The purpose of higher education/What is higher education for? 29 January 2014

Many scholars have sought to address the vexed question of the purpose of higher education. Their analyses are thoughtful and sophisticated - though rarely seem to meet with consensus particularly amongst the academic community itself. But as David Watson puts it in his excellent recent book *The Question of Conscience: Higher education and personal responsibility*, attempting to capture what a university is is a 'foolhardy goal'. I am happy to leave it at that, and instead focus this morning on the more granular exam questions that Hepi has set us relating to the appropriate balance between different university activities, particularly the balance between teaching and research. This is a rather topical issue just now, at least in terms of public funding, because of the ongoing discussions about the allocations of limited public funding between the different categories of teaching, research, business engagement and student support.

In my contribution this morning, I am going make four points:

- That there is no single right balance between teaching and research, and other university activities
- At national level there may be a more meaningful question about balance, which can in part be analysed in terms of supply and demand
- At the moment, this point is given an added urgency because of the potential for substantial BIS cuts in the annual grant letter
- But even if we achieve some degree of appropriate balance in a way that fits with the individual institution's mission (my first point), and at national level (my second), supported by adequate funding (my third), an overarching underpinning of values – public value – is still essential (my fourth and final point).

1. No single 'right' balance between T and R and other university activities

First point is that there is no single 'right' balance between for instance teaching and research that makes for the perfectly balanced university. I appreciate that this is might seem self-evident, but the baleful impact of league tables with their linear algorithmic approach to what they describe as quality, always pushes against the truth of this statement.

The volumes of teaching and research within different institutions vary, and there is no necessary correlation between volume and quality. For example assuming for the sake of argument that NSS scores can be used as a proxy for quality of teaching, there are examples of universities whose NSS scores are high, who both do a lot of research, and very little. Likewise there are research institutes, such as the Institute of Cancer Research, whose research profile is high but they do no teaching.

From the perspective of the student, this diversity is a good thing. Some students want to study in a research intensive environment – and being taught by people who are pushing at the boundaries in their field is a big attraction. But others might want contact with employers, placements and the chance to apply their learning to real life problems in a very practically focused style of learning. Some universities offer both. Others have distinctive appeal.

This point is illustrated by a comparison of different course websites. Take for instance a law course, where I have taken the first sentence from their websites in which they describe what it is that they offer:

Research intensive

We are committed to pursuing world class research, encompassing doctrinal, sociolegal, historical, theoretical and empirical approaches to law across a wide range of specialist fields.

Post 92

Here at the School of Law, we have a range of programmes and flexible modes of study to help you achieve your goal of becoming a successful legal professional.

Private for profit

Many students choose to study at our Law School because of our reputation for excellence, a reputation that is built on our proven ability to offer students the skills they need to succeed in law.

The point is that different universities are doing different things in different ways and answering to different objectives. This is not to say that the undergraduate provision of the post-92 referred to above is not research-informed, or scholarship-informed. Without wanting to resort to the theological question of what a university is, nonetheless there is something absolutely fundamental about research or scholarship-informed teaching and knowledge generation that should distinguish all universities from the provision of for instance further education or purely technical skills. But nonetheless differences between higher education institutions are obvious, are good, and are to be celebrated.

Despite the diversity, there are some common metrics in terms of for instance NSS, or for research, the REF. But common metrics do not equate to common outcomes. Institutional diversity does not sit on a single axis: it is far more interesting and anarchic that that, and all the stronger and responsive for it.

Before leaving this first point, it is also important to address the criticism sometimes made that in some institutions teaching is the poor relation of research in terms of institutional positioning. This is clearly a serious challenge that requires – and indeed receives – proper consideration; an important point that deserves more than the sometimes superficial and reductive argument focusing narrowly on contact hours. Of course there are undoubtedly courses that need to be better, but trends show institutions acting on feedback from NSS results; competition for students means that for many their reputation for quality of teaching is mission critical; and for instance UUK's publication 'Where Student Fees Go' illustrates the substantial investment that many institutions are making in teaching and learning, employability, and other areas in response to student feedback.

2. At national level, do we have the right balance between teaching and research?

In relation to teaching at least, we no longer have a system that is centrally planned in terms of allocations and student numbers. Instead, balance is largely determined by supply and demand. Has this led to a good balance between supply and demand?

