



## Negative Effects of Business-Driven Influence and Sequences in Vocational Education

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**SUMMARY:** Under the plausible pretext that vocational education should serve local businesses, certain negative effects are observed over time, especially where business has an extremely powerful influence on it. Problems detected are often defined as “brood parasitism” with mechanisms of hijacking the curriculum and pseudo technical and pseudo practical training, designed to serve employers’ needs. Thus, the VET lacks a significant amount of flexibility or transferability curriculum, dominated by concrete specific over the broad branch(sector) training, lacking broader theoretical vocational knowledge to enable participants transferable skills, than just knowing only a particular profession well-presented on the market. The combination of employer-centered curricula and students from low socioeconomic backgrounds, the system of VET acts as a mechanism for the reproduction of social inequality with subsequent socio-economic imbalances, and even to some extent to spiritual degenerate tendencies with ambivalent manifestations.

**KEY WORDS:** business-driven influence, imbalances, social inequality, vocational education.

### INTRODUCTION

The negative effects of a business-driven influence and commercialization paradigm in vocational education has been the subject of critical analysis for years. In *Haasler's* (2020) examination of the German vocational education and training (VET) system, the study identified gender disparities and the increased academization as barriers to low-achieving youth. *Haasler* (2020) critiqued how the system, traditionally seen as a means of social mobility, is now limiting opportunities for underprivileged students, particularly those from low socioeconomic strata (SES). *Locke's* (2019) doctoral research supports *Haasler* (2020), arguing that marketization reforms have led vocational educators to focus on serving business interests rather than student development. This shift has resulted in the "hijacking" of curricula, exacerbating social inequalities. Both studies highlight the growing disconnect between vocational training's original purpose and its current alignment with employer-driven goals. *Sevilla and Polese* (2022) further supported these critiques by emphasizing how curriculum tracking within VET creates social inequalities both within and between schools. *Del Cerro Santamaría* (2020) argues that neoliberal policies have led to an overemphasis on business-driven outcomes in higher education, a trend mirrored in VET systems. *Neves and Brito* (2020), while focusing on academic entrepreneurship, indirectly reflect on this issue by showing how education systems increasingly prioritize market goals over social welfare. Together, these studies suggest that the market-driven nature of vocational education entrenches poverty among low-SES students, challenging the idea of education as a vehicle for upward mobility.

### Empirical Review and Analysis

An empirical review of past studies underscores the reality of the correlation between VET paradigms and **low socioeconomic strata** (SES). *Girschik* (2020), *Williamson and Hogan* (2020), and *Silva-Laya et al.* (2020) have a common perspective on the challenges posed by the commercialization of education, although from different angles. *Girschik* focuses on how businesses attempt to maintain legitimacy in driving social change but reveals that commercial interests often dilute genuine social impact. The key variable here is relational work, which describes how businesses navigate the tension between social goals and profit-driven motives. In contrast, *Williamson and Hogan* (2020) argue that the rapid privatization of education during COVID-19 exposed how commercial entities, particularly tech companies, exploited gaps in public education. The key variable in *Williamson and Hogan's* (2020) study is access to technology, which underscores the growing educational divide between students of different socioeconomic statuses. *Silva-Laya et al.* (2020) further highlights that commercialized education systems tend to exacerbate inequalities,



particularly in urban contexts. The key variables in their study include all the systemic barriers, which limit opportunities for low-income students, reinforcing cycles of poverty. When cross-examining these perspectives, it becomes evident that while businesses may claim to address educational inequality, their profit motives often create deeper divides. Collectively, the authors underscore that the commercialization of education exacerbates social stratification rather than mitigating it, especially for vulnerable, low-income populations.

