The commodification of higher education: Flexible delivery and its implications for the academic labour process

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ABSTRACT

This research is a study of the social relations involved in the process of higher education delivered as a service encounter. It examines the implications for the organisation of academic work in particular, and the employment relationship in general, of the student's newly constructed status of 'customer'. It revisits the traditional bipartite model of the employment relationship between employer and employee, and questions whether customer focus represents a major shift in the social relations of the workplace. It questions the current management paradigm of customer focus as a 'win-win' situation, suggesting that management's preoccupation with 'customer relations' has undermined the traditional employment relationship between employing institution and academic.

Introduction: Globalisation and its implications for Australian higher education

As in other OECD countries the transformation of Australian higher education from a pedagogical exchange to a service encounter is linked to globalisation, the reinvention of higher education as a tool of economic reconstruction and the move to a market relationship with education as a commodity. (Marginson 1995; Rooney and Hearn 1999; Miller 1995). A complex web of neo-classical economics and national socio-economic objectives has seen Australian higher education's primary role change from that of a socialising equaliser to an economic agent with a focus on national economic competitiveness (Smyth 1995). This has been accompanied by greater complexity in the academic employment relationship.

While there is conceptual disagreement about the primary agent of globalisation (market (Friedman and Leube 1987), consumption (Thurow 1985) or class (Barnett and Cavanagh 1994) (see Slaughter and Leslie 1997)) there is general agreement about the waves of structural reform, primed by globalisation, which have reinvented higher education in industrialised economies (Slaughter and Leslie 1997; Scott 1995; Shumar 1997; Neave 1990).

It is significant that at the time of the first wave of structural change in the 1980s which saw the government retreat from the welfare state and the consequent reduction of government funding for higher education, there coincided the conception and rise of the current management paradigm of client focused cultures. As institutions operated in an increasingly competitive environment, client focus was seen to be ‘win-win’ for organisation and customer alike. Peters and Waterman’s (1982) influence went largely unchallenged. Du Gay and Salaman (1992) in their study on the impact of customer culture on organisational processes, are one of the few dissenting voices. Recent literature has again explored the problematic nature of customer service workplaces (Sturdy, Grugulis and Willmott 2001; Frenkel, Korczynski, Shire and Tam 1999; Fuller and Smith 1991; Heery 1993; Knights, Noble, Willmott and Vurdubakis 1999).

The aggregate effects of globalisation on the Australian higher education industry have been broad structural change in four major areas: the marketisation of the sector and ensuing competition between institutions; changes to higher education consumption patterns; the commodification of education consequent on marketisation; and the administration and management of institutions (managerialism).

Firstly, the sector has been exposed to intensified competition leading to increased marketisation with Australian higher education now carried across borders, facilitated by the new technology and delivered in flexible mode (Cunningham et al., 1998, 2000; Marginson 1995). Intensified competition can also be attributed to a series of government policy changes since the 1980s, all of which have required strategic adjustments by institutions (Smyth 1995). Integral to policy has been a decline in public funding across the sector, which has imposed the dual pressures of enhanced market competition and increased public accountability.
The Australian higher education response has been: implementation of organisational re-engineering at institutional level with the redesign of work practices and the shedding of non-essential functions; and an increased responsiveness to clients’ demands for a service which is customised and flexible, designing and delivering products and services more quickly and flexibly than ever before through the new information technology (Gibson et al., 1999; Cunningham et al., 1998). Flexible delivery is a key strategic response by Australian higher education to these new imperatives.

A second structural change which is central to the Australian economy as a whole and to higher education in particular, is the culture of consumption and changing consumption patterns (Usher, Bryant and Johnson 1997; Scott 1995; Knights et al., 1999). It is argued that in advanced capitalist societies, the relationship between production and consumption has changed, with consumption replacing production as the major basis of social differentiation (Burrows and Marsh 1992).

The culture of consumption and the relationship between consumption and production in a post-Fordist production system raise the fundamental questions of: the primacy of consumers over producers, or vice versa; and the social construction of the customer and its impact on the organisation of work. The literature considers how management’s perceptions of customer needs and wants are translated into a reconfigured organisation of work, enabled through innovative technology (Knights et al., 1999). Flexible delivery in higher education can be seen as one such response. In this context higher education is no longer merely an economic or socialising agent, but also a way of constituting meaning through consumption. It has become symbolic of lifestyle, signifying difference. As a corollary, higher education processes become individualised and reconstituted as a relationship between producer and consumer. This represents an ideological shift where education is governed by consumer orientation and activities geared to consumer satisfaction. It also manifests itself in major structural and cultural changes to conventional university practices and the academic labour process. Higher education is now delivered as a service encounter between academic labour and student-customers.

