A Service Eco-System View of HDA's in UK Higher Education: Emerging insights into value co-creation

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Research Title: A Service Eco-System View of HDA's in UK Higher Education: Emerging insights into value co-creation

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Extended Abstract

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Key words: Higher Degree Apprenticeships Service Eco-System, Value Co-Creation, UK Education, Service Dominant Logic

Introduction

This scoping paper is developed in response to Akaka, Vargo & Lusch's (2013) call for more contextualised studies of value creation that deeply explore how value is derived and determined across varied institutional arrangements. The conceptual mapping undertaken herein, positions UK Higher Degree Apprenticeships (HDA's) in relation to an emerging theoretical framework in the SDL tradition (Service Dominant Logic); namely the Service Eco-System View (Vargo, Akaka and Vaughan, 2017; Akaka and Vargo, 2015). As such this research project aims to offer insight into value creation in this particular context, as well as cast light on the complexity and contingencies involved in delivering new forms of Higher Education in the UK.

HDA Context and Background

HDA's are an emerging concept in the UK higher education marketplace. Newly launched as part of the incumbent Conservative party's reforms for higher education and the labour market, HDA's form part of the government's strategy to improve national productivity by creating a highly skilled workforce. Broadly defined, HDA's are apprenticeships where

employees are enrolled to undertake undergraduate or graduate degree programmes alongside their work. Accordingly they offer an alternative pathway to securing a degree than the traditional academic route, with the combined benefit of simultaneously securing valuable work experience and training. Designed either solely by universities to fulfil market need, or collaboratively with employers to tailor content and delivery to specific organisational and professional requirements, expectations for HDA's presently vary in relation to invested stakeholders. Amongst other things they are expected to meet economic needs, and those of employers; advance social mobility and diversity in a higher education context; create various pathways into the professions and highly skilled work; and "to imbue a vocational route to education with the prestige accorded to more conventional routes" (Office for Students, 2019). While relatively new, these programmes are beginning to develop a position in the HE marketplace.   However, the Government's target is to create 3million apprenticeships by 2020. And, while covering a broad range of provision and models, this ambitious number includes higher degree apprenticeships. In the academic year commencing 2016/17 current registered degree apprentices totalled 2580. Clearly the development and uptake of these programmes needs to gather pace and momentum to achieve the target.

Theoretical Framework and Application to the HDA context

Vargo, Akaka and Vaughan (2017) have recently mapped out the value in service eco-system. This follows the tradition of service dominant logic originally conceptualised by Vargo and Lusch (2004:2008) to illustrate how value is always co-created by multiple actors engaged in value creation networks, rather than simply exchanged between parties involved in mutually beneficial transactions (e.g., Bagozi, 1975).   In definition, a service eco-system "*is a relatively self-contained, self-adjusting system of resource-integrating actors connected by shared institutional arrangements and mutual value creation through service*

exchange" (Vargo & Lusch, 2016). Premised upon theories of service dominant logic a service eco-system, is deemed to hold four key characteristics, these are roughly described and briefly applied to the HDA context below.

(1) Value is phenomenological

This dimension of the framework relates to the way in which perceptions of value may vary across different actors involved in the service ecosystem. Due to the nature of HDA's the ecosystem is broad and diverse involving a range of stakeholders with varying levels of investment and power in their design, delivery and reputation. This includes amongst others: HEI's (Higher Education Institutes); sponsor companies who recruit and provide the learners to the programmes, as well as co-design the courses; student apprentices; HE tutors and administrators; taxpayers; UK news media; policy makers and political parties.

(2) Value is always co-created

Within this perspective all actors are active participants in value creation, albeit to varying degrees, as they invest and integrate resources within the service eco-system. To take a few examples from the HDA context, learners on the one hand, are able to integrate their industry knowledge and experiences form the workplace into their learning and teaching in the seminar room. While on the other, the news media hold the potential to shape the context for value creation, as well as influence popular opinion of this form of provision, from the stories they report and circulate through their publications.

(3) Value is multidimensional

For Vargo, Akara and Vaughn (2017:4) the eco-system is constituted by "individual, social, technological and cultural components". By nature, HDA's are highly complex and

multidimensional, with each component shaping the context in a variety of ways. For instance on the socio-cultural level, the HE system in the UK is arguably split with regards to the level of institutional relevance and fit of HDA's to the strategic context and mission of the various providers operating in this market. Presently these programmes are predominantly delivered by post-92 institutions -which are made up of previous polytechnics-, with Russel Group universities mostly continuing to focus on traditional qualifications and forms of delivery. In this respect, the perceived value of these programmes presently varies across the sector.

(4) Value is emergent

Within this theoretical perspective value emerges or dissipates in relation to interaction and is always contextually and temporally situated. For value of HDA's to be maximised in order to meet the governments ambitious targets for market penetration, all stakeholder interests need to be aligned around a common institutional goal over time. This is problematic, as even for providers involved in delivering these programmes, the competition with existing provision and that of resources is a key consideration that may potentially shape the perception of their comparative value within the portfolio of activities overall.

Future Directions

Moving forward this research project aims to identify and empirically assess how value is being created and negotiated within this particular educational context in relation to the range of actors involved in the design, delivery and consumption of HDA's. Through a number of different but related qualitative projects, key stakeholders with significant but varying investments in this form of provision will be interviewed or content analysed to assess their views and beliefs about their value in relation to more traditional modes of higher education

and training. This sample will include university providers and leaders of HDA's, the companies presently involved in supplying learners and co-designing these programmes, enrolled students, the news media, as well as UK taxpayers. It is anticipated that this will provide practical insight into how new forms of education are perceived and deliver value in the UK, as well as develop further empirical support of service eco-system theory in relation to service-dominant logic more broadly.

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