The perspectives of *Silva-Laya et al. (2020)*, *Williamson and Hogan (2020)*, and *Sevilla and Polesel (2022)* offer critical insights into the vocational education system and its impact on low socioeconomic status (SES) populations. *Silva-Laya et al. (2020)* emphasizes that systemic barriers in urban education often perpetuate cycles of poverty, especially when vocational training prioritizes business needs over student welfare. They also highlight access to quality education, which remains a significant challenge for low-SES students. Similarly, *Williamson and Hogan (2020)* critique the commercialization and privatization of education, arguing that market-driven reforms during COVID-19 deepened inequalities, leaving low-income students at a disadvantage in accessing vocational and technical skills. *Sevilla and Polesel (2022)* focus on curriculum tracking within vocational education, demonstrating how such systems, designed to cater to business interests, often limit upward mobility for disadvantaged students. *Del Cerro Santamaría (2020)* underscores that neoliberal policies further entrench these inequalities by emphasizing profit over equitable education. These perspectives collectively reveal that vocational education systems, particularly those influenced by commercial interests, disproportionately harm low-SES students by reinforcing existing socioeconomic disparities.

Moreover, *Kolho et al., (2024)* examine the connection between VET teachers' entrepreneurial teaching practices and students' learning needs, emphasizing that a mismatch can occur if educators focus excessively on business-driven competencies without addressing diverse student capabilities. This critique aligns with *McGrath et al. (2022)*, who advocate for the Critical Capabilities Approach in VET, which aims to develop learners holistically, enabling them to navigate the complexities of the modern workforce. The key variable in both studies is educational alignment, with *Kolho et al. (2024)* focusing on teacher-student dynamics, while *McGrath et al. (2023)* emphasize the broader capabilities needed to ensure vocational education is transformational. Both perspectives challenge the traditional view of vocational training as merely a tool to fulfill market demands, instead advocating for education that supports diverse learner needs.

*McGrath and Yamada (2023)* focus on emerging trends in VET that prioritize skills for development, asserting that vocational education should play a key role in reducing inequality and fostering inclusive growth. *Bettencourt et al. (2024)* expand on this by highlighting the participatory process in designing vocational policies in Europe's outermost regions, stressing that stakeholder involvement is crucial to aligning training with regional socioeconomic realities. Similarly, *Esmond and Atkins (2022)* argue that VET must balance between technical skills and broader social justice goals, cautioning against an overly narrow focus on welfare vocationalism. In the report the researchers explored inclusive growth and stakeholder participation, which they found to be both critical in ensuring that vocational education policies do not exacerbate inequality but rather support a fair and equitable system.

The predisposition of individuals from lower socioeconomic status (SES) toward vocational education and training (VET) often reinforces existing social inequalities, as seen in the structure and intent of many VET systems. *Young and Hordern (2022)* argue that the vocational curriculum is largely designed to meet employer needs, making it less flexible for students from disadvantaged backgrounds to explore other career paths. *Kreisman and Stange (2020)* note that while vocational education offers practical skills, its rigid focus on specific trades can limit opportunities for students to advance to higher-paying, non-vocational roles, thus reinforcing lower SES positioning. Furthermore, *Sevilla and Polesel (2022)* show how curriculum tracking in VET often leads to social stratification, with students from lower SES backgrounds being overrepresented in vocational tracks, which are seen as less prestigious compared to academic pathways. This systemic design perpetuates the cycle of poverty as lower SES students are often funneled into jobs with limited upward mobility.

The international transfer of VET models also reflects this predisposition, as *Li and Pilz (2023)* emphasize the challenges faced by students from disadvantaged backgrounds when these models are implemented in diverse cultural contexts. *Girschik (2020)* highlights how business-driven social change can legitimize the status quo, where VET is framed as a solution for workforce needs rather than a means for social mobility. This business-centered approach often aligns vocational training with low-wage, low-skilled jobs, limiting opportunities for students from lower SES backgrounds. As *Sevilla and Polesel (2022)* assert, these students face systemic barriers that make it difficult to break out of these educational tracks, reinforcing existing economic disparities.



