

asked to take over the reins of a weak and struggling university and introduced a new pro-vice chancellor, chief operating officer, and registrar, among others. One leader threatened to resign unless powers to select top-team members were transferred exclusively to the vice chancellor.

Collegiality does not necessarily mean that everyone makes decisions. This assertiveness by British heads is quite recent. Thus, at UK research universities, power to select top management teams is slowly following the US policy. In the United Kingdom, it is more common for heads of new universities (those established from polytechnics after 1992) to have direct powers to hire top-team members.

The traditional and largely continuing European approach involves appointment through a process of faculty elections. This practice has been criticized because, again, it substantially weakens presidential powers, inhibits organizational change, and favors the status quo. One former and very experienced US dean said he was strongly opposed to faculty making the selection of provosts or presidents, and he went on to say, "I am against the notion of democracy." This is noteworthy because many academics construe universities to be collegial and therefore nonhierarchical, with democratic decision-making structures. This former US dean argued that universities are at least as hierarchical as the military, and our obsessive labeling would imply this is the case ("Professor Dr Dr" is not an uncommon title in Germany).

Leaders do need power. The executive powers given to university presidents in the United States extend far beyond those conferred on European rectors, although vice chancellors in the United Kingdom are becoming more assertive. The world's outstanding research universities are located in the United States. These top institutions outperform their European counterparts. Presidents having adequate clout in meritocratic organizations may explain some of this difference. ■

## A New Direction for Private Higher Education in India

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**I**n India private higher education accounts for more than a third of overall enrollment and about four-fifths of enrollment in professional higher education. Although the country has a long history of institutions entirely funded through private initiatives, frantic growth of private institutions is a recent

phenomenon. Currently, the established private institutions are consolidating their positions and gain scale by setting up new campuses, establishing new programs, and expanding into new geographies. As a result, chains of private institutions are emerging.

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While earlier a few trusts and philanthropic societies with broad representation of a community or a religious group used to set up such institutions, now most of such chains are family owned. Rather than being on the fringes, these new establishments are in mainstream higher education and distinct from chains of training centers built for instance by the National Institute of Information Technologies that achieved scale in the information technology training segment through its innovative model of franchising. Most of the chains had modest beginnings (with a few students graduating from the school to the higher education sector) and grew over time. And now all of them are onto major expansion spree.

### EARLIER INITIATIVES

The Birla Institute of Technology and Science, Pilani is one of the oldest and perhaps the most prestigious of these chains and has retained its leadership through differentiated programs and strong industry linkages. It started in the early 1900s as a small school and blossomed into a set of colleges for a wide range of subjects ranging from humanities to engineering until 1964, when these colleges were amalgamated into a private university. By setting up campuses at Goa and Hyderabad in India and at Dubai abroad, the Birla Institute is now a multicampus university with about 9,000 students and 19,000 students enrolled in off-campus work-integrated programs.

The Manipal Education Group, with Manipal University as its flagship, is a leading player in professional education and distance learning in the country today. The group started with a medical college in 1953 and now has 24 colleges with an enrollment of over 80,000, in a range of subjects at all levels—making Manipal, a nondescript small town on the south coast, a major higher education hub. From its initial narrow focus on engineering and medical programs, it now offers programs in humanities and social sciences. The group was early to recognize the global opportunity and effectively leveraged its brand equity and experience for international expansion. It is spending US\$90 million to upgrade its Manipal facilities and setting up four campuses, investing about US\$25 to 30 million on each campus in India. To consolidate its overseas presence in Nepal, Malaysia, and Dubai, the group acquired the entire

stake of American University of Antigua and entered the Caribbean medical market in 2008 and soon plans to enter Oman, Indonesia, and Vietnam. The group's international operations contribute to more than 50 percent of its revenue.

From targeting foreign students when it began, the Pune-based Symbiosis that started in 1971 has 33 institutions in 9 campuses, enrolling 45,000 students on campus and 100,000 students in distance-learning programs. It was granted deemed-university status in 2002. In recognition of the fact that it enrolls students from over 60 countries, the institution renamed itself as the Symbiosis International University in 2006. The Apeejay Education Society, which started with schools about 40 years ago and later expanded into higher education, has 13 institutions of higher education enrolling 32,000 students in 80 courses across the country.

#### NEW INITIATIVES

The Institute of Chartered Financial Analysts of India (ICFAI) was established in 1984 to impart training in finance and management to students, working executives and professionals, and the CFA Program (popular abroad) in 1985. It now has seven private universities in Uttarakhand, Tripura, Sikkim, Meghalaya, Mizoram, Nagaland, and Jharkhand under its fold, and another three are planned in Rajasthan, Chhattisgarh, and Punjab. Each university is a separate and independent legal entity and offers programs at bachelor's and master's levels at a full-time campus and through flexible learning formats in a wide range of subjects. Though a late entrant, the ICFAI universities have now become the largest chain of universities with pan-India presence, enrolling several hundred thousand students.

Amity University, which started just a decade ago, has two universities and 70 institutions that cater to 50,000 students in 130 different programs, from sciences to humanities to media. It has spent around US\$220 million so far, plans to invest around \$450 million in the next two to three years and to increase the student intake to 500,000 in the next five years. It claims to have consistently grown at 50 percent annually for the past five years and plans to double every year now—both in terms of student intake and revenues.

Coimbatore-based PSG Group, which has 10 colleges with an enrollment of 16,992 students, expects to establish a university soon. The Bengaluru-based Jain Group has 21 education institutions with an aggregate enrollment of 16,400 students and 1,750 employees and plans 100 colleges within the next 10 years.

In each state or region, new chains of institutions are emerging. Even the states that were laggard in private professional education have embraced private growth for pragmatic reasons. West Bengal has the Techno-India Group, with 14 professional institutions including institutions at Mumbai, Delhi, and Bengaluru under its fold.

#### FUTURE OF PRIVATE CHAINS

The operation of private institutions tied together in a chain is dictated by operational efficiency and marketing strategy. Such institutions are put together under one brand name. This is not just a marketing ploy but also a strategy that declares their product is working and can now be offered, through institutional cloning, to populations that cannot reach the initial places.

Though only some of the multiple sites may have some autonomy, the core idea is a rather standard package for curriculum, pedagogy, hiring, and admissions to attain higher operational efficiency. As the chains expand nationally, they tend to use an operational management framework for general business organizations by adopting standardized processes.

In such institutions the main source of funding—both to meet recurrent costs and capital costs for expansion—come largely from fees. Due to economies of scale and growing demand, they are able to generate huge surpluses from their operations. Most of the revenues are ploughed back in expansion and consolidation since the Indian tax laws bind the nonprofits to reinvest rather than share their surplus among promoters. As a result, such chains of institutions would keep on expanding and would be a force to reckon with in the Indian higher education in the times to come. ■

## Private Higher Education in Colombia: Problems and Achievements

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Within the Latin American context, Colombia has long been a country leader in diversified private higher education development. In fact, during its history Colombian higher education has had as much as a 68 percent private sector, historically paralleled only by Brazil and in recent decades by Chile. The private institutions became Colombia's majority sector in 1975, but already during the 1960s this part of the system was striking for its size. Today, private enrollment represents almost half of total national enrollment. A decline from