate drive to commercialise and capitalise on all institutions including medicine and education. The limited interest has resulted in the higher education (HE) sector being under-researched until recently. There is a mounting body of knowledge of the UK HE sector but very little exists about the effect of commodification on education providers. This research is among the few attempts to examine the effect of commodification and profit-oriented provision on the internal stakeholders within the private higher education scene. This research finding will make a significant contribution to this

relatively untouched field and play a major role in identifying the effect of commodification as a phenomenon from a case study approach which will provide a deeper understanding.

Earlier studies into commercialisation of delivery have mainly focused on student statistics and performance measures but largely neglected the emotional/psychological, social and human element of the effect on internal stakeholders which is an area of contention and debate in mainstream academia. There is already a growing body of knowledge in education focusing on non-teaching services led by Pius et al. (2023), while the UK higher education sector, which is one of the largest within overall education, has been neglected by conventional research. This justifies the strong need for more exploratory research into the effects of commercialisation and studies such as this would be helpful in bridging the knowledge gap.

Authors such as Lynch (2004) have highlighted the importance of understanding neo-liberalism as a driver of commercialisation of education. This view can also be seen to hold in the higher academic context since there is not much-established research on the consequences on education providers. Education can be considered a basic right of human beings (UNESCO, 2001) while there is a view that considers it an intangible product that gives birth to service relationships (Pius, 2023). This perspective supported by the works of Radden (2022) and a growing body of academic recommendations from HESA and HEA supports the view that commercial pressure drives education quality while damaging trust at the same time. The business view sees market led academia as the decisive force that builds a competitive advantage for the education sector. The extant debates makes the case for studies such as this which would make it possible to closely examine the phenomenon from the stakeholder perception, and add tremendous value to higher education research. This paper contributes to growing calls for exploration of alternate providers in UK higher education and adds to knowledge in a little-explored arena. There is an even stronger

academic rationale for this topic when considering that since the pandemic, there has been a marked decrease in HE providers and UK's higher education sector has contracted. There is a need to study the phenomenon of commodification from an internal stakeholder perspective – more specifically within alternative providers in UK, given that it is the largest category in terms of student fees (HESA, 2022) which is also the least understood.

## **2. LITERATURE REVIEW**

### **2.1 Background to the topic**

The education sector in UK and Europe has undergone a major transformation over the last 20 years. This was a slow and gradual process which was initiated by reforms under the labour government in 1997. This was a response to concerns over the limited number of private alternative institutions providing higher education courses. In the 90s, there were only a small number of education providers during the time of labour government's leadership. The political pressure was due to state funding at a time when traditionally Higher Education was completely state funded, which included not only the tuition fees but also maintenance grants for students to live on.

This was accepted while the numbers of students attending university were relatively small, but the steady increase in numbers during the 1980s meant that by the early 1990 the funding of universities had reached crisis point and it was no longer sustainable for the tax payer to continue funding Higher Education. Trowler (2003) argued that Labour were unrealistic in their expectations of what this education policy could achieve. Authors like Chitty (2002) and others state this as the reason for the beginning of deregulation which resulted in commercialisation, leading to both opportunities for private education providers (Chitty, 2002) and challenges in quality management. This study examines the consequences of this thrust of extreme commercialisation on alternative providers,

specifically the impact this has had on the stakeholders such as staff and students.

## **2.2 Definition of key concepts**

Before the study can proceed it is first necessary to provide definitional clarity of key concepts. Firstly, the study explores the term ‘higher education’ before proceeding to look at what is commodification?

### **2.2.1 Higher Education**

This is a central theme in this paper, so it is necessary to define this concept. Firstly, education which has been explored by a range of theorists who agree that it is a “*purposeful activity aimed at achieving transmission of knowledge, skills and character traits*” (Marshall, 2006 pp. 33.) This perspective, according to Matheson (2014) does not consider any difference between formal and informal education although it acknowledges its role in modern life. Experts like Trowler (2002), Matheson (2014) and others argue that a true understanding of the nature and importance of education leads to better policy which governs and sets the framework in which educational institutions exist and function. Within this context it is worth noting that higher education is any form of education which focuses on university degree or equivalent level of courses, as defined by the Council of Europe (2023).

This differs from the view set forth by Pucciarelli and Kaplan (2016) who see it as a form of study leading to skills gained through study and an award equal to a university qualification. This latter view suggests the importance of skill acquisition as having an equal part to gaining the equivalent of either a degree or diploma. It is worth mentioning that the UK government on the other hand defines higher education as the name for qualification and courses one can undertake after the age of 18 which includes diploma, certification, degrees and above. The UK HE system according to the Higher Education Academy (Advance HE, 2022) is any form of study above level 3 which is A levels. This perspective essentially emphasises the classification of learning in respect to levels of achievement.

Advance HE which is considered a definitive authority aligns with the UK legal definition under the Higher Education and Research Act (2017) which considers any form of study above level 3 as higher education or HE. The UK quality assurance agency (QAA, 2022) expands on this definition further and provides more clarity by stating that “*HE is education that follows secondary and further education, leading to a qualification or credit awarded by a degree-awarding body.*” The Office for Students (OfS) recognise higher education according to levels 4 – 8. This means that study above secondary school which leads to university degrees counts as HE. This also aligns with the Higher Education Authority (2022) in Ireland which provides that within Ireland ‘Higher Education is a form of study undertaken either full or part-time which leads to an award above secondary school level which may include graduate and/or post-graduate study’. This definition provides a clear and unambiguous understanding of what HE is in terms of its classification.

This could be bachelors degree – level 6, masters degree – level 7 and doctorate degree – level 8. In UK there are a range of degree awarding bodies which include universities and other bodies. The studies that can be undertaken are categorised by HESA (2022) and the QAA as ‘prescribed’ and ‘non-prescribed’ qualifications. Prescribed are those which are undertaken at recognised HE institutions while non-prescribed are HE courses taught at further education institutions and are defined as “higher level”, “vocational” courses which lead to awards. In 2022 examples of some of the most popular non-prescribed awards were City and Guilds Level 4 Diploma in Business and Professional Administration, ATHE Level 4 Diploma in Computing and Pearson BTEC Level 5 Diploma in Therapeutic Counselling (HESA, 2023).

This range of definitions provide more clarity and context for this discussion to proceed.

### **2.2.2 Commercialisation of Higher Education**

Commercialisation is defined as the process of bringing new products or services to market according to the Cambridge English dictionary. However, the economic perspective sees it as the process by which a marketable product or service is

converted into a profitable opportunity (Hill and Jones, 2021). This purely economic standpoint confers a range of possibilities that lead to financial gains by a process of developing, building and ultimately selling a marketable product or service. It assumes that provision of ideas, skills, knowledge, information and other invaluable facets carry a value which is measurable in terms of the financial worth. The UK Research and Innovation Council (UKRI, 2023) defined commercialisation as “*the process by which new or improved technologies, products, processes and services are brought to market*”. Within an academic context this would entail the conversion of ideas, research output, publications and courses into a marketable product (Universities UK, 2022). This perspective assumes that all proceeds from the academic process in higher education such as teaching delivery, courses, assessments, research and publications or other technical output could all be either individually itemised or collectively itemised and or packaged into marketable products or services. The final step in the commercialisation process would be to put a price on the product or service.