A third structural change to higher education is the commodity view of education with education reconstituted from the pursuit of social knowledge and an ideal, to a value rooted in its ‘performatve’ value to bring direct benefit to the consumer through enhanced performance (Usher et al., 1997). Commodification also leads to management and production processes which seek to improve the quality of product as determined by customer satisfaction (Knights et al., 1999; Usher et al., 1997; Rooney and Hearn 1999). The implications are that higher education institutions are drawn into the market, producing and selling knowledge as a commodity. It also places the consumer, as constructed by management and their perceptions of customer needs and wants, at the centre of organisational focus and strategy. Flexible delivery can be seen as one such marketing response.

A fourth structural change to higher education takes the form of managerialism with its new forms of decision making which have weakened the traditional professional bureaucracy that was once driven by the professional authority of academic staff, based on their status as gatekeepers to social knowledge (Buchbinder 1993; Halsey 1992; Currie and Newson 1998; Hort). In the context of the market-oriented university, managerialism has also prescribed new competencies for academic labour based on efficiency and effectiveness criteria which are crucial to the market orientation of institutions, and a client service focus. Managerialism has also constructed the student as ‘customer’, based on managerial perceptions of customer wants and needs and has been the catalyst for re-evaluation of academic labour’s value and performance.

So, in essence higher education’s shift from an educational to a market orientation, and the associated commodification of knowledge, have led to a general reconfiguration of social relations in the academic workplace. If one couples the idea of consumption as a key element of lifestyle and the move to a market relationship and the commodification of education, one can understand the development of flexible modes of delivery which are a key strategic response by institutions to meet their perceptions of consumer wants. As a commodity, educational products compete with leisure and entertainment products (Usher et al., 1997). As the distinctions between these blur, educational activities geared to consumer satisfaction produce outcomes previously associated only with leisure and entertainment. The implications are that learning is something to be consumed, an object of desire implicated with pleasure rather than discipline. This is at odds with the modernist view of education in which the academic’s role was to maintain the profession’s status and the discipline’s integrity through guardianship of the knowledge (Usher...
et al., 1997). Academics’ traditional authority has been their accepted right to define and judge the meaning and value of their product in terms of their practice’s aims and standards rather than those of the customer. In postmodern learning, the learners’ ‘wants’ take over from what educators have in the past dictated as ‘needs’. This represents a significant shift in the balance of power between educator and student, with the potential subjugation of traditional academic authority to the power of the consumer in what is now a market relationship, with the commodity of higher education delivered as a service encounter.

The employment relationship and the organisation of academic work

At its most basic level the employment relationship between an Australian higher education employer and an academic employee is bipartite and contractual, with the outcomes of the employment relationship being wages and working conditions achieved through enterprise bargaining processes and agreements. Student-customers are assumed to be outside the relationship, although the focus of its output. The employment relationship provides the context for the organisation of academic work which has at its core the tasks to be done and how, control and decision making and the wage-effort bargain. This is the minuita as opposed to the contractual and collectivised nature of the employment relationship.

One important link between the employment relationship and work organisation is the challenge to the assumption of managerial prerogative and the consequential struggle of what Goodrich (1977) and Edwards (1979) refer to as the ‘frontier of control’. This research contends that in Australian higher education the frontier of control has been extended to incorporate student-customers. This anomaly of customer power in the employment relationship is an unintended consequence of massive structural change in the higher education sector coupled with an institution’s management strategy of sustaining strong service cultures. It should be stressed that the primary focus of the higher education management strategy of flexible delivery is organisational survival through meeting customer wants, reducing costs, increasing flexibility and improving quality. Flexible delivery is not a strategy for deskilling and control of the academic workforce per se, although its impact on labour seems to have been overlooked. Neither is it managerial determinism. Management strategies do not determine outcomes. They merely act as a conduit between the imperatives of capitalism, an organisation's continued survival, and the labour process outcomes (Dent 1991). It should also be stated that this research does not seek to critique the ethical nature of the social relations between academic and student, or to defend academic prerogative or the “donnish dominion” (Halsey 1992). It seeks only to understand how customer focused strategies emerge from managerial assumptions, and the effects of these on the academic labour process in particular and the employment relationship in general.

