

“PUBLIC-PRIVATE PARTNERSHIP (PPP) FOR PROMOTING HIGHER EDUCATION”

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Resource crunch is a major problem faced by all governments world over. PublicPrivate Partnership (PPP) has been considered the best solution to this problem. It basically means utilization of private capital and other resources such as technical expertise for national development. PPP is essentially a long-term partnership between the government and the private sector and is usually a complex relationship between both the sectors; the monitoring and setting up of the norms related to quality are generally set up by the public sector and the operation and management often rests with the private sector; the risk is divided between both. PPP in higher education would bring benefits of saving resources and time; improve efficiency of the system; improve performance and promote autonomy which will ensure high quality in higher education. PPP in higher education is also a part of the role and functions of private and public sectors in the all-round development of educational system. The present paper emphasizes on the role of PPP in promoting higher education.

Keywords : Public Private Partnership (PPP), Models of PPP in Higher Education, PPP strategy to promote higher education, Advantages of PPP .

Introduction : ‘A cooperative venture between the public and private sectors, built on the expertise of each partner, that best meets clearly defined public needs through the appropriate allocation of resources, risks and rewards.’ **Canadian Council for PPPs**

Indian higher education system has undergone massive expansion in post-independent India with a national resolve to establish several Universities, Technical Institutes, Research Institutions and Professional / Non-professional Colleges all over the country to generate and disseminate knowledge coupled with the noble intention of providing easy access to higher education to the common Indian. The Public initiatives played a dominant and controlling role in this phase. Most of the Universities were Public institutions with powers to regulate academic activities on their campuses as well as in their areas of jurisdiction through the affiliating system. Even the private institutions enjoyed large-scale financial support in the form of grants from the public exchequer. Private funds as well as individuals played key roles in the cause of higher education. With the public funding being no more in a position to take-up the challenging task of expansion and diversification of the higher education system in the country to meet the continuously growing demands at present, there is little option other than bringing in private initiatives in a massive way to meet the various challenges. The deregulating mechanism of controls started with the granting of “Autonomous Status” to identified Colleges in the 1970s.. Some of these Colleges have graduated further to receive the “Deemed to be University” status in later years. Now, the country is on the threshold of the establishment of Private Universities in different States.

PUBLIC PRIVATE PARTNERSHIP (PPP)



The Government of India policy document provides a comprehensive definition of PPP:—Public Private Partnership means an arrangement between a government / statutory entity / government owned entity on one side and a private

sector entity on the other, for the provision of public assets and/or public services, through investments being made and/or management being undertaken by the private sector entity, for a specified period of time, where there is well defined allocation of risk between the private sector and the public entity and the private entity receives performance linked payments that conform (or are benchmarked) to specified and pre-determined performance standards, measurable by the public entity or its representative.

1. It is an arrangement between a public and private entity
2. Provision of assets and services is its main aim
3. Investment is made by the private entity
4. The project may be managed by the private entity or by the public entity or by both –that differs from project to project.
5. A time limit is specified for the project – it is not a perpetual project – it will definitely end at some point of time
6. Risk is allocated between the public and private entity – mere outsourcing can't be considered as a PPP project.
7. Private entity receives performance linked payments

8. Performance must conform or benchmarked to specified and predetermined performance standards
9. And the performance standards must be measurable by the public entity or its representative.

MODELS OF PPP IN HIGHER EDUCATION

The following are the models of PPP which are commonly used for the improvement of quality in higher education.

- **Basic Infrastructure Model:** The private sector invests in infrastructure and the government runs the operations and management of the institutions in turn, making annualized payments to the private investor.
- **Outsourcing Model:** Private sector invests in infrastructure and runs operations and management and the responsibility of the government is to pay the private investor for the specified services.
- **Equity/Hybrid Model:** Investment in infrastructure is shared between government and private sector while operation and management is vested with the private sector.
- **Reverse Outsourcing Model:** Government invests in infrastructure and the private sector takes the responsibility of operation and management.

PPP STRATEGY TO PROMOTE HIGHER EDUCATION

The following are list of PPP strategy which can be used to promote the higher education.

1. It is the primary responsibility of the State to provide the eligible with good quality higher education at reasonable cost. There shall be no withdrawal of the State from this responsibility. In fact, the investment in this area by the State shall be stepped-up to 3% of the GDP. This is essential for the intellectual strength of the State to address equity concerns.
2. A huge dedicated fund say, **National Human Resource Development Fund**, to the tune of at least one- percent of the GDP, may be created to tackle the equity problems. It shall be the accepted principle that 'no talented person shall be denied access to higher education opportunities on the grounds of economic and social backwardness'. This fund may be dedicated to offer direct financial support in the form of scholarships, partial financial assistance and educational loans to students directly, based on the criteria of talent and financial and social backwardness. A well-designed mechanism to spot talents in different disciplines of knowledge is needed for this purpose. Further, foolproof

criteria to determine financial or any other social backwardness is required.

3. Taxing the individuals, who had the benefit of the State resources in the past for their education, and the industries, which are likely to derive advantage from good human resources, are the options for creating such a fund. While it is difficult to arrive at an ideal solution to the equity problems, the absence of a credible and efficient method of addressing these problems will lead to lowering of the quality of human ware and large-scale discontent. The society may be the ultimate looser.