Authors like Tobin (2019) state that the act of marketing education as a good or service for profit is central to the understanding of commercialisation within the educational context. This view suggests that there must be a profit oriented undertone to the provision of degree level courses, qualifications and awards. Sharma (2005) argues that commercialisation is not the definition of an occurrence but a process that is gradual.

This paper adopts the definition put forward by Hill and Jones (2021) who suggests that it is the process of converting into a profitable opportunity. However, within the frame of education the view of Lynch (2008) is accepted - that it is the gradual conversion of education into a commercial transaction following the drive of liberalisation and privatisation. Once commercialisation has been defined within the context of this paper, it is

possible to proceed to consider its impact from a range of perspectives.

### **2.2.3 Critical Evaluation of the Effect of Commercialisation on Higher Education**

Following a thorough and comprehensive review of academic, commercial and governmental literature, the effect of commercialisation on higher education can be observed from two opposing perspectives. There are proponents who state the positive effects and the opponents who stress its negative consequences. The discussion will consider both these views by starting with its benefits. The major supporters of commercialisation from the higher education sector are UKRI (2022) and Universities UK (2022) who suggest that the commercialisation process is a key element in making UK higher education system more competitive and effective on a global scale.

They outline a range of benefits supporting a case for commercialisation. Universities UK (2022) state the following benefits:

- new physical products, such as equipment to diagnose medical conditions
- setting up new businesses that remove carbon from industrial outputs
- partnering with universities and businesses to grow local green industries
- providing support to help small businesses survive and grow
- delivering a wide range of health and social care services to local areas
- helping the public sector, charities and other third sector organisations to increase their impact

The above view put forth by Universities UK (2022) also states that through commercialisation universities are able to produce scientific breakthroughs, life-saving medicines (such as vaccinations for the Covid-19 pandemic which was only possible because of the commercial demand and the industrial focus of research centres) or green solutions contribute to arts, cultural and social

sectors. Through commercialisation higher institutions collaborate with businesses and attract talented researchers to the UK.

The UKRI (2022) support this view and add that commercialisation encourages industry focused skill and qualification development which allows for employability of students, thereby equipping them for labour market. It is also stated that innovation is encouraged when there is financial reward or other incentive.

The economic view of commercialisation is championed by Coombe (UKRI, 2022) who argue that commercialisation is necessary mainly at higher education and research in order for scientific, research, innovation and scholarly work to have a relevance and make an impact on society. The research faculty at London School of Economics supported this view and suggest that without commercialisation academia and research could potentially fall in danger of being irrelevant to public and of no directly applicable value or benefit to the wider society. This view is supported by groups like the centre for innovation and technology which advocates that commercially driven ventures are often successful because of the inherent market pressure which forces them to produce better quality output Coombe (quoted in UKRI, 2022). Proponents of this ideal state the reason for commercialisation may not necessarily be about making a significant profit. Even the largest universities with international reputations for excellence may often have only a small number of spin-outs that make significant profits. Most ventures make a modest financial return.

Aphale-Coales (cited in UKRI, 2022) suggest that commercialisation activities can be a powerful way to enhance and sustain research impact in universities after funding ends. Aphale-Coales (2023) adds “To say social science shouldn’t be commercialised is limiting its potential and restricting use, especially if it has been publicly funded. That being said, there needs to be a desire to commercialise from those supporting social science research, institutional support, and relevant industry

partners that are interested in the project.” This position notes the importance and role of higher education and research but draws significance to the need for this sector to innovate and be of value to society. The view also highlighted the nature of academia, scientific endeavour and higher education which if left without any commercial pressure could run the risk of not being of direct value or relevance to society and the wider public.

In 2016 Queen Mary University of London (2021) added support for commercialisation in higher education when it suggested that commercialisation is the last step which turns innovative ideas, concepts and academic research into something useful and impactful for the tangible benefit of society. The three main benefits of commercialisation are stated as – realisation of full potential, tangible benefit, larger impact on society, creation of new opportunities and markets.

Harvey (2005) suggests that the drive towards commercialisation is also thought to have the benefit of reducing the capital cost and thereby offering the recipient of education services price benefits and improved efficiency, alongside greater diversity of choice which would otherwise be limited. Commercialisation also forces higher education institutions to be more effectively run and managed (Harvey 2005).

Commercialisation is also thought to bring the benefit of scalability to research and innovation (UKRI, 2022). It suggests that funding opportunity for viable ideas can mean they grow in scale to have a wide reach and achieve immense market potentials which would not happen without the commercial aspect. This view suggests that many great modern innovations would have gone unnoticed or fail to have the impact on current reality.

While the case for commercialisation has been laid out above, it is necessary to critically consider its negative effect. There are many advocates against commercialisation, particularly in higher education

like Sharma (2005) who traced the history of commercialisation in India and demonstrated its lasting damage over time. The arguments against can be assessed by authors like Alharahsheh (2022) and Pius et al (2023) who prove that privatisation of education has now resulted in a more monopolistic sector in which students are not provided with the best but only most affordable option. Lynch (2008) initially showed that the privatisation of education has increased social segregation on education, loss of resources, lack of accountability and predatory pricing which disbenefits students.

Lynch (2008) suggests that liberalisation and open market in education have placed steady pressure for competitiveness and commercial drive which was observed in UK since the 1970s. Lynch (2008) further asserts that neo-liberalism which slowly took form over several decades since 1970 saw a steady decline in the role of state in favour of open capitalist models. This reduction in the state's responsibility also serves to reduce expenditure on public services. The phenomenon of commercialisation can also be observed in countries like India to be a cause for concern by Sharma (2005) who observed the gradual deterioration in quality and condition of higher education. This view is supported by authors like Radder (2010) who linked the deterioration of quality to commercialisation in more developed economies like the USA. This level of research by three different authors across different countries, independently proves, verifies and validates the conclusion reached by authors such as Alharahsheh (2022) and Pius et al (2023) that any discussion of commercialisation of higher education must consider its harmful effects such as the decline in quality and condition of higher education.

Overall, the opponents of commercialisation follow two perspectives – humanistic and quality assurance. Firstly, the humanistic view considers the danger of commercialisation upon the students. The student in this regard is considered to be a recipient of a benefit from society into which he or she

belongs to by virtue of being a member of society (Lynch, 2008). The student in this view is not considered a consumer of a product or service (Pius et al 2022).

