Do university rankings and accreditation really matter?
Manufacturing 'legitimacy' in Singapore's higher education sector.

Peter McKiernan
Professor of Management
University of Strathclyde
Glasgow, Scotland
&
Dean
School of Management and Governance
Murdoch University
Perth Australia

and

Peter Waring
Singapore Dean
Murdoch University
Singapore

Introduction

In this paper, we examine the concept of 'legitimacy' in higher education in the context of the city-state of Singapore. We find that 'legitimacy' enhancing devices like rankings and accreditation are not necessary precursors for market success, reputation building or the provision of a quality education. This result is a direct challenge to the prevailing orthodoxy.

We explore 'legitimacy' at the macro, meso and micro levels of analysis. At the macro-level, we interrogate the Singapore government's narrative to become 'a global schoolhouse' and epicenter for higher education in Asia as a quest for greater 'legitimacy' – a quest that has been partially abandoned (see Waring, 2014).

Nonetheless, this narrative has impacted on the meso-level, especially the private higher education sector, which is the primary focus of analysis. Here, we explore the evolution and growth of the Singapore higher

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education sector. Valued at close to half a billion Singapore dollars (Waring, 2014), the sector was marred by examples of 'illegitimacy' including degree-mills, illegal providers and 'scam artists' (Davie, 2009). The direct conflict with the global schoolhouse ambition and the wish for legitimacy led the State to develop a new set of institutional rules for the sector. These arrangements have transformed the marketplace for higher education by a) raising entry barriers; b) rationalizing providers through a higher regulatory burden and c) developing new licensing, registration and monitoring rules.

Drawing on neo institutional arguments, we demonstrate how these policy interventions have impacted the strategic choices of actors in this market. In particular, at the micro-level, we present the case of Murdoch University – an Australian University with a large stake in the Singapore private education sector - and its strategic responses to these new institutional conditions. We argue that the meso-level interventions have helped to manufacture a degree of 'legitimacy', but the extent to which it has done so raises important questions about the nature of 'legitimacy' in higher education itself. For instance, there is very little differentiation between graduates of the private sector and public universities in terms of either salaries or employability over time. Moreover, Singaporeans continue to be attracted to private higher education in large numbers, in spite of the higher entry barriers and standards; the stronger ratings, rankings, reputation, accreditations and perceived legitimacy of the public institutions. Thus, we propose that 'legitimacy' matters but perhaps only to a point. High levels of perceived 'legitimacy' may not be a pre-condition for institutional success. We contend that the Singapore experience suggests that stakeholders hold 'baseline' expectations of the 'legitimacy' of universities of a binary nature; once met, other factors and characteristics contribute to institutional reputation such as price, position in the market, influence of student peers, student perceptions of study flexibility, quality of teaching, program durations, among other factors.

This is an important insight given the considerable resources that are invested in accreditation processes, research and institutional ranking exercises. While we do not argue that there is no merit in these activities, our analysis indicates that the level of investment may be misplaced,

especially given their tendency to generate isomorphic pressures with their unintended consequences. This is a potentially 'liberating' insight for University leaders, since it demonstrates capacity and need for a diversity of response to common pressures.

In the sections that follow, we expand and develop our theoretical arguments, drawing explicitly on neo-institutional theory as a framework for explaining 'legitimacy' in the context of Singapore's higher education sector. Then, we turn to a brief description of the macro, meso and micro levels, which serve as our units of analysis.

Situating Higher Education Theoretically

We draw upon concepts of neo institutional theory (Meyer and Rowan, 1977) to investigate the organizational patterning of higher education in Singapore, because its incorporation of social influence processes, that ameliorate and constrain relative autonomous decision-making, overcomes a reliance on theories centered upon the rational actor (e.g., contingency theory –Lawrence and Lorsche, 1967; resource-dependence theory– Pfeffer and Salancik, 1978). By infusing formal organizational structures with a symbolism, as well as task-action properties, meant that they could be designed to reflect specific value systems that project meaningful messages to key stakeholders to inspire legitimacy. As Suchman (1995) notes, legitimacy is:

> "The generalized perception…that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions." (p. 174)

Hence, organizational decisions become a function of both traditional task-action and socio-environmental engagement and pressures, so muting rationality. Specifically, particular structures may be adopted to raise external legitimacy to such a point, where its observation is more important for organizational survival than task action performance. For instance, failing organisations (Meyer and Zucker, 1989) can still survive if their structural signaling is perceived as legitimate through, for example, compliance with Government policies, because their activities are 'less likely to trigger audits by regularity agencies' (Edelman, 1992).

