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Threats and Opportunities from (or for?) Private Providers

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Presenter

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Common Threats – UK Market (1)

- Over-supply of HE places
- UK demographics
  - Dip in 18 year olds
  - Fewer older non-graduates
- Effects of £9,000 pa fees
  - “Squeezed middle” for undergraduates
  - US (prestige) and EU (price) competition

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Common Threats – UK Market (2)

- Changes in the market
  - On-line or basic (price)
  - Social (escape, marriage agency)
- Growth of capacity in cities
  - Going to local university
- Effect on demand for postgraduate courses
  - Increase or reduction?

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Common Threats – International Market (1)

- Reduction in demand
- UK Border Agency
  - Actual obstructions
    - Up-front money
    - Graduating jobs
  - Perceived attitudes
    - Indian example

Common Threats – International Market (2)

- Growth of in-country provision
  - Collaborative ‘last years’
  - Postgraduate provision
- Recognition issues
  - REF based lists
  - Length of degrees (ug and pg)
  - Professional qualifications

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Private Provider Threats

- Government regulation
  - Limits on student loans
  - Office of Fair Access (Off-Toff)
- Reputational risks
  - ‘Cheap and cheerful’
    - US example of poor standards
  - Over-crowding (15 x 10%)
    - Sudden closures

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Private Providers UK Opportunities

- Variety and capacity
- Types of developments
  - Specialist degree awarding (eg Law)
  - Specialist service provision (eg Estates)
    - Joint ventures (eg INTO)
  - Broader range institutions
    - Who awarding degrees? (eg Grayling)
    - Public sector takeover?

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Private Providers International Opportunities

- Public school precedents
  - Sufficient reputation (eg College of Law)
  - Joint venture with reputation
    - University's fear of dilution
    - Multi-campus experience (eg ESE)

- On-line or campus?
  - Price or life experience?
  - Support for on-line (eg London Uni)

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Private Provider Advantage

- No one knows what the shape of HE will be
- Unless Governments interfere too much…
- The market could be left to decide
- BUT
- Quality or business failures could destroy reputation

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