

Do management practices matter in further education?

*Better management practices in further education colleges could help students from disadvantaged backgrounds. This is a pertinent issue as the share of students from disadvantaged families enrolling straight after GCSEs is about twice what it is in other educational settings. Improving college management practices could reduce inequality and improve social mobility, write **Sandra McNally, Luis Schmidt, and Anna Valero.***

In the first study to [evaluate management practices in Further Education \(FE\) colleges](#), published last week, we find that well run colleges boost student performance and can help close the gap between poorer pupils and their peers.

The FE sector plays a vital role in helping people acquire education and skills, in improving social mobility ([Augar Review, 2019](#)), and in “levelling up” opportunity across and within regions. FE and Sixth Form colleges enrol about half of every group completing compulsory full-time education at age 16, including a disproportionate share of students from disadvantaged backgrounds. FE colleges are also important for adults who wish to train and reskill. Despite their importance, we know relatively little about how to improve efficacy in FE colleges.

Our study is the first to evaluate management practices in colleges – and although its findings are inevitably specific to the institutional context of the UK, it also has relevance to institutions with similar aims in other countries (such as community colleges in the US). In addition to looking at overall performance, we also examine whether better management practices help students from disadvantaged backgrounds. This is a very pertinent issue as the share of students from disadvantaged families enrolling straight after GCSEs is about twice what it is in other educational settings.

We investigate whether management practices in FE colleges influence performance in 16-19 education. We collect our own data on management practices using the methodology of the World Management Survey (WMS) ([Bloom and Van Reenen, 2007](#)) as applied to the FE sector. These methods were first applied to the manufacturing sector in a handful of countries and have now been carried out across 35 countries worldwide and in a variety of sectors including schools, universities and healthcare (see [Scur et al. \(2021\)](#) for an overview). Across these different settings, good management practices are a key driver of performance.

In our survey, college principals are asked 21 questions about their management practices across college operations, monitoring, target setting and people/talent management, and each is scored between 1 and 5, where 5 indicates the college has fully adopted good practice. We link our survey data to administrative data for educational outcomes, progression and other important characteristics of these institutions and the people who attend them.

Our first key finding is that structured management practices appear to matter for educational achievement and progression to university education. For example, if the management score increases from an average of 4.28 (out of 5) to 4.64, the probability of a young person achieving a ‘level 3’ qualification (e.g. A-levels or BTECs) or going to university increases by 2 percentage points.

Our second main finding is that good management practices are more important for achieving a level 3 qualification for students from low-income backgrounds. In a hypothetical scenario where a learner is moved from a college with relatively poor management practices (i.e., 10th percentile) to one with relatively good practices (i.e., 90th percentile) they are eight percentage points more likely to achieve a level 3 qualification. This is nearly half of the educational gap between those from poor and non-poor backgrounds. The labour market return to level 3 qualifications is at least six per cent ([Machin et al., 2018](#)). Improving college management practices could reduce inequality and improve social mobility.

The effect on progress to university is driven by students who enter FE colleges with good GCSEs at age 16 and by institutions focused on higher education qualifications (Level 4 or higher, e.g., Foundation Degrees, HNCs, HNDs). Well-managed FE colleges have the potential to be engines of social mobility at this higher level, at least for those students who are already well prepared when they enter.

What factors lead to good management? We find that spatial competition from nearby colleges may help. Although good leadership is correlated with good management, we find that management practices do not simply reflect the influence of college principals or more effective leadership. Management practices can be thought of as a type of technology (Bloom et al., 2016), evolving slowly as particular leaders come and go. An important area for future research is to further explore the interaction between management practices and leadership styles, as we know that principals do matter for outcomes in this sector (Ruiz-Valenzuela et al. 2017).

This paper suggests good management practices at FE colleges play a big role in the prospects of young people in general, and those from disadvantaged backgrounds in particular. Furthermore, as 'good management' is slow-changing, any positive effects apply to new groups of college entrants each year. Improving management practices in colleges across the country could therefore be an important channel for reducing inequalities.



Notes:

- *This blog post was published first at the [CVER blog](#), of LSE's Centre for Vocational Education Research.*
- *The post represents the views of its author(s), not the position of LSE Business Review or the London School of Economics and Political Science.*
- *Featured [image](#) by [NeONBRAND](#) on [Unsplash](#)*
- *When you leave a comment, you're agreeing to our [Comment Policy](#).*