Flexible delivery in Australian higher education

The development of flexible modes of delivery has been one response to a set of contextual factors (social, economic and political) which have impacted upon the management of universities. Australian higher education has always had flexible delivery (part-time and distance education), however, the new communications technology has been embraced and afforded it a new, higher status. It is perceived to be responsive to both customer needs and learner needs while concurrently offering the potential to reduce institutional costs and servicing increasing numbers of students. In such a context flexible delivery is a key strategic response by higher education institutions to meet their perceptions of customer wants and thereby maintain competitive advantage (Cunningham et al., 1998; 2000). Flexible delivery is therefore a pedagogy and a marketing strategy as well as a form of work organisation.

In its broadest sense, the concept of ‘flexible delivery’ in Australian higher education ‘implies student choice of modes of delivery of instructional material … with a higher emphasis on the use of multimedia/communication technologies’ (Cunningham et al., 1998:24). However it is significant that in Australia it is operationalised by different institutions in vastly different ways. Management strategies for flexible delivery may incorporate: the introduction of tri-semesters; the development of off-shore twinning arrangements with other institutions supported by computer-based teaching materials and ‘block’ or intensive periods of face-to face teaching; the introduction of complete on-line courses requiring independent learning from computer-based
teaching materials (conducted at special purpose built campuses or through modem connection to a student's home); a mixture of on-line instruction (using web-based notes, chatboards and electronic mail) coupled with traditional face-to-face teaching on either a weekly or intensive block basis; and 'web' access by students to course information and administrative procedures such as enrolments, results and course information. There is no universal approach to flexible delivery, neither is there a universal definition. It is shaped by an institution's policy framework and its culture, and takes the form most responsive to the institution's target market.

Methodology

This research employed the methodology of extended case method to reconstruct theory about the bipartite employment relationship through an explanation of the anomaly of student-customer influence over the organisation of academic work. Extended case method was one of the hallmarks of the Manchester School of social anthropology in the 1950s. In the last decade Michael Burawoy (1991;1998) has been developing it within the labour process ethnographic tradition. Through explanation of the anomaly, extended case method value-adds to general models and theories of the labour process. Extended case method varies from traditional ethnography in that it does not seek to reject theory outright or induct new theory from the ground up, but seeks to find an anomalous situation which highlights the weakness of existing theory to explain, and then seeks to add value to that existing theory.

The research was undertaken with 25 business faculty academics and academic managers from three universities along the Australian east coast between 2000 and 2004. The study involved the techniques of observation, interviews, content analysis of policy documents and content analysis of web-based communication. In that any piece of research cannot be all-embracing this research starts from a particular perspective of the academic labour process as a teaching function, rather than the functions of research and administration. All academic interviewees were employees of universities which exhibited characteristics of the commercial-industrial model of universities as opposed to the universitas collegiate model (Warner and Crosthwaite 1995), and as such were more likely to exhibit customer focused policies and practices. At the interviewees' employing institutions, flexible delivery was operationalised as student choice about access in time and place. It was both a means of educational delivery and a marketing strategy and it was a radical departure from traditional forms of academic work organisation.

The intersection of employment relations and customer relations in higher education and the mechanisms by which the bipartite employment relationship is potentially undermined

At an industry level, changes to the global economy have led to structural and financial change across the sector. Financial change has brought a greater diversification of institutional funding through increased entrepreneurship. Concomitant with this has come a broad pattern of operational change with the marketisation and massification of higher education and sector-wide restructuring in line with wider public sector reforms demanding enhanced competition and increased public accountability. The sector catchcries have become ‘accountability’, ‘flexibility’ and ‘customer focus’.

At the organisational level, strongly market focused universities delivered higher education as a service encounter, with management constructing the student as ‘customer’ and reconstructing the employee in response to management's perceptions of customer wants. It was significant that at one particular employing institution executive management had used the term ‘customer’ in its official publications, although academic labour did not necessarily share this view. Irrespective of how they viewed their own role, all academic respondents across institutions considered that their students perceived themselves as customers of their university, and more specifically, of the individual academic. While the construction of the student as customer is not a universal phenomenon at all Australian institutions, some universities have developed strong service cultures as a strategic tool to gain competitive advantage. A common practice at all interviewees’ workplaces was the incorporation of customer focus into strategic plans which sought to sustain a culture of service in which the demands of student-customers and public accountability for value and quality were met. Academics identified that teaching and in particular research performance criteria, were
driving changes to the academic labour process. Views were expressed that these criteria were linked to their management’s customer focused strategies and also to federal government strategies of instilling stronger customer focused cultures in institutions as part of its wider reform agenda.