Pius et al (2022) opines that students cannot be treated as customers since that would degrade the whole experience and also ignore the underlying reality that education is a basic human right. Lynch (2008) argues that commercialisation turns a fundamental right which enables other rights into a profit-centric commodity which undermines its quality and negates the humanistic side of education as a part of social process. Matheson (2014) states that commercialisation carries with it an inherent risk of devaluing the entire process of education and hindering the benefits that come from it. This view outlines several risks associated with commercialisation especially in higher education and academic research which are:

- Reduction in research grant for subject areas which are not seen to have commercial viability or market potential.
- Reduced spending due to cost reduction measures and cuts in public spending once an industry is privatised.
- Over stimulation in research areas that are in demand while other essential areas are neglected.
- Increase in inequalities between students who can afford certain courses at specific higher institutions and those with limited purchasing power being excluded.

Lynch (2008) adds that this promotes a market model of social membership. This provides one of the most important criticism of commercial model - the creation of exclusion of underprivileged communities and minorities whose financial affordability acts as a barrier to higher education opportunity. Education is therefore denied to those who are not as economically productive as others which only increases the socio-economic inequality. There is also a disregard for disciplines, areas of research or fields that are not as highly rated which



leads to lack of investment, support and funding and ultimately a devaluation of some fields of discipline.

The second view is the quality assurance perspective which suggests that the commercialisation model is defective in that it places profit as its main goal, sacrificing outcomes like quality of delivery, innovation, student achievement etc (Alharahsheh, 2022). This view also brings a great volume of evidence which uncovers the weaknesses of commercialised higher education when compared to non-commercially based higher education. This view also provides evidence of the following consequences of commercially driven higher education:

- Markets by nature are profit oriented which ensures that non-market focussed courses, studies and research efforts are undervalued and neglected while they may still be a great significance and non-commercial value to society. Education for work and other activities may still be vital for public good, health and wellness.
- Evidence from Harvey (2005) shows that critical thought, discourse and dissent is effectively disabled by commercialisation. The rate of expansion of commercially viable fields is far greater than the rate of growth in arts, liberal arts, humanities and other less viable areas.
- Lynch (2008) adds that the greatest danger of the commercialisation is the potential of censorship of dissent through the use of funding. This would mean that sponsorship and funding could be weaponised to deny research efforts which are not in alignment with the leading commercial interests and therefore denies freedom of thought.
- The market drive places heavy emphasis on employability and downplays the importance of skill and attribute development (Pius, Alharahsheh and Manian, 2021). Students are also

disadvantaged by placing a financial burden on them which affects their drive, motivation and performance. It also creates financial stress which affects mental leading to depression and high dropout rate. Students are burdened with debt long after their studies are complete and spend years with low standard of living and crisis (Radder, 2010).

There is also wide support against privatisation and commercialisation of higher education from groups like Education International which assert that the implementation of private-sector/corporate management models, mindset and KPIs have a very adverse impact on higher education (HE) institutions such as poor employment conditions for academic staff, weakening of controls and quality measures, increased pressure on staff and students due to corporate targets which are not educational based. It is also stated that accountability is also a major issue as private corporate owners/investors exert undue influence over institutions and academic policy.

In this discussion, there is also the need to include the student perspective on commercialisation which is summarised in Tobin (2020). This view outlined the harmful effect on students stated below:

- Students are open to exploitation by universities, private institutions, alternate providers and colleges who rely on predatory pricing and other practices, disadvantageous to students.
- HESA (2022) also highlighted the rise in tuition fees which places undue financial burden on students who end up with large student debts lasting many years beyond their completion.
- Tobin (2020) also states that unfair predatory practices makes students vulnerable to sales gimmicks, UCAS clearance schemes and other processes

which disadvantage them and lead into unsuitable choices, educational pathways of little benefit and in financial entrapment.

- There is also the widespread mental, emotional and psychological harm done to students who end up as victims of predatory practices brought on by commercialisation which sees them as a resource to exploit. This was made worse during the pandemic when the collective student experience was at its lowest point and isolation, loneliness and depression affected most students (Tobin, 2020).
- Sharma (2005) highlighted increased inequality, price discrimination and social exclusion among the poorer members of society. Those with lower purchasing power were unable to pursue higher education in capitalistic systems. This was observed in UK by Tobin (2020) and in HESA (2022) statistics which showed how there was exclusion, narrowing participation among those from low income households who could not secure student funding or suitable loans. A BBC report (2019) showed that in UK there was a rise in young adults from minority and disadvantaged communities who wished to pursue higher education but were not willing to place themselves at risk of debt and had to forgo the chance to attend university.
- Unlike normal business which may be outcompeted or go out of business for poor quality provision, higher education providers have access to funding, grants and student finance schemes which can aid their profit maximisation efforts. During the pandemic when there was a shift to online education most student reported a poor student experience and low satisfaction level yet providers could still get funded even though they failed to deliver on most promises, guarantees and agreements made (Tobin 2020). Universities were still

charging full tuition fees for students, irrespective of the quality of online teaching, lack of delivery or lack of student achievement.

Commercialisation has also led to a culture of increasing disregard for student views and welfare in many institutions. Universities provided figures to Channel 4 in 2019 that showed an increase of reports of sexual violence at universities; from 65 in 2014, to 626 in 2018. As a student victim in 2019 commented “this lack of accountability by commercially driven providers who’s main concern is for their bottom-line and shareholder returns over and above student welfare” (Tobin, 2020).

The debate surrounding commercialisation of HE has continued for years, however, the gap between higher education providers in the UK and their staff and students has dramatically widened. Authors like Manian (2023), Pius et al (2021), Alharahsheh et al (2021) advocate placing students, staff and their welfare above profit motivations. Mann (2012) states that any discussion on commercialisation would ultimately result in commodification since it is a natural extension and this has been observed in higher education institutions (Taylor, 2022).

Research into the effect of commercialisation on education by Sharma (2005), Lynch (2008), Radder (2010) and others point to a complex, contentious debated topic which needs careful consideration. This paper provides a balanced summary of the key debates that provide both sides of the argument. Ultimately to sum up Lynch (2008) proves that while it can be seen that commercialisation in higher education has a range of benefits, there is wide evidence that the harm can be seen to exceed the benefits. A critical review of extant literature in this topic area provides a range of discussions which support the initial conclusion of authors such as Lynch (2008) and Sharma (2005). This is supported by Radder (2010) who adds another layer to the debate by pointing to the harm resulting from the final refinement of commercial effort – which is commodification.

### 2.2.4 Commercialisation and Commodification of Higher Education

Plante (2015) defines commodification as the process of treating something like a commodity - products or goods, services, or articles of trade, thereby giving a more abstract concept to something like traditional higher education. It can be seen as a process where items such as courses and teaching are viewed as goods and services that are transformed into objects for sale. This has been increasingly true within higher education institutions. Authors like Plante (2015) observe that HE providers like colleges and universities view the education that they offer as a “product”. Students in this regard are treated as customers or “consumers” (T.H.R., 2003). Fennel and Miller (2013) point to commodification as one of the undeniable attributes of a commercially based educational system. This view also suggest the importance of considering the consequences on institutions like alternative providers.

