



## Educational Institutes Redefined A Response to External Challenges and Internal Upheaval

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### ABSTRACT

Moving into the 21<sup>st</sup> Century as the lines between opposing economic philosophies of Capitalism and socialism become blurred, the forces of globalization impact every facet of man's life and technology reduces the geographical distance, the spread of education becomes the vehicle of introducing the far reaching changes in man's life. However the field of education itself can not remain unaffected by socio-economic changes sweeping the world. It is the much maligned capitalism rather than socialism which has become the economic creed of the modern day. Capitalism, entrepreneurship along with corporate social responsibility has become the buzz words of every business enterprise and that includes education too. Today educational institutes stand at the cusp of time where they are both driving the changes and are being driven by them too. In this research article based on authors personal experiences and observation an attempt is made to analyse the modernized face of an educational institute.

In this research article I have concentrated on the changed perspectives of academic capitalism, student as the customer and the changed role of government in running of the institutes of higher education which has led to the changes in the organization structures and functionalities of the colleges and universities. These widespread changes affecting all facets of an educational enterprise are redefining the very purpose of education, which was hitherto perceived as the vehicle for change and has become a changed vehicle which resembling any other business enterprise driven by tasks, goals, targets and most of all cost effectiveness leaving little space for the idle, imaginative discourse, debate and discussion of academic inclinations.

**Keywords--** Education, Academic Capitalism, entrepreneurship, capitalism.

scientists and educationists, most prominently that of Edgar Fraur in the 1970's have initiated a policy shift which is visible in the core planning and strategising among most of the nations . Development of Human Capital and Education of masses have replaced defence planning as the central plank for policy formulation at the national & international levels .

Education for all has now become a cause and educating everyone, everywhere appears to be the goal of developed as well as developing nations. The impact of these changed policy directions is quite visible in India too. Expansion of education, fast pace of urbanization and digital literacy have now become the instruments of uplifting human masses out of their acute miserable poverty. However the financial logic of such a large scale enterprise as education of could not be supported by government funds alone, which made participation of the private sector inevitable. As doors were thrown open to the private players, the sector hitherto untouched by any major upheaval, has undergone some very drastic changes which challenge most of its long cherished values and attributes.

Over the past few decades the spread of education with its embedded socio-economic benefits has seen massive expansion in education sector; higher education nowadays is largely perceived as an investment by most aspirants preparing to enter the job market.

Over a period of time the higher education system has evolved into a considerable powerhouse through its interaction with forces of globalization and liberalization, deeply impacting changes in the socio-economic structures of the country. However an intricate interplay of forces of globalization, internationalization of the markets , privatization, marketization of academic institutes, and a rising cultural divide create new challenges for the higher education system which is already faced with conflicting demands of rising costs, increased accountability, and a diverse student body.

### I. INTRODUCTION

The 21<sup>st</sup> has ushered sweeping changes in virtually every aspect of man's life in the remotest corner of the world. Gradually governments the world over have grasped the need to shift focus from the 'sterile investments'<sup>1</sup> in weapons and warfare into the education of masses. The works of various social

### II. 'LEARNING TO BE' EDGAR FRAUR UNESCO PUBLICATION

An intense internal and external competition, quality control, marketing, and the linkage of education to work is terribly taxing all deeply enshrined academic practices of institutes of higher education in India. Academicians and administrators are baffled by this new emerging scenario and are at their wits' end to discover sustainable models of educational institutes, assuming that in innovation lies the solution to most of challenges. The emergence of a set of new trends in academics has been described as *Academic Capitalism* in higher education.

The term Academic capitalism was first prominently used by authors *Sheila Slaughter and Larry L. Leslie* in their book '*Academic Capitalism: Politics, Policies and the Entrepreneurial University*', in 1997. Broadly speaking the term academic capitalism is defined as "market and market-like behaviors on the part of universities and faculty" (Slaughter and Leslie, 1997, p.11). Market refers to for-profit activity and market-like is competition among faculty and institutions for resources. Academic capitalism is about the motive for profit-making activities that result in instructional and research products "close to the market" (Slaughter and Leslie). This leads to a state of affairs where "students have become consumers, colleges have turned into vendors, and research is being commercialized in applied fields marking a new era in higher education as an entrepreneurial institution" (Chait, 2002).

In a subsequent work *Academic Capitalism and the New Economy: Markets, State, and Higher Education* published in 2004 the authors further expand upon their notions of academic capitalism, the new globalized knowledge/information economy, the authors argue, calls for a re-evaluation of higher educational institutions' relations to society, the modern economic ideology focuses not on social welfare but on wealth production and on "enabling individuals as economic actors" (p. 20). "Academic capitalism" in this book extends the idea beyond merely "generating external revenues" (p. 256), **a**) to a creation of a knowledge/learning regime spurred by neo socio-economic forces within and outside colleges and universities, **b**) creation of new organizations, **c**) reshaping of old ones, and **d**) to redefine the purpose of the institutes of higher education for bringing them in closer alignment with the espoused purpose of new/knowledge/information economy.

Among scholars of higher education, academic capitalism is a phrase used for describing current trends related to influence of *business ideals* upon colleges and universities. The manifestations of academic capitalism are numerous. Competition and marketization of colleges/university can be seen in recent increases in campus' outsourcing, student consumerism, vocationalization of the curriculum, increase in the hiring of part-time faculty, and the adoption of privatized models of internal financing. On a more personal basis for the faculty, it includes: research orientation, training, consulting, copyrighting, and content development.

Beyond the boundaries of the institutes, academic capitalism extends to patenting and establishment of new companies by faculty and staff of the university and colleges. By academic capitalism, the literature also means university-industry partnerships, increases in student's tuition and other fees, and the elimination of programs of little or no value to the market.