Consequently, the vocational education system's emphasis on specific labor market needs over broader educational goals contributes to the continuity of low SES for many students.

## Survey of Secondary Data on Impact of Business-Driven VET

Several scholars suggest that the commercialization of vocational education and training (VET) might not be as detrimental as commonly portrayed. *Kreisman and Stange* (2020) argue that while VET may focus on specific trades, it can still provide a viable path for students, particularly those who may not thrive in traditional academic settings, to gain employable skills and secure stable jobs. *Li and Pilz* (2023) also highlight the successful international transfer of VET programs, noting that they often fill critical gaps in labor markets, providing essential skills that boost employment. *Young and Hordern* (2022) acknowledge the importance of vocational curricula in equipping students with practical knowledge, arguing that its alignment with industry needs ensures relevance in fast-changing job markets. *Bettencourt et al.* (2024) point to the potential of participatory processes in shaping effective vocational policies, ensuring that education programs address both societal and market needs. Moreover, *Girschik* (2020) notes that businesses engaged in relational work can legitimize social change efforts, which, when done correctly, may foster beneficial outcomes for low-SES students by aligning educational objectives with job market demands.

Additionally, *Williamson and Hogan* (2020) suggest that the privatization of VET during the COVID-19 pandemic helped maintain continuity in education, providing technological solutions where public systems faltered. *Kolho, Raappana, and Pihkala* (2024) demonstrate that entrepreneurship education within VET programs fosters innovation and adaptability, preparing students to navigate complex economies. *McGrath and Yamada* (2023) argue that commercialized VET systems can promote skill development, particularly in regions with high unemployment, thereby contributing to economic growth. *Sevilla and Polesel* (2022) note that while inequalities exist, the vocational system can provide students from low-SES backgrounds with tangible career paths that might otherwise be inaccessible. Lastly, *McGrath et al.* (2022) posit that VET, when integrated with a critical capabilities approach, can still offer transformational potential, ensuring that students develop both technical and broader critical thinking skills, thus contributing to more balanced socioeconomic outcomes.

However, despite some evidence that vocational education and training (VET) can provide pathways to employment, a closer examination reveals a persistent connection between VET and lower socioeconomic status (SES), particularly in terms of unemployment rates and limited upward mobility. *Manian* (2024) emphasizes that the commercialization of education exacerbates disparities by prioritizing profit over students' long-term success, often leading to higher dropout rates among low-SES students. Similarly, *Sevilla and Polesel* (2022) show that within-school tracking systems reinforce these inequalities, as lower-SES students are often funneled into vocational tracks that lead to lower-paying jobs with limited career prospects. In Thailand and Singapore, *Tarat and Sindecharak* (2020) note that VET systems contribute to higher unemployment levels for students from disadvantaged backgrounds, as these students struggle to find jobs in oversaturated markets, further entrenching poverty. The connection between VET and limited graduation percentages among low-SES students is a clear indicator that, while VET offers immediate skills, it fails to address long-term economic inequality.

Further, *Hillman and Bryant* (2023) point to the influence of corporate interests in shaping career and technical education, often pushing low-income students toward narrow, profit-driven tracks that limit their future opportunities. This is consistent with *Tarat and Sindecharak's* (2020) findings, which show that in countries like Thailand, students from poorer backgrounds face high unemployment rates after completing vocational programs, due to the limited scope of jobs available for their specific skills. *Sevilla and Polesel* (2022) further reinforce that the tracking system within vocational education not only lowers graduation rates but also locks students into poverty by restricting their access to broader educational opportunities. *Manian* (2024) highlights that even in the UK, commercialization leads to an educational hierarchy, where low-SES students receive substandard education and are more likely to end up in low-wage sectors. Together, these perspectives underscore the reality that VET continues to perpetuate poverty and limit social mobility for lower-income individuals.



