



Effective Regulatory Framework in Higher Education - The Need of the Hour



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The roles of the Regulatory bodies need to be reviewed in order for them to act as true facilitators, and enablers. The current process of forming regulation and policy is a one-way communication from the government to the educator providers. Instead regulations and policy should be made in consultation and participation of all key stakeholders.

Except for funding sources and the variation of funds available, the differences between public and private universities are marginal, and those too artificial. The real distinction that needs to be looked towards is that between a good and a bad university or institution. There are clear examples that – “not all public universities are good and not all private universities or higher education institutions are bad”.

In fact, in countries around the world such as the United States, for-profit and non-for-profit institutions of higher learning exist side by side with each other in harmony. For profit institutions

need not sacrifice quality and ethics, with good governance and transparency, many of them have grown and maintain standards of accreditation, and produce excellent graduates.

The public universities are becoming ever more promiscuous in their pursuit of income. In America, ‘public university’ is fast becoming a figure of speech. At a university of Virginia, the share of the operating budget coming from the state declined from about 28% in 1985 to 8% in 2004-5.

THE REGULATIONS

The role of regulatory bodies should be to ensure fair-play, transparency and accountability. It should be non-intrusive and Institution-friendly.

Around the world there has been a change in the way to approach regulation, moving from an intrusive line by line prescribed rules, to a larger framework, which allows great room for innovation.

At entry level If there is adequate infrastructure and faculty for the institution to be able to deliver on its stated value proposition and are there processes in place that would ensure proper governance and keep a check on misuse and fraud.

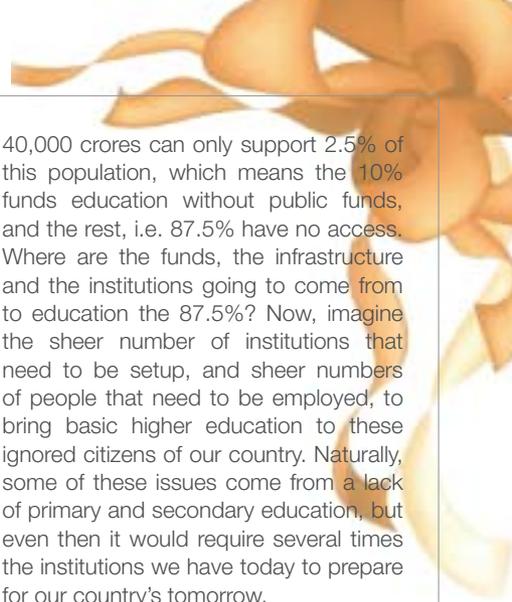
We have seen that the current frameworks in education are not working, and are not able to provide the kind, the quality, and the quantity our country needs to continue its growth and rise. With proper checks and balances and accountability we have a thriving sector that can become the envy of the world.

Why we are still mired in the thought process today, that as if anybody desirous of setting up an educational institution, is necessarily moribund without vision and need to be regulated to ensure that nothing wrong takes place. Rather there should be a system of incentivisation and consequences - incentives for those who do well, and consequences for those who do not act in the best interests of their students. As in any industry or sector, if an organisation wishes to be successful and be there for the long run, it needs to ensure that its customers are satisfied, and it is able to delivery on its promised value proposition.

Therefore, a regulatory framework is needed.

THE FOCUS AREA

All autonomous institutions providing degree and postgraduate diploma courses should come under base regulation. Affiliated colleges should be left to the concerned university to ensure minimum standards and quality. Institutions engaged in training and development and providing non-degree courses should be exempt. If the system is to be fair it must be applicable and acceptable to all institutions within the



“EDUCATION IS NOT THE FILLING OF THE BUCKET, BUT THE LIGHTING OF A FIRE”

- WILLIAM BUTLER YEATS.



country, leaving no room for “special cases.”

Instead of one monolithic body doing regulation, accreditation as well as financing it should be divided into four separate functions with applicable organisations.

Base Regulation: A macro level non-intrusive common regulation set that would ensure

That applicable disclosures and information are made to consumers of education in order to make informed decisions,

That a basic hurdle in terms of capital requirements is escrowed in order to proof ability to execute.

Accreditation Agencies: A number of independent, autonomous, accreditation agencies that with the participation of all stakeholders are able to maintain quality and different levels i.e. minimum accreditation base to be compulsory with higher levels voluntary.

There can be multiple accreditation agencies with adequate representation of all stakeholders to ensure competition between them and do justice to large numbers of institutions.

Accreditation agencies would check the process and the outcomes to the objectives of that particular institution, and not to accredited a programme per se.

Professional courses would come under the accrediting agencies purvey as well. But accreditation by the professional councils should be voluntary. Full disclosure of the status of these courses should be made.

Funding and grant agencies: These would be established and encouraged at levels, and would be either public or private. For example, in the case of public, they could be agencies established at the state and local level, and in the private sphere they could be sponsored

by commercial banks or philanthropic foundations. They would either provide funds and grants to institutions based on pre-established criteria or to students in the form of scholarships, fee subsidies and loans.

a) Each agency would develop its own criteria and norms for giving out funding and grants, based on the recommendations of its constituents (public, private or both) and the source of its funds.

b) Public agencies would be setup for different purposes, for example, the government could setup a education development bank along the lines of NABARD, or an agency setup to govern state directed funding to all public institutions.

c) Regardless of being private or public, agencies should be able to choose which institutions and students get the benefit of funds. For example, a public research-funding agency should be able to award grants to private institutions based on the merits of the proposals.

Independent Test Providers: There should be the flexibility for multiple test providers to emerge, with a view that the entrance testing does not require extensive coaching and does not interfere with the school education of students. These test providers could be both public and private, and institutions should be free to choose which test providers they accept. Institutions will arrive at a common set of accepted tests for each level, and test providers would be forced to maintain the quality and standards of their tests in order to preserve their reputation with the institutions.

THE HARD QUESTIONS

12.5% of the population between the ages of eighteen to twenty-three opts or has access to higher education. The investment by the government, Rs.

40,000 crores can only support 2.5% of this population, which means the 10% funds education without public funds, and the rest, i.e. 87.5% have no access. Where are the funds, the infrastructure and the institutions going to come from to education the 87.5%? Now, imagine the sheer number of institutions that need to be setup, and sheer numbers of people that need to be employed, to bring basic higher education to these ignored citizens of our country. Naturally, some of these issues come from a lack of primary and secondary education, but even then it would require several times the institutions we have today to prepare for our country’s tomorrow.

The government clearly does not have the funds or the resources to be able to pay for this vast expansion, and under the current framework, with huge hurdles and obstacles, and little incentive, private players are also unlikely to come in large enough numbers to fill the gap.

The supply and demand problem is not dissimilar to a few decades ago, where access to basic telecommunications and transport was abysmal. Just as vast amounts of capital was required to truly deliver on the promises of an industrialised modern nation, similarly to fund the education needs of our nature capital must be raised from every possible source. To take an example, for-profit accredited education institutions in the United States are allowed to list on the stock exchange and raise money from the public to provide quality customer driven education.

Hence there is a need for an alternative model especially to have scalability. The solution can only come in a complete reform of the regulatory framework that governs the education system in our country, and a rapid and urgent move away from the license and quota raj attitude and practices not have hobbled the sector. We owe it to the future generations of our nation, and we owe to ourselves, without education our country will not have the foundation to reach the aspirations of its citizens. And of course, when it comes to regulation, “If in doubt regulate less and not more.” \\\

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