Academic capitalism as it relates specifically to faculty is best defined as a situation in which the academic staff everywhere operates in "an increasingly competitive environment, deploying their academic capital, which may comprise teaching, research, consultancy skills or other applications or forms of academic knowledge" (Deem, 2001, p. 14).

As a result of changes ensuing from globalization over the past 30-35 years, faculty find themselves in a much more competitive environment that is closer than ever to the market.

In spite of their diverse approaches, the same theme appears over and over again: in a growing body of works from: James E. Côté and Anton L. Allahar's *Lowering Higher Education: The Rise of Corporate Universities and the Fall of Liberal Education* and Sheila Slaughter and Gary Rhoades's *Academic Capitalism and the New Economy: Markets, State, and Higher Education*. These books focus on the nature of contemporary academic culture, and show how academic culture has shifted in worrying ways wherein through its attempts to ensure its own survival, the institutes of higher education have reshaped and exploited themselves at the expense of students, faculty, and the public good.

**"Encroachment of the profit motive into the academy"**

### III. NEW MANAGERIALISM

With the rise of new economy in the global sphere there has been an emergence of a set of public policies in most part of the world which attempt to transform the role of states in society, by introducing market and private management mechanisms into public sector. These practices are usually referred to as New Public Management (NPM) or Managerialism. New Managerialism implies the substitution of traditional values of public service, such as political democracy and public good, 'by values closer related to private management, such as functional rationality, business ethos, cost efficiency and productivity'<sup>3</sup>,

New managerialism as a concept is used to refer to ideas about changes in the way that modern organizations are managed, it also refers both to *ideologies as well as the actual use of* 'techniques, values and practices derived from the private sector of the economy to the management' of other organisations. These practices of New Managerialism hitherto confined to private sector have slowly found their way into academic portals purely in pursuit of greater efficiency, effectiveness and excellence. The aim of these novel

techniques of management is a constant and continuous improvement in organisational functioning and their structures. These practices purport to introduce a variety of organisational restructuring, such as a more widespread use of information technology, the encouragement of team working, the introduction of targets and the (sometimes) intrusive monitoring of 'efficiency and effectiveness'<sup>4</sup> which may be accomplished through staff appraisal and other measurement of employee performance and outcomes (e.g. exam results). Other features of new managerialism include altering organizational culture to make them incorporate those values which are more closely associated with the private sector. All this at the ground level translates into, greater workloads and larger size of the classes for the faculty and increased budget cuts and finding alternate sources of revenue for the organization.

#### IV. THE EMERGENCE OF CLIENT AND CONSUMER NOTIONS IN HIGHER EDUCATION

It is precisely in this context that the consumer or client notion appears as one of the essential values used by New Managerialism, wherein all the policies and services are geared towards fulfilment of client's needs, while customer satisfaction plays a pivotal role in shaping & designing all future organizational goals, the customer is the king and the organizations have to deliver the promises made to the customer. Higher Education Institutions (HEIs) have also not been able to escape this transformation occurring everywhere, thus the student becomes the client and education is simply reduced to an extension of a service provided in lieu of the price paid.

1. From Students to Consumers: reflections on marketization of Portuguese Higher Education
2. Reed 2002

In a bid to attract students the higher education institutes are increasingly under intense competitive pressure, altering the way they perceive education and student's which has become synonymous with business and consumer respectively. This leads to a 'sense of entitlement among students who feel entitled to be rewarded for minimal effort'<sup>5</sup> leading to the promotion of a culture of mediocrity instead of the pursuit of excellence in academics. Amongst the other contaminations of this current state of affairs is 'grade inflation'. The students today end up procuring much higher grades than previously ever dreamt of but in essence their base of knowledge is eroding.

##### **Govt Policies**

The rhetoric of consumer orientation allows the State to achieve two precise goals: reduce its responsibility and participation in society, and become more flexible and agile, what is translated by the reduction of its social and financial duties, through the adoption of a management strategy closer to private management (Clarke & Newman, 1997).

In addition, we have an increasing governmental reliance on human capital theory and a dogged state emphasis on the need to produce the working professionals of tomorrow. The need for reaping the demographic dividends in India is one of the key drivers of government planning combined with this is the reduced government funding which is forcing the institutes of higher education to turn to entrepreneurship and search for alternative source of revenue as they shift focus from purely academic courses to more marketable courses e.g diploma. Vocational courses, trainings etc. Adding to the chaos is the constant shift in the job market demands which makes the demands of any particular course obsolete in a short duration of time confusing both the faculty as well as the student, since it is never sure that whether the demand for that particular course would remain intact or not even when the student has passed out. A greater emphasis on inviting the private initiative has led to the mushrooming of colleges where the quality is greatly sacrificed at the altar of quantity.

Coté and Allahar Lowering Higher Education: The Rise of Corporate Universities and the Fall of Liberal Education

#### V. CONCLUSION

Academic institutes are but a small part of the socio-economic and political fabric of the society and therefore are likely to be influenced by the changes taking place in the society. The erstwhile universities and education systems were supposed to have a predilection for the bourgeoisie values, whereas the current ones seem to imbibe the practices and values of private sector. They are the key driver of change and are not only likely to influence change but be the change agent too. It is a worthy argument to pursue that the current rise of academic capitalism is challenging the core values of education since it loses sight of public good, however a number of these changes are driven by the change in government policies forcing the institutes of higher education to embrace new practices. In face of increasing competition however the higher education systems have to evolve further where they are able to deal with the impending challenges by churning out the best of the past and present and not reduce education to an item of mass consumption.

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