• On the Teaching side, from the student's perspective, there is still unmet demand. That is why, if we can afford it, UUK supports the government's proposed deregulation of student numbers.

- In terms of UK plc there is in general terms a good match between the experience and skills universities are providing, and the skills, business and the country needs. Yes, there are business leaders who say that they struggle to recruit in some areas particularly STEM disciplines, but broadly the evidence is that employers value and are prepared to pay a premium for UK graduates. The latest CBI education and skills survey found relatively high levels of satisfaction among business leaders with the skills of their graduate employees, with the majority of CBI members having maintained or increased the number of graduates they recruit in the last year. Graduates fared better during the recession and its aftermath than non-graduates, and graduate earnings remained strong. While there is no room for complacency, the last few years has seen a huge improvement in the extent to which universities and business work together and an increasingly intensive focus within universities on supporting graduates to make sure they are well prepared for their careers.
- In relation to research, does research provision match industry and national demands? Clearly we have a strong research ecosystem, and the evidence is that we are far more efficient and effective than most. There is also evidence that universities work very effectively with business our world ranking for university business collaboration has shot up since 2006 we ranked 2nd in 2012/13 and now rank 5 so we could say we are amongst the best in the world according to the World economic forum. HEIF has had a strong influence on this, as have policy interventions like innovation vouchers and KTPs. But there are difficulties in meeting the demands of SMEs, and still a sense we are not talking the same language as business. But nonetheless universities are responsive. This must be sustained, and in part this sustainability depends on maintaining the current plurality of funding streams QR, Research Council, TSB/BIS, charity funding, Europe etc. This plurality allows for responsiveness and flexibility.

3. Balance of government funding between T, R and BE.

It is one thing to have autonomous and diverse missions, and to balance high quality T and R that answers to students needs and industry and national priorities, but without adequate funding universities can achieve little. And at the moment there is a serious question about the impact of government funding decisions, particularly on research and the science ring fence. As the BIS budget comes under increasing pressure, difficult, potentially painful, decisions of course will have to be made between on the appropriate balance of teaching, research and other activities. And the balance of teaching has to include not just undergraduate funding, but postgraduate too. We are very clear at UUK that BIS cannot be pushed into making impossible choices about cutting one absolutely essential funding stream as opposed to another. Reference Chris Snowden's recent article in The Daily Telegraph. Our research is already underfunded – lower % of GDP compared to the OECD average, and public funding for research fell by 13% in real terms over the last spending round. Cutting what is left of the HEFCE budget for targeted allocations (specialist

institutions, high cost subjects, retention, outreach, Erasmus, university museums and galleries) is surely madness, and undermines government priorities.

There is an informed and thoughtful discussion to be had about the balance of public funding between teaching and research and other funding streams, but we can't let ourselves be forced into responding to this debate by reference to a false dichotomy of conceding cuts to one rather than another essential funding stream.

4. Can responding to demand alone create an appropriate balance?

My final question is this: even if (i) universities do succeed in achieving an appropriate balance between high quality teaching and research, (ii) at national level demand matches supply, and (iii) public funding supports those two objectives, does that mean that by definition we have achieved the fine balance that defines the perfect university sector?

I suggest there is still something missing from the piece, and that relates to universities' over-arching role in promoting the collective public good. We must be careful that in focusing narrowly on the balance between specific activities, we do not end up missing the larger picture that relates to public good.

In practice, this sense of public value is a significant driver for much university activity – be it the university's role in promoting social mobility, charitable activities, international activities, community engagement and so on – and is also a thread that runs through all core activities.

I share the view expressed by many that there is a risk that we end up as a sector not sufficiently making the case for public value, driven instead by a consumerist focus on individual benefit and returns. This is compounded by the diversity of what universities are and do – it is very difficult to reduce to an easily communicated public message about the common value of universities when they are (rightly) doing such different things.

However, that complexity may be the price we have to pay in preferring our current autonomous, diverse, messy but hard to communicate sector, as opposed to a centrally planned and controlled role for universities, easy to communicate may be, but with reduced autonomy and diversity.

And ultimately, in communities up and down the country, amongst students, their families, businesses, industry and communities, the sense in which the university is embodying some sort of public and community benefit remains I think strong and well understood, albeit in some rather loose way.

But again, we can, collectively as a sector, do more here, and at UUK we will look forward to working with Nick Hillman and Hepi to take this important agenda forward.