In at risk higher education institutions, this can be viewed as a driver of stress (Martin and Samels, 2009). In any academic discussion on commodification in university level course settings, it is essential to understand the pressure institutions are in to make a profit in order to sustain their activities and provision. Brunso, Jorgensen, & Viborg (2012) suggest that activities like ranking takes the intangible theory of higher education and “commodifies” it, assigning it a quantitative value - an exchange-value, enabling higher education to take the shape of a competing product. This enters it into a competitive market structure (Brunso, Jorgensen, & Viborg, 2012).

The American view suggests commodification led to administrative lapses in American academia. Most higher education institutions currently have a tendency towards inefficiencies. Lazerson (2010 in Plante, 2015) found that higher education suffers from industrial inertia and goes on to state that commodified higher education is overwhelmed with complaints for offering poor-quality, overpriced products and services. Plante (2015 pp.2) opines that the current HE sector is “*bureaucratic and inefficient, unable to adapt to new markets, is administratively bloated, technologically backward, and is uninterested in teaching*”. These findings are

supported by the statements made by students in Tobin (2020), who cited the sheer incompetence of institutions during the pandemic and failure to regard the human side of students over their monetary value. Scholars like Plante (2015), Martin and Samuels (2009) criticise commodification for these reasons and point to the humanistic arguments, considering the welfare of stakeholders like staff, students and academics as more valuable than the total revenue they help to generate.

The arguments put forth by Lynch (2008) see the students as ‘human beings’ who are vital members of society who are beneficiaries of a basic human right. Radder (2010) argues that they are the ‘recipients of an important service that can better their lives’. Pius et al (2021) see the students as key stakeholders who are ‘provided a valuable opportunity to learn’. These scholars strongly condemn the commodification of higher education and criticise the profit-centric model. Considering students as customers undermines the value of both the delivery and the learning experience, as demonstrated in Manian (2023).

Plante (2015) who examined the effect of commodification in USA based HE institutions states that commodification is becoming a major concern for many institutions. This study found that values of a place for higher learning and education that were a source of strength of the nation’s institutions have been eroded due to commodification. This supports the work of Radder (2010) and authors like Martin and Samuels (2009). Plante (2015 p2) states that “*Undergraduate, graduate, and terminal degrees are the production of “tickets” that can be bought and sold on the open market...reinforcing inequalities that already exist.*” Martin & Samels (2009) explored the nature of social and economic disparity and inequalities that arise as a consequence of commodification of the education sector in USA. This phenomenon can also be observed in UK as BBC reported in 2021. Tobin (2020) shared student perspectives on the widening gap in British academia, which shows that students increasingly feel that their lecturers are now no different from retail sector employees who churn out degrees for buyers. Noble (2001) found that today’s professors have become producers and students consumers of education.

This is particularly true in the digital era of young adults and students between the ages of 20 – 30 who are increasingly of a view that higher education is no longer a privilege or a even a basic right, but rather, a commodity similar to any retail or fast-food product to be acquired through a variety of delivery systems (Plante, 2015). Manian (2023) showed that this view not only undermines the value of the entire teaching and learning process but also demeans the quality of what a degree stands for. Pius et al (2021) have identified this market based view as a staggering indictment of the current commodified education. Authors like Lynch (2008) and Taylor (2022) consider this a systemic failure brought about through the gradual privatisation and consistent commodification of higher education. Fennel and Miller (2013) found that this also undermines HE institutions performance on a business level, since institutional stakeholders perceive no difference between the products, services, and outcomes that are offered by the institution themselves or their competitors.

This was supported by Brunso, Jorgensen, and Viborg's (2012) qualitative study investigating the purpose of higher education and its changes through the commodification. *"It seems as if there is a cultural change, not only within the institution of higher education, but also in a broader societal context. Whether or not it is in the development toward a postmodern consumer society, or it is into a new form of modernity, the globalization of the world has caused changes within all aspects of our lives and naturally also when it comes to higher education institutions"* (Brunso, Jorgensen, & Viborg, 2012, p. 44).

Plante (2015) concludes that commodification of education has interrupted these fundamental educational processes and converted the traditional method of teaching and learning into sellable items. With this transformation happening in the 21st century, teachers have become commodity producers and deliverers, and students have become consumers of more commodities. The student/teacher relationship has been replaced by a customer-service provider relationship through the medium of the market, with the buying and selling of commodities taking the appearance of education (Noble, 2001).

## 2.2.5 Stakeholder Perception

Most studies on commercialisation and commodification in higher education tend to be from an economic or institutional perspective. There are almost no studies in this subject which follow a stakeholder perspective. The only publications which carry student view tend to be non-academic reports, statistics from HESA, OfS or news reports within the last 3 years. Up to the publication of this paper there were no UK based studies on the effect of commodification examined from stakeholder perspective. Earlier studies from Alharahsheh (2021) Pius et al (2021) and others called for more basic empirical studies which are based on stakeholders perspectives. Fennel and Miller (2013) considered the academics and students at HE institutions the neglected stakeholders. This has also been found to be true in Manian (2023) which showed that stakeholders views are largely neglected by providers. This supports the findings of Tobin (2020) and Plante (2015).

A stakeholder is defined as someone who holds a stake in an organisation or a vested interest in its existence (Hill and Jones, 2021). Stakeholders can be internal or external. This study considers the views of two groups of stakeholders: - staff and students. Staff in higher education contexts include lecturers, senior lecturers, professors, tutors, non-academic staff, support workers and administrative staff. Perception in this regard can be summed up as the collection of views, opinions and beliefs held by an employee at a given point in time (Hill and Jones, 2021). Perception is seen within conventional education psychology by authors such as Kuhn and Rundle-Thiele (2009) as the total of views, opinions, feelings, beliefs, and attitudes developed by a student over some time – normally within the academic period.

The stakeholder perception of the commodified nature of academic delivery has not been explored deeply in earlier studies. Manian (2023) considered student perspectives on online learning but there is a need for more in-depth studies into the effect on stakeholders such as students and staff. Since this topic has hitherto not been examined, this research will be an important contribution to knowledge in an unexplored area.

Given the importance of perception in affecting satisfaction and student performance, it is worth noting that staff perception is equally valuable and worth

examining. As learning can be influenced heavily by learner perception – as suggested by Biggs and Tang (1993), so too can staff performance be affected by employee perception Atkins et al (1996). It is worth noting that even within a context of commercially based service commodity sales construct Eiglier and Langeard (1987) suggest that the behaviour of the employee influences the customer's evaluation of service quality and future loyalty. If students are customers and lecturers are employees then it logically follows that their perception is central to both performance, loyalty and by extension profitability. This makes the topic worth examining.