Integral to the development of strongly customer focused cultures has been managements’ reshaping of academic work for best fit with their organisations’ new strategic directions, based on managements’ perceptions of customer wants. There is an assumption by management that student-customers want flexibility as determined by customer preference and choices. Patterns of work and conditions of employment are negotiated by management around perceived student-customer needs. Enterprise bargaining has seen the negotiation of summer schools, the increased opening hours of institutions and the spread of working hours, and intensive modes of delivery including weekends and off-shore delivery at twinning institutions. Academics reported that with the introduction of trimester and summer school timetables (introduced by university management as a response to their perception of student wants for accelerated progression, particularly for international full-fee paying students), there accompanied a significant change to the traditional annual work pattern which had comprised of two waves of activity from March to November aligned with traditional teaching semesters. In some institutions labour negotiated favourable semester rosters, however in at least one institution the intensive teaching work pattern commenced in late January and carried through until late November consequent on the overlay of postgraduate trimesters over undergraduate semesters, with only one non-teaching week in that period. For some academics, the new work pattern, coupled with the increased pressure for research output as measured by research performance criteria, represented significant work intensification. Irrespective of either positive or negative outcomes for academic labour, the assumption which university managements make about customer needs of flexibility has changed the organisation of academic work. Another response from management has been to effect changes in curriculum design and content to meet the needs of particular target markets. Accordingly, managements in strongly customer focused universities have spearheaded the internationalisation of the curriculum and fast tracking of degrees, both of which have had an impact on the organisation of academic work. The traditional organisation of academic work was also changed with the development of flexibly delivered ‘educational products’ utilising the new communication technologies and drawing on specialist technocrats and educational designers to enhance their attractiveness to student-customers as well as their educational value. This has led to a blurring of the demarcation between traditional academic and non-academic work.

There is also an assumption by university managements that student-customers want value-for-money, as adjudged by the customer. Managerialist responses have been to organise around strategic performance indicators, customer satisfaction being prominently among them. The role of student ombudsman has been introduced by some universities to deal with student-customer complaints. Management treated academic labour like other groups of employees in their universities with the introduction of personal performance management and student evaluations of teaching which also served to operationalise the student-customer concept giving legitimacy to customer expectations of service. For example, academics at one particular institution reported that they were subject to a sophisticated system of student evaluation of academic teaching (based on customer satisfaction surveys) which was more sophisticated than many private enterprise employers would administer directly to their own employees, and for which a satisfactory student rating was necessary for promotion. Several academics acknowledged that the imminent student survey at the conclusion of the teaching period significantly influenced their effort bargain and behaviour in order to have favourable student ratings. The same employing institution regularly conducted customer focus groups and surveys, outcomes from which shaped management strategies. All academics reported: an increase in administrative reporting on their achievement of performance targets; curriculum changes in response to target particular markets; and a strong marketing/customer relations function within their university. As with ‘flexibility’, the assumption of ‘value-for-money’ led to changes in the organisation of academic work, namely the tasks to be done, when and how, however, this time it was in response to consumer sovereignty.

It is evident that at the organisational level, universities have introduced formal organisational structures and processes which have both facilitated and monitored customer service and customer satisfaction levels. This is concomitant with a managerialist reshaping of academic work (conditions of employment, patterns of work, traditional responsibilities and tasks, control and decision making) in response to management’s perceptions of customer wants.
At the level of the service encounter, the inherent tensions in a market exchange create tensions between academic labour and student-customers at the chalkface. Their needs are different (Smyth 1995) and student expectations of service and quality generated by a university's marketing function can be incommensurate with actual resourcing. Academics reported that in numerically small, resource rich subjects, electronic mail was used by academic labour to customise consultation and feedback through electronic discourse with individual students. It had the benefits of sound pedagogy, catered for individual differences and removed constraints of time and place for both academic and student. However academics reported that in resource poor subjects with large enrolments of over 400 and up to 1,800 students, academic labour used electronic mail and forums as a means of standardising communication en masse through electronic mail group lists and forum announcements. Electronic mail and forums were considered to be: a burden which imposed themselves on academics’ time and constituted work intensification; a means by which student requests drew academics into administrative tasks; and technologies which changed the relative power relations between academic and student. Academics at one particular institution reported cases of flaming, responses to which were carefully scribed and very time consuming, mindful of the student ombudsmen complaint mechanism. It was generally reported that student expectations were created by the institutions’ marketing of their quality of service and the communications technology offered the potential for customised service delivered faster than ever before. However there was often a poor fit with the level of resources provided by university management. Student-customers’ use of electronic mail changed the organisation of academic work, namely the tasks to be done, when and how.