The process of legitimacy building and acceptance may mean organisations heightening their active agency to influence policies and legal systems in their operating domains by, for instance, political lobbying. They may be helped in this process by the psychological persuasion of numbers, where the process of measurement (e.g., accreditations, rankings and ratings) can be a powerful legitimatizing tool. However, though organisations spend copious resources on such legitimacy building, its transference from one society's norms to another, is not automatic; for example, *where active agency is less welcome and western values are less tolerated.*

Besides its ability to explain survival, neo institutionalism incorporates the notion of *isomorphism*, where, on the road to homogeneity, societal pressures can force organisations to adopt similar structures and behaviour patterns. Underpinning the institutionalization of a sector is the phased pattern of habitualisation, objectification and sedimentation. For instance, major innovations or other external shocks can transform extant structures causing individual responses, without any preferred model emerging (habitualisation). As the sector stabilizes and the impact of the shocks is understood better, attention focuses on those structures that seem to perform better. Organisations gravitate towards this successful recipe (objectification). Here, institutional regulatory frameworks and policy inducements can accelerate its adoption and perceived legitimacy. When these successful structures have become embedded over long periods, sector sedimentation has occurred and institutionalization is complete. Several, societal isomorphic pressures drive this convergence to a dominant model: *mimetic* (Sevon, 1996), where widespread copying (e.g., of the successful recipe) occurs amongst organisations; *normative* (Touron, 2005), where professionalization through standard creation (e.g., AACSB, EQUIS) and adoption (e.g., by B-Schools) becomes the aim for most organisations; and *coercive* (DiMaggio and Powell, 1983), where society (e.g., public sector financial cuts) and peers exert pressure on organisations to conform to their relative expectations.

Coercive pressures may be the most powerful convergent agents (Gomes et alia, 2008), though the separation and measurement of the impacts of the three pressures is tough, as they act in parallel, both separately and

together (Mizruchi and Fein, 1999). Survival and the perception of legitimacy are influenced highly by both informal and formal forms of coercion. However, tension is often created within organizations over a preference for efficient performance over such coercive conformity. So, organizational responses to coercion can vary greatly from passive acceptance to defiant denial (Oliver, 1991); with the type of response depending upon organizational market power, political self-interest, differentiating strategy, skepticism and control needs.

Many authors have used such neo institutional arguments to explain phenomena in education, particularly in business schools (e.g., Wilson and McKiernan, 2011). Here, the argument proffered is that all three isomorphic pressures have forced the B-School sector in the west into a form of 'global mimicry', where variety has been squeezed from the system, causing organizations to mirror each other. Here, coercive pressures of dependence and power have come from within institutions, where university's demand that business schools act as 'cash cows'; and outwith them, where competition or Government policy cause 'mimicry' in strategic responses. Normative pressures come in terms of professionalization especially the magnet of triple accreditation of courses by global bodies (i.e., AACSB, EQUIS, AMBA); the glorification of school image (e.g., by league tables from the Economist or Financial Times) and research rankings (e.g., UK's REF or Australia's ERA). Mimetic pressures are extensive and might follow lead models in MBA structure and content, the 'dictats' of journal editors, the prescribed use of English as a spoken and written language, and a focus on free market philosophy in teaching and case use. Consequently, the business school domain may have 'sedimented' around a global model, with much rich variety stripped from the product offerings in the process of convergence. To follow, the advent of MOOCs, hybrid learning systems and digital technology may be about to transform the sector, destroying the sedimentation phase and beginning a new phase of habitualisation and so a fresh process of institutionalization.

Singapore Context: The Macro-level

The Singapore higher education landscape comprises a significant publicly funded sector, with a total enrolment of 56,700 undergraduate degree

places from six autonomous universities (NUS, NTU, SMU, SUTD, SIT and UniSIM[1]). This is supplemented by a private sector, with a total enrolment of 54,000 undergraduate degree places in 2011 (Waring, 2014). Since 2000, Singaporean policy makers have made strategic policy choices to position the country as a regional hub for education or the 'Boston of the East' as then Minister for Education, Teo Chee Hean (cited in Gopinathan and Lee, 2011:293) remarked. The Global Schoolhouse strategy was designed to capture a larger share of the international higher education market by permitting foreign universities to offer their programs in Singapore. An ambitious target was set of attracting 150,000 international students to Singapore; though, this has been abandoned since. Nonetheless, there are now approximately 80,000 international students in Singapore, with around 40,000 of these studying for undergraduate degrees (Waring, 2014).

Since the 2011 General Election, when the ruling party's efforts to provide sufficient university places drew sharp criticism, Government policy has shifted from capturing the international student market to serving the local market, including the 26000 diploma students who graduate from Singapore's five polytechnics each year. This policy shift saw the formation of the Committee on University Education Pathways beyond 2015 (CUEP), following the election to identify the means for lifting the cohort participation rate (CPR) in higher education among Singaporeans from its current level of about 26% to 40% by 2020.

CUEP's Report discusses the potential for the private education sector to be provided with public funding to support university places. However the report notes that 'The PEI landscape in Singapore is large and of uneven quality' (CUEP, 2012:10). Accordingly, the private education sector in Singapore is to be subject to greater scrutiny and tighter quality controls in an effort to lift its perceived 'legitimacy'.