### **2.3 Theoretical Models for Studying the Effect of Commodification of HE on Stakeholders**

A range of studies based in USA looked into the phenomenon quantitatively. Sharma's (2005) research based in India was also more of an historical exploration. Brunso, Jorgensen and Viborg (2012) was one of very few qualitatively based studies and laid out the need for more qualitative research in this area. There is also not much in terms of readily usable theoretical models for studying the effect of commodification on stakeholders on higher education. Most authors tend to focus heavily on quantitative variables like student achievement, surveys, university rankings etc. Conventional studies rely heavily on statistics and tend to limit research to staff surveys which oversimplify their perception to module and course level feedback or HR related matters.

The limitations of this approach can be observed within empirical studies assessing service quality in higher education (Angell et al., 2008). The study of Manian (2017); Pius et al., (2023), and others cite the lack of theoretical models of stakeholder in commercially based higher education. This establishes the importance of this study which aims to help develop and formulate a stakeholder model of higher education. Most stakeholder models are based on corporate governance theory or strategic management which tends to be more relevant to large corporations and unsuitable to academic sector. The models tend to assume a corporate structure with a profit-seeking agenda that seeks to include environmental concerns in order to be sustainable. This framework while useful in some respects would not be applicable for an educational construct where there is a humanistic, social and intellectual agenda. In this scenario a model

would need to take into account the educational goals, learning outcomes, long-term development objectives which would differ from profit-motivations at higher levels.

Academic institutions tend to focus on goals like research output, student achievement rates, student experience, course delivery and perhaps envisage the sustained life-long learning outcomes. While commodification has led to higher learning centres acting and functioning with profit as a goal, there is mounting evidence (Brunso, Jorgensen and Viborg, 2012) that academic institutions are not corporations and therefore corporate governance based stakeholder models fall short of being relevant. This can be supported by Faye (2014) which showed that most governance models that rely on stakeholder theory fail to truly include stakeholders, in particular their views and opinions. This is especially evident in academia (Fennel and Miller, 2013). There is a need for an academic governance framework built on stakeholder – more specifically academic staff and students. Tobin (2020) considers these two specific groups to be the neglected.

Having explored studies and the work of experts across the global academic landscape it was found that the range of models is limited to marketing-based frameworks such as SERVQUAL, quality assurance metrics, student satisfaction surveys, modular feedback and course/curriculum panel reviews, and oral feedback from students or their nominated representatives. This led to the author having to develop a stakeholder framework specific to UK higher education which fully represents the complex dynamics of academia while not neglecting the competitive pressures of a market-driven, commodified reality.

In a recent study done by Amoako et al (2023) there was clear evidence of disregard and widespread neglect of stakeholders in higher education sector in Ghana. This study clearly outlined the importance of constructing a bespoke stakeholder model specific to the higher education sector. This tends to be a barrier to exploratory and descriptive studies on the stakeholder. It also misrepresents the nature of academia and greatly undermines the dynamics of stakeholder relations in educational context (Plante, 2015).

Amoako et al (2023) clearly state the need to address the needs, views, perception and opinions of different

classes of stakeholders within academia and classify two types of stakeholders in academic institutions: - internal and external. Internal stakeholders include staff (teaching + non-teaching, administrative and support) and students (across all levels) and management (academic and non-academic). External stakeholders include parents of students, student sponsors/loan financiers, alumni and potential students, quality inspectors, regulators and external examiners, accreditors/validators (Amoako et al. 2023). This approach to stakeholder mapping forms a far more suitable basis for a model that adequately addresses the reality of modern higher education centres which although commodified, still reflect the collective interactions of Amoako et al's. (2023) distinct groups.

#### **2.4 Theoretical Basis Underpinning the Study**

The current studies in the field of commercialisation of education like Lynch (2008), HESA (2021) and Alharahsheh et al (2021) are limited to a broader statistical or economic view and are not based empirically on the UK private higher education sector. It also largely neglects the UK further education centres and the independent, alternative providers which are part of the inclusion, diversity and widening participation effort by recent government policies in the last 5 years. Most academic research is more focussed on public universities or older, large, well established private universities which are now wholly, or partly funded through grants, research schemes or local subsidies (HESA, 2021).

The research gap meant that there is now a need for a stronger theoretical basis to intellectually underpin the study. This research having forensically surveyed over 40 papers in the area of commercialisation of education found that there are limited perspectives.

Bok (2009) outlined the fundamental flaw in extant theoretical models which rely on management concepts within educational contexts. There is a potential risk in missing valuable information when research is conducted on a higher learning centre from a management perspective as Bok (2009) found. Bok's (2009) publication was among the earliest to objectively consider commodification in universities and encountered the lack of appropriate framework to examine the phenomenon. Brunso, Jorgensen and Viborg (2012) built on Bok (2009) to add more to the topic.

This study therefore relied on Amoako et al. (2023) which is the first to consider stakeholder perceptions and also the latest attempt at building a framework for academia which enhances Bok (2009), while addressing the concerns of Radder (2010), Plante (2015) and Tobin (2020).

### **3. METHODOLOGY**

The study is based on an interpretivist phenomenological paradigm which would be the ideal given the nature of this study and the need to identify reality from the subjective perception of the stakeholders. In this particular case – the perception of staff holds a central importance to gain a deep understanding of commodification of HE from staff viewpoint.

#### **3.1 Research Approach**

A case study approach was used based on the selection of a multiple cases which served as a fair representation of the profit-oriented UK private HE sector. The research was carried out at three institutions over a 2 year period. This longitudinal study allowed for an observation of the phenomenon to notice periodic and gradual changes. It also enabled clear comparisons to study the effects over a period. This multiple case study approach allowed for comparison where possible and also help identify patterns confirming findings. Three institutions were carefully selected due to their representation of the sector. As Yin (1994) asserted, the study of a single or multiple cases provides a chance to examine the complex human phenomenon.

The first institution was a well-known alternative small-medium sized HE provider which delivers courses to adult learners in London, UK, who are the main market segment within the commercial model. This had a student body of around 232 at its peak. The second case study was a slightly larger (medium sized) provider with 400 students at its most while the third was a larger more successful corporate HE provider which had multiple campuses in both UK and Germany. There was eventually a sample of 60 teaching staff across 3 different institutions out of a total population of 108.

The three case studies provided a possibility for triangulation and any specific findings at one institution would be compared with the other two in order to

confirm and validate the findings. This enhanced the robustness and rigour of the study.

### **3.2 Research Strategy**

The study adopted a focus group interview process which allowed for clear appreciation of the internal stakeholders views and perception. The study conducted focus group interviews over a 6 month period during scheduled key meetings with board members, faculty teams, departments using both online and in-person conferences.

During the initial lockdown period most meetings, focus group discussions and faculty meetings took place online via secure digital media – facilitated by the institutions.