4. Industries may be encouraged to be partners with educational institutions directly for the development of human resources dedicated to their interests. This could happen in the areas of creating infrastructure, faculty sharing and direct support with funds. The UGC may set-up a High Power Committee to explore these possibilities and to workout the modalities for such a partnership.



5. The industries belonging to a specific discipline or related disciplines shall be encouraged to establish state of the art Research and Training centres to develop the necessary specialized man power. Automobile industry is a case point. Existing Public and Private Institutions and possible new Institutions may generate ample provisions for partnerships in this regard. A Committee shall work out the modalities and norms for this.
6. The areas not capable of attracting private funds shall be supported sufficiently well from public funds. This, as indicated earlier, is essential for the balanced intellectual growth of the society.
7. Industries and individuals may be encouraged to channel a percentage of their profits to the higher education sector, with no strings attached to such contributions. Viable incentives may be offered for attracting such investments from the private resources. A Committee may work out the modalities.
8. Strong quality control measures to assure performance above an acceptable benchmark is essential for the institutions. We are at the moment weak in this regard. The various rating agencies shall evolve scientific, transparent and consistent benchmarking techniques for this purpose. A regulatory system to ensure compliance to the set bench marking is needed with sufficient powers to close down non-complying institutions is a need of the hour. The Higher Education Policy needs to incorporate such features in it in the interest of the nation.

9. A Total Quality Management for courses offered, monitoring the achievement of the students at all stages of the course, shall be introduced at all higher education institutions.
10. An accreditation system for individuals in various disciplines may be thought of Indeed, GATE and NET examinations with limited objectives are forerunners of such a system. The performance of students in such examinations may be made an important parameter for the accreditation of the institution.
11. The idea of allowing students to do Diploma or Certificate courses side by side with their Degrees, recently put forward by the UGC, is a welcome step towards empowering the students to take-up work soon after their Degree courses. This is an area where private initiatives can come up to augment the activities of the Colleges. The Colleges can develop in-house faculty and other facilities for this purpose and make these facilities available at a reasonable cost. Such a measure will turn around many Colleges from the non-performing class to the performing class. There shall be a mechanism to accredit these courses and facilities to ensure quality. This is an area where public/private partnership has a creative role to play.
12. It is important to realize that we live in a fast changing world, dictated by the developments in technology. Quick access to information has made knowledge creation fast, and the multiplier effect has made it even explosive. It is increasingly difficult to anticipate changes and respond to them with creative purpose. Designing courses with relevance to the future and developing the necessary manpower to deliver them is a challenging task. All this calls for a team of professionals in different areas to come together to develop proactive strategies for higher education to meet the future demands. A Strategy Planning Body and an Institution to design and develop futuristic courses for transferring them to the Universities and Colleges may be created.
13. Good Faculty is a must for any higher education institution aspiring for Quality. It is high time that an **Indian Higher Educational Service**, along the lines of the IAS, is formed. This has the advantage of quality control of the teaching faculty for higher education. A new Human Resource Development Policy shall be evolved to facilitate this. This could assure that there is continuous infusion of young blood in to the teaching cadre; which is not happening at the moment. With some restrictions on faculty appointments, the present evil of inbreeding can be eliminated. The inbreeding has destroyed many departments at Indian Universities.
14. Private Universities are a reality now and, as such, strong regulatory mechanisms are to be put in place immediately to monitor and control their activities with the objective of ensuring quality and social accountability. Higher education is a Public Good and cannot be left to the market forces to control. Those who venture investment in this area shall be properly scrutinized. Those with commercial interests dominating over the interests and ethics of higher education shall be eliminated.
15. The present archaic administrative practices need a thorough reform. A healthy Public/Private partnership can do much in this regard by way of exchanging good practices. A management system, lean but professional, making use of modern communication and information technologies is required to facilitate quality higher education.
16. According autonomous status to all performing institutions will facilitate rapid Development of efficient and state of the art higher education institutions.
17. There shall be a dominant role for genuine academics in the governing structure of higher education institutions. The proposed regulatory mechanism shall have instruments to ensure this.

ADVANTAGES OF PPP

The following are the advantages of involvement of PPP in promoting the higher education.

- improve the quality of spending by lifting the efficiency of service delivery and by allowing better targeting of spending;
- allow governments to take advantage of specialised skills from the private sector;
- allow governments to overcome operating restrictions such as inflexible salary scales and civil service restrictions;
- allow governments to respond to new demands and facilitate the adoption of innovations in service delivery and experimentation;
- permit economies of scale;
- allow governments to focus on those functions for which they have comparative advantage;
- increase access to services, especially for those groups who have been poorly served under traditional forms of service delivery; and
- increase transparency of government spending by making the cost of services more visible.

Conclusion Indian higher education system has undergone massive expansion in post-independent India with a national resolve to establish several Universities, Technical Institutes, Research Institutions and Professional / Non-professional Colleges all over the country to generate and disseminate knowledge coupled with the noble intention of providing easy access to higher education to the common Indian. The Public

initiatives played a dominant and controlling role in this phase. In order to achieve the goal of increased access to higher education by all sections of the society and in view of the limited financial resources with central/state governments, newer models of private sector participation may need to be evolved with well defined policies, facilitative norms and monitoring mechanisms. Private support can thus

help governments overcome financial, administrative and technical constraints. Several factors have encouraged this trend the growing demand from beneficiaries for quality in education; rising incomes; lower cost of student financing; new skill demands from the marketplace; declining public sector expenditures, and others.

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