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2

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Postgraduate courses Added value

A new plan of action

Leaving university with large debts could discourage many students from pursuing a master's. So how can the sector stay competitive?

Stephen Hoare

The removal of the cap on undergraduate tuition fees from 2012 will see fees rise to a maximum of £9,000, the level set by elite universities who will be asked by the government to balance any rises by increasing the support they offer to students from poorer backgrounds.

Higher fees will inevitably impact on postgraduate courses where enrolments have been rising for the past decade, in part due to the UK's success in attracting international students. "It is difficult to predict how universities will respond, particularly as the immediate focus is on adapting to the funding changes taking effect in 2012/13. But the sector is aware of the potential impact on the delivery of postgraduate study," says Professor Steve Smith, president of Universities UK and vice chancellor of the University of Exeter.

Foreign students

The likelihood of falling demand from domestic students faced with the prospect of accumulating large debts and new visa restrictions on foreign students is a double whammy for the postgraduate sector. However, demand for specialist master's degrees continues to grow. "Taught master's programmes act as a bridge for an undergraduate looking to progress to the world of employment," explains Paul Layzell, principal of Royal Holloway University of London. Relevant for the new global world of employment, master's in business and finance are big revenue earners as they attract international students, who contribute about £5.3bn annually to the UK economy.

But the high demand for specialist master's could see more universities charging the full market rate. Cass Business School, part of City University, already charges £21,500 for its business and finance master's degrees. Other universities look certain to increase postgraduate fees sub-

stantially as the Higher Education Funding Council for England (HEFCE) reduces its support for postgraduate taught programmes. The size of these cuts is not yet known but Colin Stirling, the vice president for teaching learning and students at Manchester University, is prepared to speculate. "We're anticipating a 60% cut in HEFCE funding," he says.

So what options do universities have? Stirling believes we will begin to see universities developing more distance learning master's degrees for adults wanting to top up their professional development. However, online course content is no cheap option, warns Stirling. "An online master's degree will often be more expensive as you have to factor in the creation of teaching materials and online student support. But the attraction for students is they can spread their study over several years and build a career while they learn," he says.

The other change could be the growth in competition from private colleges. London-based BPP University College restricts itself to providing a limited range of business and law degrees. "We see working adults as a key part of our strategy going forward. Adults who want to improve their career prospects while continuing to work, studying in flexible ways which enable them to accelerate and decelerate learning according to their work commitments." Says BPP chief executive, Carl Lygo.

Universities assert that postgraduate degrees will still represent a good return on investment. "You have to remember that students won't start paying back their loan until they are earning more than £21,000. It is not as if they have to fund the costs of a master's degree up front," says Royal Holloway's Layzell. He adds that universities will need to sell themselves harder to prospective postgraduates. "Our role is to get students to understand the value of a campus experience and all of the networking opportunities that brings versus a budget experience."

'An online master's will often be more expensive as you have to factor in technical student support'



Over the past decade, the UK's universities, such as Royal Holloway, above, have been a popular choice for international students