Live on-campus meetings resumed after the end of the second lockdown period. When the academic boards returned to campus based meetings and teaching, the regular scheduled meetings were resumed.

This combination of online and face-to-face meetings increase the transparency, robustness and accuracy of findings. Documentation/documentary review and focus group interviews aided the discussion of key points valuable to staff. The study used a semi-structured interview process comprising open-ended questions webbed to the participants with the focus groups at the beginning and end of the academic period. Front-line teaching staff provided much-needed ground-level information which was valuable in informing senior management teams involved with course delivery. The interviews were supported by board-level discussions, academic documentation, documentary review by senior academics, and report by the researcher. The study therefore benefited from a triangulation strategy that included interviews, documentation, and feedback across all three institutions which provided valuable feedback. The resulting study proved to be among the most robust and reliable on the topic of staff perception of the effect of commodification in HE providers.

### **3.3 Focus Groups**

The groups in all three institutions were divided into 3 categories:

- Group 1. Front-line teaching teams – which included lecturers, senior lecturers, module leaders, and personal tutors;
- Group 2. Senior management teams - which included year heads, heads of departments, curriculum management, online learning, and teaching committee, course quality committee, course leaders
- Group 3. Non-academic executives panel – including CEOs, CFOs, directors, head of marketing and campus manager.

There was a good number of responses since participation from the academic community was commendable. All teaching staff and senior management participated.

### **3.4 Sampling**

Focus groups contained a random sample in each group which was voluntary. All teaching staff who showed an interest and chose to participate were included. There were eventually 60 teaching staff across 3 different institutions out of a total population of 400 across all courses. This was found to be both feasible and robust in terms of improving the academic rigour of the research, while making meaningful discovery possible, along with the prospect of having a deeper level of discovery.

### **3.5 Interviews**

Interviews were conducted throughout the academic year over 2 semesters in each of the 3 HEIs during the start of the intake and at the end of the assessment periods. In addition to the focus group interviews, the study was augmented and supported by academic meetings, and discussions with key senior management staff across all 3 institutions at the board level. The study also benefitted immensely through the cooperation of campus quality assurance heads. These consistent ongoing group interviews along with regular panel meetings and board-level discussions provided valuable feedback and a feed-forward mechanism for firstly, confining the focus of the study to the business faculty and secondly, refining the variables of the model at each semester. By the end of the academic year, the study had gathered valuable findings from the focus group interviews which was supplemented by

documentation and reporting by the academic staff which led to meaningful results.

The semi-structured interview consisted of a set of questions based on 7 categories (based on the 3 research objectives) designed for each focus group. This led to the emergence of responses that were linked to themes. The frontline teaching staff were the first group interviewed since they are the ones who in direct connection with students and perform the key task of academic delivery. The last group interviewed were the non-academic executive team who are responsible for the policy level decision making and setting the strategic direction of the organisation. This group was able to expand on their responses since the interview given to them were less structured in contrast to the teaching faculty interviews to allow for deeper exploration, allowing them to express their views in support of their responses.

### 3.6 Thematic Analysis

The study needed to codify the themes to help complete a thematic analysis. It is through this process that all the work done over the course of this research was integrated.

The data obtained from the semi-structured focus group interviews were analysed thematically. The themes were codified and consolidated into broad categories which addressed the 3 research objectives and led to the findings.

## 4. FINDINGS, ANALYSIS AND DISCUSSION

The interview questions drawn from the research objectives sought to examine the perception of staff of the effect of profit-centric commercial model of delivery and develop a framework to measure variables such as staff satisfaction, motivation, morale.

The semi-structured interview questionnaire was developed mainly to

- To critically evaluate the effect of profit-driven commercial model on academic delivery in terms of quality, performance.
- To evaluate staff perception of effect of corporate model on the institution.

- To explore the effect of profit driven policies, current practices on staff morale, motivation, satisfaction and performance to suggest ways to improve the effect.

The responses to the questions were linked to form themes that allowed for a deeper understanding. The emerging themes are provided below:

### 4.1 Staff Perception of Quality of Academic Delivery

A large number of teaching staff felt that the academic quality was far below their expectations. A number of senior lecturers across all 3 institutions believed that there was a fall in the quality of delivery. A module leader commented that “there was a visible decline in the standards of delivery and this was due to compromise in hours, effort and resources owing to cost reduction concerns by senior management”.

This sentiment was also shared by lecturers and other non-academic front-line staff. The interviews revealed an undercurrent of fear among hourly-paid, part-time and freelance teaching staff who were being reduced in order to cut costs. This was later found to affect the quality of delivery and student performance. The feedback from students showed that they felt they were being short-changed by the institution since they were allowed less time with their favourite teachers in order to save cost. Academic managers quoted in the interviews that they *‘were under pressure to save on cost and therefore had to reduce the hours of freelance, hourly paid and part-time staff who despite their efficiency and popularity with students and track record’*.

### 4.2 Staff Perception of Student Performance

Senior academics like module leaders, principal lecturers and senior lecturers at the two smaller institutions felt that student performance was declining over the pandemic due to reduced face-face teaching and limited contact hours. A professor at the larger provider stated that “it was now common practice to use the pandemic as an excuse to reduce teaching hours and other associated costs despite the negative impact on student learning and performance”. It was clear that an overwhelming majority of respondents in all three



focus groups across the institutions felt that the commercial model emphasising profit was having a detrimental effect on students, and student performance. One course manager even articulated that she could see the negative consequence of the profit-centric model on student learning, achievement and satisfaction.

### 4.3 Staff Perception of Effect on Institutional Factors

Academic managers responded at the group session that they felt that the commercial orientation had essentially become excessively focussed on KPIs, cost, revenue and rankings without much concern for individuals or human factors which was now affecting the institution in a negative way. Institutional factors like numbers of intake, revenue and student loyalty were also seen to be falling. One of the respondents at the smaller sized provider stated that “lack of achievement, student satisfaction and staff morale were having an effect on institutional factors. Staff and students are both key stakeholders at learning institutions and their perceptions tend to have a major impact on institutional goals”. There was a slightly higher level of institutional achievement at the medium sized provider which although was not as well equipped or resource abundant as the larger centre was still showing evidence of achievement of organisational outcomes. This centre was less commercially minded and focused more on student learning objectives. There was also a higher level of student satisfaction and staff satisfaction in comparison to the other two. The larger sized centre functioned more as a corporate business entity and emphasised student achievement, learning and experience as a means to attaining corporate KPIs. Respondents at this institution had a similar outlook and perception to the small centre. The institutional factors were almost identical. There was low achievement, poor morale and student experience was on a similar level. Both these institutions being at opposite ends of the spectrum had very similar institutional factors.

It was observed that the commercial model had a negative effect on both institutions. The less commercial of the three had better institutional

outcomes, higher performance along with higher staff/student satisfaction level. Respondents at this centre shared the view that since the executive and senior management were academics themselves and valued learning, performance, achievement and focused on the softer human factors to a larger degree, they had better outcomes. The associate dean at this institution said that “we tend to be less concerned about the financial objectives and place students and staff first.” This provider was also the more successful institution of the three in the case studies considered.