Resistance by academics to the communications technology took a variety of forms. Some academics limited electronic access to them by refusing to ‘boot up’ everyday, and opting for selective days on which they would reply to student-customer queries. Another strategy involved minimisation of emotional labour by withdrawing all face-to-face academic/student consultation and restricting student-customer access to electronic communications only. In such an instance academics minimised emotional labour by restoring traditional academic/student social distance and power relations through replying to student communications on their own terms in a frank and formal manner.

Academics also identified consumer behaviour from students who sought to negotiate directly with academics over a range of issues which impacted on the labour process and the organisation of academic work. Firstly, students negotiated over the mode of delivery. It is significant that in one instance an academic reported that students complained to faculty management that the content contained in an examination question had only been covered in tutorials which were not compulsory to attend and that this was against the spirit of ‘flexibility’ and student choice of place and time. The outcome for the students was examination ‘special consideration’, and for academics throughout the faculty, a requirement to deliver content in duplicate modes resulting in work intensification and a shift in the ‘frontier of control’ in favour of student-customers. In effect the students as customers had reconstructed the concept of flexible delivery to meet their expectations of ‘flexibility’, as befits consumer sovereignty. The outcome for academic labour was work intensification. Secondly, academics reported that students negotiated over the timing of the release of copies of lecture materials was an ongoing point of dispute between academics and student-customers at one institution and something which academics felt was reflected in the formal customer surveys at the conclusion of the teaching semester. Thirdly, students negotiated over the very content of the material. Academics at one institution reported strong student-customer resistance to changes to either format or content of the pre-prepared lecture Powerpoint slides (prepared prior to the commencement of the semester as requested by students). This was expressed in lectures by disruptive disgruntled murmuring, constant shuffling of papers and complaints at the conclusion of lectures that material in the slides had not been covered therefore could not be assessable. While some academics resisted student-customer control over their presentations, many academics gave in to the pressure and
abrogated their traditional academic right over ‘what’ and ‘how’ to present the knowledge. This goes to the heart of consumer sovereignty undermining traditional academic authority and freedom. Fourthly, students negotiated over value-for-money. Academics reported that there arose a common practice at one institution of students leaving lectures and workshops while still in progress. The manner of their departure was verbose and designed to clearly express to the academic lecturer and fellow classmates their judgement as a consumer about the worth of the material being presented. This was also expressed by persistent, intrusive conversations between students in the lecture hall which were such that they interfered with the teaching/learning process. Walkouts and talking were overt consumer behaviour which was directed at the traditional authority of the academic. On the issue of value-for-money, students would also complain if classes were cancelled or ran short of their allotted time. In this sense the teaching/learning process was driven by market criteria rather than by traditional academic authority over the content and presentation of the knowledge. Fifthly, under the banner of consumer rights and customer service, student-customers accessed academics as was their want, irrespective of the consultation hours and response times formally set by the academic through either face-to-face consultation or through the communication technology. Academics reported that student-customers had an expectation of immediate service. Academics viewed this as an intrusion into their time, an interruption to their workflow and a disrespectful challenge to academic authority.

**Conclusion**

Traditionally, serving one’s customers has meant providing goods or services (as requested by the customer) and doing so with courtesy (as defined by social custom). The customer was clearly outside the employment relationship, although a focus of its output. While the employee in the service encounter is engaged in the primary relationship of the bipartite employment relationship, management’s introduction of customer relations potentially brings a tripartite employment relationship into being. Although not homogenous throughout the industry, or even within an institution, there exists in Australian higher education the anomaly of customers exercising significant influence over the organisation of work both directly through consumer behaviour at the chalkface and indirectly with both the conditions of employment (legal contract) and the organisation of work (tasks to be done and how; control and decision making; wage-effort bargain) re-shaped by management to meet their perceptions of customer wants. The legal contract/conditions of employment and the organisation of work are still negotiated between the primary parties of employer and employee (or their representatives). However, many of the criteria for negotiation (flexibility, value-for-money) are outcomes of student-customer wants, as perceived by management’s marketing and customer relations functions and significantly, articulated directly by students through formal organisational processes. Student-customers will also seek to exercise significant influence directly over academic labour at the chalkface when resourcing is inadequate to meet their expectations. In such circumstances customers are no longer merely the focus of the output of the employment relationship but a party within it.

**References**