Table 1. Summary of Empirical Survey Insights

Source	Key Variables/ Perspectives	Correlational Insights	Perspectives &	Conclusion
<i>Esmond &amp; Atkins (2022)</i>	Education, social justice, and welfare vocationalism	The vocational paradigm lacks social justice and is related to continued poverty.		Hypothesis on correlation of VET and SES supported.
<i>Hillman &amp; Bryant (2023)</i>	Education and business needs	Powerful corporations have continued to offer makeshift hyper-specialization that does not reflect the interest of poor people in society.		VET and SES hypothesis confirmed.
<i>Kreisman &amp; Stange (2020)</i>	VET and Social welfare outcomes	No gain from introductory vocational courses which limits student’s ability to use the courses to enhance welfare		The benefits of vocational education only accrue to those who focus on depth.
<i>Manian (2024)</i>	Commercialization of higher education and staff perspectives	Staff and learners think VET is used mainly as a revenue generation practice		VET and SES hypothesis confirmed.
<i>McGrath &amp; Yamada (2023)</i>	VET and skill development	The political economic of skills tradition has an adverse impact on the economic paradigm of societies dependent on VET		VET and SES hypothesis confirmed.
<i>Sevilla &amp; Polesel (2022)</i>	VET curriculum and socioeconomic inequalities – gaps in access	Social inequalities are espoused by the stratification of education which is anchored on the VET model		VET and SES hypothesis confirmed.
<i>Silva-Laya et al. (2020)</i>	Urban poverty and education	Education segmentation is worsened by VET commercialized model and this contributes to poverty		VET and SES hypothesis confirmed.
<i>Young &amp; Hordern (2022)</i>	Vocational pathways, skill route, and social integration	VETs lack the flexibility to provide skills needed for socioeconomic growth		VET and SES hypothesis confirmed.

Source: Author (2024).

The correlation between vocational education and training (VET) and low socioeconomic status (SES) has a direct impact on regional poverty, as VET often reinforces social inequalities by focusing on employer-driven skills that serve immediate market needs. *Smolarek and Scrivener (2021)* point out that business-driven reforms, such as UpSkill Houston, tend to perpetuate cycles of low-wage employment for low-SES individuals by preparing them for specific roles without broader opportunities for advancement. *Silva-Laya et al. (2020)* underscores that this focus on narrow skills within VET systems further deepens urban poverty, limiting students’ ability to access jobs that offer upward mobility. *Rintala and Nokelainen (2020)* argue that VET’s standing in countries like Finland may contribute to its challenges in attracting students from more diverse socioeconomic backgrounds, making it less likely to mitigate poverty.

In response to these challenges, stakeholders in education have begun reconsidering VET policies to address social inequalities. *McGrath et al. (2022)* propose a critical capabilities approach, which seeks to broaden the scope of VET beyond employer-centered needs, focusing instead on students’ holistic development and long-term social mobility. *Neves and Brito (2020)* further suggest that academic entrepreneurship within VET could open up pathways for low-SES students to create their own opportunities, thereby reducing reliance on low-wage jobs. *Haasler (2020)* discusses how the German VET system is undergoing reforms to integrate marginalized groups, such as low-achieving youth, in a way that offers more equitable opportunities. Together, these perspectives





highlight the need for a shift away from purely business-driven models to a more inclusive and equitable approach to vocational education.

Despite the valuable insights provided by existing studies, significant gaps remain in understanding the correlation between VET education models and low SES. Many studies focus primarily on immediate employment outcomes without examining the long-term socioeconomic mobility of VET graduates. Future research should explore how VET programs affect individuals' ability to transition to higher-paying jobs or further education over time. Additionally, more nuanced, cross-regional analyses are needed to capture how VET's impact on poverty varies across different economic contexts. *Silva-Laya et al. (2020)* and *McGrath et al. (2022)* highlight the need for more critical examinations of how policies can be restructured to focus on holistic personal development, ensuring that VET not only meets employer needs but also fosters broader socioeconomic progress.

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