### 4.4 Effect on Staff Morale

There was some shocking findings in this theme. One was the negative effect on academic personnel as well as non-teaching staff. The study found that there was overall strong negative effect on staff morale in all three institutions. High staff turnover, sickness rate, low retention and absenteeism all convey the negative effect of low morale. The commercialisation of education was viewed by a majority of respondents in all 9 focus groups as a negative trend which severely weakened staff morale. One senior lecturer responded that “*after nearly 30 years of teaching it is now embarrassing to be part of a system which is so heavily focused on money rather than learning and it feels morally questionable to call oneself an academic when in reality we are now just cheap assembly workers who produce a worthless degree for sale in a teaching factory.*” There was a common sentiment shared by multiple older academic staff who had been teaching before the rise in private commercially driven HE providers. It was notable that in the small institution the teaching staff had high sickness due to depression brought about by the working conditions, increased work load and the current policies and practices in place. The pandemic had forced many to question their roles. Several senior curriculum managers also resigned due to what they reported at the interview to be predatory and unfair practice. This was verified by one respondent at the larger corporate institution who had been a centre manager and resigned due to what he reported as “*exceedingly immoral, behaviour which is unworthy of academia*”. The same respondent revealed that a majority of student facing roles like teaching

staff, personal tutors, student mentors and student welfare officers were overwhelmed by the work load, pressure and student challenges. They were performing a most important role and not being appreciated or recognised. One business and management lecturer who was the most popular in student vote revealed that “*staff felt they were being treated as mere ‘boundary spanners’ or sales people, interacting with customers.*”

Staff also reported that they felt an overwhelming moral dilemma in this situation. They felt a sense of shame and guilt to be part of the private HE sector since the unfair predatory practices were now a common recurring theme across UK universities. Staff did not agree with profiteering which most academics found unfair, unreasonable and morally wrong. One principal lecturer opined that “*working for a private university or college now felt like an accessory to a crime not an academic*” and was only looking forward to retirement. He also quoted that “*once there was dignity and integrity in this profession, now higher education is nothing but cut-throat, morally bankrupt, marketing scam to turn young adults into debt slaves*”. These respondents felt that academia by nature demands a higher level of dignity, code of conduct and a behaviour distinguished from other industries. “*Education providers have a duty of care and overarching obligation to behave in a manner that confers respect for education, putting human factors over and above monetary gain*” – as mentioned by the curriculum manager at the larger institution. This feeling was echoed by junior level non-academic staff who also felt that the education sector historically and traditionally in UK has always been held to a higher standard and therefore must operate in a manner of respect in line with the moral standard, acting in good conscience. A violation of this unwritten code led to mass decline in morale among majority of staff regardless of role.

#### **4.5 Effect on Lecturer and Tutor Motivation**

It was reported several times in the focus group discussions that the policies and practices were the cause of widespread staff demotivation. Multiple respondents reported during focus group interviews that the measures put in place over the pandemic were

geared towards preserving revenue or preventing costs. These measures had a negative effect on morale and led to demotivation of employees. There were multiple reports of staff leaving, going on sick leave or expressing their opposition to the policies, practices and increasingly unfair behaviour displayed by the institutional leadership. Staff viewed these as unjust, immoral and predatory. Students also voiced complaints in support of staff who were given reduced hours, pay cuts and made to work from home or online. Most staff preferred to maintain contact with students and colleagues but the drive towards online engagement (driven by cost consideration or profit motive) had a detrimental effect on staff motivation. Both academic and non-academic staff viewed the practices as unfair, with one senior faculty member calling the measures “*predatory, money-grubbing behaviour unfit and unworthy of academia*”. Cost cutting measures which followed the pandemic along with new profit-oriented policy initiatives which were not carefully considered led to reduced workforce, zero-hour contracts and shift to online teaching. Findings found that these commercially centric initiatives had a devastating effect on staff as well as student motivation. Most teaching staff were demotivated and did not enjoy the online/remote teaching experience.

It was also found that lecturers were laid off, and their subjects were assigned to low paid, less experienced staff in order to save cost. This also led to an intensification of work load on the existing faculty. Respondents showed that there was low motivation across all three institutions since the work practices, new policy initiatives and cost cutting measures were almost identical. This was also found to be a common recurring theme across all UK universities during the pandemic. Aside from the decline in student experience and morale there was also a uniform demotivation among academics throughout the sector.

Findings also reported that staff motivation declined across the three different centres throughout the academic year and reached its lowest point towards the end of 2022. This was raised with senior management at board meetings and focus group interviews. Once

senior management was made aware of the issue, it was expected that there might be a strategic level shift which did not seem to occur within a reasonable timeframe. The smaller institution was found to be more at risk than the larger universities in the study. This may have been due to its size, capital base and resources.

#### 4.6 Staff Satisfaction

Staff reported at focus group session that satisfaction levels had dropped to the lowest level towards the end of 2022. Student performance and satisfaction had also reached low points in this period. One of the reasons suggested by several senior faculty members at the smaller centre was due to the management pressure and unrealistic targets set by the leadership. This was in contrast to the second institution which had similar conditions but the staff had a higher level of satisfaction and felt more part of the decision making which enabled a healthier feeling of stakeholdership, involvement in the managerial process and most importantly – the staff felt heard (reported by a respondent). The third case study being the largest and most well established suffered extremely low staff satisfaction along with low morale and motivation. Student performance was slightly better but staff satisfaction was far lower in contrast. They were better funded and had more resources but their identical policies, practices and measures led to drop in staff satisfaction. Academic and non-academic support staff reported that the cost cutting measures, online teaching policies, reduced hourly staff, redundancies and income boosting practices made them extremely uncomfortable, increased their workload and placed unreasonable burden on them. They also found the practices unjustified and inappropriate for academic context. Senior faculty member and notable professor at this institution said *“the behaviour, decision-making approach, policies in place now are all questionable at best. They are not fit for academia and the corporate bureaucrats who come up with these measures are unsuited for educational establishments. We are meant to be a university, not a burger chain.”* This sentiment conveys the strong dissatisfaction of academics.

#### 4.7 Student Commitment

There was a higher level of student commitment, participation and enthusiasm at the medium sized provider. While teaching had shifted to online due to government pandemic response guidelines at the lockdown phase. There was still regular contact between staff and students. The academic relationship was being maintained and managed given the constraints. This institution had made cost based decisions to reduce hours of tutors, lecturers but retained them and had increased the work hours of others in order to distribute the load. They also retained their favoured staff and had policies, funding and plans in place to restore their hours. This institution therefore had much better staff retention and student commitment given the consistency and continuity on the course delivery.

