

Private Higher Education as a Public Concern

**Business as unusual – Private Higher Education in Europe: Fact –Finding,
Experiences, Pathways
7 May 2009, Vienna
Ada Pellert**

Deutsche Universität für Weiterbildung

Berlin University for Professional Studies

Seen from a theoretical point of view...tricky landscape

- **We have to be very precise...**
- **What is private – what is public, what is not-for-profit, what is for-profit**
- **What is the public good, what is a public good – no clear definitions**
- **a lot of ideology, a lot of cultural heritage, a lot of culturally bound assumptions**
- **A personal and pragmatic approach**

Differences (cf. Pechar, Hans)

- For profit vs not for profit
- Private not for profit vs public not for profit
- State agency vs public enterprise
- No economic „laws“, but political decisions
- Different national situation: eg. US, Japan, Germany/Austria, etc.

Personal Approach

- ..will not tackle with the underlying political, philosophical and economic debates on the strengths and weaknesses of markets, concepts of education, views on mankind...)
- ...but start from the typical situation of the german speaking context (huge public and small private sector, reforms in governance, financial indicators, contract management, quality assurance)

Personal background

- years in public universities
- as a professor and manager (->different perspectives!),
- in a public, but privately financed university (Krems) and
- a private university for professional studies, Berlin (public-privat partnership-model)

The system level – status quo

- **A certain phase of transition (Burton Clark`s Triangle) on the level of coordination of national higher education systems**
- **increase institutional autonomy**
- **Change in governance Model - quality assurance**
- **Diversification**
- **Debate on the role of the state**

Institutional level – status quo

- Universities are expert organizations
- experts tend to ignore the needs of society and the needs of the organization
- Fragmented, loosely coupled organisations, high autonomy of the expert
- supply oriented - not demand driven
- grass root change processes, institutional change extremely difficult
- Change has always been forced from the outside

Expectation towards more private involvement

- **bring in new stakeholders**
- **enlarge capacities**
- **increase consumer orientation**
- **diversification of organizational models**
- **fueling competition - fostering efficiency**
- **Support for taking individual responsibility**
- **development of a civil society**

Stock taking - reflecting first experiences

- helps a lot in learning to be more precise:
- what is needed to be a good university – criteria of accreditation and quality assurance
- which function can be more easily run in a private form (eg postgraduate education)
- who is a potential sponsor
- how can one attract good staff,
- how to avoid commercialization, how to avoid bureaucratization

Learning experiences

- Increase cost consciousness
- What are the specifics of universities (vs other educational institutions)
- What are the specific functions of universities in contemporary societies
- Tackle with the tension field between education and economy

Public role of private universities?

(in a certain national context/in a certain historical phase):

stimulate the debate (private/public economic and social benefits)

learning about customer orientation and dealing with the demand side

stimulate the creation of different institutional profiles

foster private involvement

Suggestion for the further developments

- **More contacts – more permeability**
- **Diversification of institutional profiles**
- **Coherent political approach for tertiary education**
- **coherent financial incentives structures**
- **using the new modes of governance – contract management**
- **setting transparent rules of the game**
- **Make implicit assumptions more explicit – be more precise...**