Singapore Context: The Meso-level

The private education sector in Singapore is a large, heterogenous industry comprised of private international schools, specialist foreign Universities

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[1] NUS – National University of Singapore; NTU – Nanyang Technological University; SMU – Singapore Management University; SUTD – Singapore University of Technology and Design; SIT – Singapore Institute of Technology

and institutions (e.g., INSEAD, DigiPen) and private education institutions (PEIs) offering a wide variety of vocational and tertiary qualifications. Unlike PEIs, international schools and specialist institutions that were invited by the Singapore Government to establish branch campuses under the Global Schoolhouse initiative are exempt from the Private Education Act 2009. This Act and its associated regulations were introduced in response to adverse publicity around degree mills and errant PEIs operating in Singapore. In one noteworthy case, a PEI (Brookes Business School) was found to be awarding degrees of the Royal Melbourne Institute of Technology (RMIT), without RMIT's knowledge or imprimatur (Davie, 2009).

The focus of the ACT, and the regulatory authority 'The Council for Private Education' that it established, has been to improve the financial stability and governance of PEIs. This aim has been achieved through registration and audit processes that have imposed a significant regulatory burden on the sector. The impact of this burden has been to reduce the number of PEIs from around 1200 to just 332 as at April 2013 (CPE, 2013). The number holding the coveted four year, *EduTrust* status (the highest mark of quality awarded by the Council for Private Education) is just 47.

The *EduTrust* certification scheme is a voluntary scheme managed by CPE, which effectively permits PEIs to recruit international students. It encourages PEIs to improve quality in exchange for the *EduTrust* certification and the market differentiation this provides. According to CPE, the PEI sector had a total enrolment of 227,000 students in 2012, with approximately 63% of this figure studying in *EduTrust*-certified PEIs (CPE, 2013). However this figure includes not just those studying higher education courses but also those students enrolled in vocational programs.

Education consultants have estimated the value of the higher education portion of the Singapore Private Education Sector at approximately $450 million Singapore dollars per annum (Parthenon, 2011). This significant size is a result largely of insufficient university places for students in the local publicly funded Universities. Approximately 40,000 domestic Singaporean students look to enroll in higher education in Singapore each year, but only around 14,000 students are offered places in the local universities. These

40,000 students are composed of school, polytechnic and ITE leavers, but do not include mature age students seeking to upgrade their qualifications.

Of these 40,000 students, around 12,000 are graduates of junior colleges (High Schools) while the majority (some 25,000) are diploma graduates of Singapore's five polytechnics. The remainder (3,000) are graduates from Vocational colleges (ITE and private schools). Approximately 6000 students leave Singapore each year to study offshore leaving a little over 20,000 students (14,000 find places in local public universities) to look to the private education sector to undertake University study. In addition to the domestic market, there are some 40,000 international students (from Indonesia, China, Myanmar, Malaysia, etc) studying for undergraduate degrees in Singapore - the majority of whom are studying in the private education sector.

Singapore Context: The Micro-level

Murdoch University, based in Perth and founded in 1975, is one of 39 Australian public universities. It first became involved in the provision of overseas education through its Business School in Singapore in 1991 with the Singapore National Employers Federation (SNEF). This was followed shortly thereafter with a foray into Malaysia, with Kolej Damansara Utama (KDU), KDU Penang, Sibu and Kota Kinabalu. All of the initial Transnational Educational (TNE) offerings were undergraduate business degree programs. The program at SNEF was staffed with Murdoch Lecturers on a fly-in-fly-out basis for some 12 years, before changing to the current franchise- model basis. The Malaysian programs were staffed on a blended model with local Lecturers supported by Murdoch Lecturers with a couple of fly in visits per semester. In total, Murdoch has been involved in TNE for 22 years. The University's TNE enterprise has grown from 585 students in 2005 (generating $1.2m in revenue) to 6700 students in 2015 (generating $14.5m in revenue in 2015).

Changing internal and external environments have necessitated a reconsideration of the way in which MU manages its TNE operations. How the University responds to these challenges will have far-reaching consequences, particularly for its perceived legitimacy by host

Governments as a preferred provider of Higher Education in their jurisdiction.

Remainder of the Paper

The remainder of the paper examines the propositions that:

a) Stakeholders hold 'baseline' expectations of the 'legitimacy' of universities of a binary nature; once met, other factors and characteristics contribute to institutional reputation. These other factors include but are not limited to; price, peer influence, program duration and student perceptions of teaching quality and program flexibility.

b) High levels of perceived 'legitimacy' may not be a pre-condition for institutional success.

To explore these propositions, we adopt an interpretative approach, drawing upon multi-sourced data collection process. This involved data compiled from public and private reports on TNE in Singapore; on a wide-ranging Delphi study of international experts conducted by the authors; upon interviews with key agents in the Singapore TNE domain and on a year long TNE Commission study sponsored by Murdoch University.

Our findings confirm the two propositions in the specific Singaporean case and so question the nature, scope and extent of 'legitimacy-building' devices in higher education in this city-state context. This result challenges the widely- held view amongst universities that 'legitimacy' enhancing devices like rankings and accreditation are necessary for market success, reputation building and the provision of a quality education.

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