#### 4.8 Effect on Student Experience

Students at all three centres felt that the trend in cost reduction policy, reduced hours were having a negative effect on them. Student morale was low based on the response from the staff-student liaison meeting. Student leader at the larger institution said she felt the university had reneged on their promise once they got hold of their fees. This sentiment was shared by a majority of students during the pandemic. The student union representative at the small provider stated a similar concern that *‘the college was letting them down, they cared more about profit than their welfare.’* The medium sized provider had a better student morale. While the morale was low the overall sentiment changed during the course of the year. There was still a sense that the students felt heard and under difficult circumstances the college still tried to do their best for students even though reductions, cut backs and less contact hours were noticed.

#### 4.9 Discussion

In answer to research question 1 - the findings have empirically proven that the current corporate model of profit-based commodified education provision does have an effect on the internal stakeholders of HE institutions such as lecturers and students.

Secondly, field findings across 3 different institutions revealed that commercialisation has had a strong

negative effect on academia. It is of particular note that the current corporate model of commodified higher education provision had a devastating effect on staff, students and institutions on the whole. The nature of this effect was a shocking and unexpected discovery which needs to be carefully considered by policy makers, stakeholders and regulators. Finally, there are some key lessons shared below, so measures can be taken to improve the overall effect.

The study validates the work of Lynch (2008), Tobin (2010) Sharma (2005) and Radder (2010) who have argued that commodification in general and profit-centric model of higher education is found to have a net negative effect on stakeholders. This paper suggests that governors of institutions take note of the following lessons – firstly, that corporatising course delivery is visibly shown to be rejected by both academics and students in all three institutions of the case study. It has furthermore been found that the corporate model has failed to deliver academic outcomes in the larger institution. As for smaller sized providers, the commercial approach is found to be incompatible with staff morale, motivation, student achievement, learning outcomes and overall satisfaction. All three case studies show the commercial profit-centric approach to delivery to be an inappropriate model, unsuitable for higher education. The interesting lesson in this study clearly proves that the less profit oriented an institution, the more successful it becomes. This was abundantly clear from the second institution which although not directly commercial or profit-centric managed to survive the difficult pandemic period and emerge with sustainable profit margins. The centre was more concerned about staff and students yet managed to achieve its goals eventually. This centre had pursued student learning, excellence in delivery and embraced the views of its academic staff, which led to its success.

This paper has essentially validated studies like Bok (2009) and others. The education sector is fundamentally distinct from most service sectors. Traditional managerial models used in a corporate setting such as banking, retail, service, or other marketing-related context were not directly applicable in a learning context, which relies on human and

emotional process. Lynch (2008) argues that learning is an important human quality that enriches a society by seeking to include the weakest members whilst also in the long run adding value to all humanity by building an erudite, upstanding, thoughtful, moral individual. Higher education distinguished itself from any conventional commodity since its value is not drawn from purely tangible supply and demand dynamics (Manian, 2013). The intangible social, moral, emotional, and broader humanistic terms are arguably far more important and less measurable with long-term ramifications.

## **5. CONCLUSION & RECOMMENDATIONS**

In conclusion the study has revealed some important lessons for institutional leaders, policy makers and key decision makers in the HE sector. Commercialisation has been found to be a leading factor in the decline of academic standards, quality and student experience. The corporate model of commodified higher education is proven to have a devastating effect on staff and students. It is in the interest of wider social, public and humanitarian consideration to abandon this commercial model in favour of a more humanistic approach which delivers education as a benefit to the individual and society. Where this is not possible or plausible, in order to improve the overall effect which was the final objective of the paper – it is necessary to implement the lesson learnt during the research – summarised below.

### **5.1 Recommendations to Policy makers**

The study proposes policy shift from profit-oriented education provision to stakeholder benefit model which views the student as end-beneficiary or human recipient of a basic human right. There is also the need for a complete paradigm shift and change in mindset. This means going from seeing staff as a cost and students as customers to seeing them both as co-owners in the academic outcome. This would cause a change in the dynamics and relationships with stakeholders and create more inclusion in place of a hostile environment of distrust. The study proposes a radical de-corporatisation and decommercialization on a global scale. A return to a pre-commodified sector free from the pressures and constraints of profiteering sentiment.

A shift in focus could be brought about through a reflection by policy makers at government level. The study calls for better regulation based on a simplified approach. The UK academic system requires an overhaul in order to restore faith of future generations. There is the need for a return to a culture of refined education provision instead of predatory profit-centrality. The paper also calls for restoration of education provision goals for HE institutions. This would mean staying true to the purpose for which the institution was established. Education providers by definition are engineered to deliver education in the same way machines are engineered to perform a function. Function determines form and HE providers need to return to their original purpose which is to deliver academic learning outcomes. They are not businesses, retail service providers or financial institutions. Staying true to the purpose would bring clarity of objectives and focus, which would set the organisation on the right direction.

### **5.2 Recommendations to Institutional Leaders**

To accomplish the last objective of the study, the following recommendations are made to aid decision-makers and senior management of faculty boards, heads of department, and senior management teams in improving overall effect:

- In terms of quality – this study agrees with the view of Majeed and Ziadat (2008) that if quality is completely embedded into every aspect of the academic delivery according to the needs and preferences of participants, students, and instructors, then the faculty will be able to meet their level of satisfaction. This is even more so in terms of remote teaching or online delivery which demands a cutting-edge approach to delivery and ongoing commitment to student learning.
- To effectively build and maintain relationships with stakeholders like staff and students there needs to be a stakeholder ownership approach. There was evidence of humanistic approach used by the second institution which had higher staff morale, commitment, student engagement and satisfaction under similar circumstances. To achieve sustainable levels

there needs to be active commitment by the executive leadership to safeguard staff and student welfare at all times (Tobin, 2010).

- Senior academic staff – like course leaders need to be given autonomy to make key decisions addressing the issues pertinent to their roles. Teaching staff need to be included in vital decisions to ensure they are part of the decision making and policy creation process – at least within their courses.

### **5.3 Recommendations for Regulators**

The study strongly recommends that the legislative policy framework across UK shift in accordance with the reality on the ground. There must be a move away from corporate and commercial interest towards a more equitable, fair model leading towards student achievement, learning, experience and overall wellbeing.

In addition, course providers must be held accountable for increasing effort towards fostering and delivering quality services across all spectrums to the learners in the subject area.

To improve and sustain teaching quality can be an expensive practice and time-consuming, that may need at least a decade to be fully accomplished. For instance, the introduction of modern funding opportunities which resemble government grant schemes, bursaries and other state sponsorships which do not pose long-run financial risk to students would require careful planning, commitment and cooperation at government level with budgetary ramifications.

Introducing new funding models would be an entirely separate undertaking.

There is need for wider engagement from public and national debate including diverse communities, governing agencies, funding bodies and parliamentary interest.

There is also a need for more research into ethical pricing in academia, and the emotional satisfaction of learners.

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