

**REGULATION OF NON-STATE HIGHER EDUCATION AND  
APPROVAL TO USE THE TITLES “UNIVERSITY COLLEGE” AND  
“UNIVERSITY”**

**Proposal Submitted By**



**SRI LANKA ASSOCIATION OF NON-STATE HIGHER EDUCATION  
INSTITUTES**

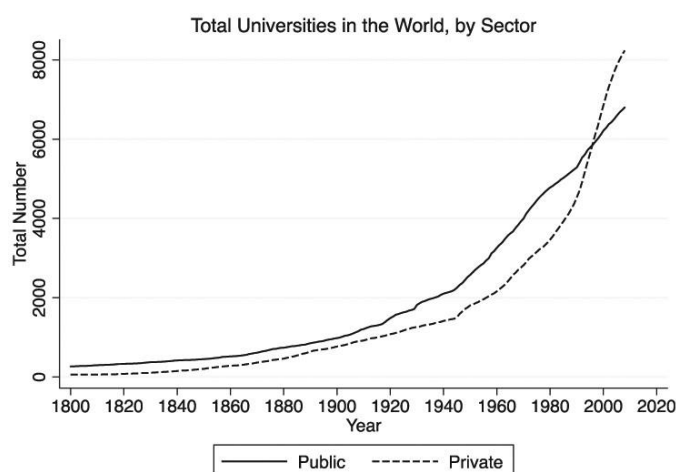
March 2023

## REGULATION OF NON-STATE HIGHER EDUCATION AND APPROVAL TO USE THE TITLES “UNIVERSITY COLLEGE” AND “UNIVERSITY”

### Preamble

#### Global Growth of Private Higher Education

Global higher education has grown rapidly over the last few decades both in terms of student numbers and higher education institutes. An interesting trend is the rapid expansion of the private higher education sector. Since the year 2000, the number of private higher education institutes has exceeded the number of public higher education institutes globally.<sup>1</sup>



Recent studies have shown that, today, 1 in 3 students is enrolled in private higher education institutes.<sup>2</sup> The reason for the growth of private higher education is evident; with high numbers of students seeking higher education, governments have been unable to expand their provision to meet the demand.<sup>2-4</sup> Justifiably, the private higher education institutes have moved in and absorbed a large part of the demand. As a result, the student enrolment in higher education (gross enrolment ratio – GER) across the world, and particularly in Asia and Latin America, has grown considerably.

#### Growth of Private Higher Education in Asia

A significant contribution by the private sector to higher education enrolments has been observed in Asia (42.1%).<sup>2</sup> As presented in the table below, in several Asian countries, private higher education institutes (PHEIs) dominate the higher education sector in terms of student enrolment and the number of institutions.

| Country           | Enrolment in PHEIs as a percentage of total enrolment | PHEIs as a percentage of total higher education institutes |
|-------------------|---|--|
| Japan             | 73.9%   | 78.0%  |
| Republic of Korea | 77.0%   | 85.4%  |
| Indonesia         | 58.1%   | 90.7%  |
| India             | 66.4%   | 77.8%  |
| Philippines       | 54.0%   | 72.2%  |
| China             | 24.2%   | 25.4%  |
| Malaysia          | 42.8%   | 72.9%  |

*Table 1: Enrolment in PHEIs<sup>6-12</sup>*

This growth became particularly evident after the end of the 20<sup>th</sup> century when many Asian countries liberalized their higher education provision and recognized the private sector through acts of parliament.

### Growth of Non-State Higher Education in Sri Lanka

In Sri Lanka too, the inability of the state sector to meet the increasing demand for higher education and the opening of the economy in the late 1970s created a fertile ground for the emergence of non-state higher education. The successive governments, taking a far-sighted view, encouraged the growth of non-state higher education. Tax concessions were granted, and impediments were removed though these fell short of formally recognising the non-state sector and permitting the establishment of non-state universities.

At present, with the annual student enrolment exceeding 20,000, the non-state higher education sector makes a substantial contribution to meeting the demand for higher education in Sri Lanka. Moreover, with several hundred local and foreign degree programs on offer, the non-state sector has made a singular contribution to diversifying higher education and meeting the varied manpower needs of the industry and commerce.

### Regulation and Recognition of Private Higher Education

Transformation of higher education is taking the world by storm, and rapid expansion of private higher education is at the forefront of this revolution. We cannot shy away from this reality. The debate about private institutions should no longer be on their necessity or relevance, but on how regulatory frameworks can be best used in achieving broader societal goals.

When a government recognizes and regulates private higher education through legislation, the quality and standard of private provision improves and public confidence in private higher education increases. This helps the expansion of the private higher education sector to make an increasing contribution to the growth of student enrolment in higher education.

Data available for India, China, and Malaysia, for example, indicate that the introduction of legislation for the recognition of private higher education has underpinned the accelerated growth of the private higher education sector leading to an overall increase in student enrolment in higher education (Gross Enrolment Ratio – GER).

India is the country with the largest private sector with more than 12 million students comprising 21.9% of global private enrolment. Over the years, India's GER has grown from a mere 10% in 2001 to 26.3% in 2019. This growth followed the recognition of private higher education institutes by the UGC regulations (Establishment and Maintenance of Standards in Private Universities) in 2003. Today, there are 421 private universities in India. As much as 77.8% of the educational institutions were privately managed accounting for 66.4% of the enrolment as of 2019.<sup>8</sup>

China too has moved to mass higher education. Following the decision on expansion in 1999, private universities in China accounted for about 6.6% of student enrolments in 2006.<sup>12</sup> The private enrolment figure grew to 19.6% by 2010, making China the world's 4<sup>th</sup> largest in terms of enrolment in private higher education.<sup>2</sup> Their GER, which was around 6% in the late 90s, moved to 20% and 24% by 2006 and 2010 respectively. At present, the GER of China stands at 58%.<sup>5</sup>

China has become a global leader in higher education with 95 universities in the Times Higher Education World University Rankings 2023; of these, 7 were in the top 100. Moreover, China hosts 131 international branch campuses, the highest in a single country.<sup>14</sup> In 2018 there were a total of 492,185 international students from 196 countries/areas pursuing their studies in 1,004 higher education institutions in China.

In Malaysia, GER jumped from 11% in 1995 to 22% in 1998.<sup>13</sup> This quantum leap is attributed to the liberalization of higher education through the Private Higher Education Institutes Act of 1996. At present, GER in Malaysia exceeds 48%.

Presently, Malaysia's higher education system comprises 20 public universities, 58 private universities (including ten branch campuses of foreign universities), 33 private university colleges, 36 public polytechnics, 99 public community colleges, and 345 private colleges. Competition among the 78 universities, both public and private, is intense. This has resulted in improving the quality of provision leading to rising university rankings and attracting foreign students. Not surprisingly, 18 Malaysian Universities appeared in the prestigious Times Higher Education (THE) World University Rankings in 2021;<sup>15</sup> and over 120,000 international students from more than 130 countries study in Malaysian higher education.

Interestingly, a few decades ago, the higher education in Malaysia was like the higher education in Sri Lanka today. Therefore, Malaysia's higher education growth trajectory over the years to become one of the most robust in the world deserves closer scrutiny.

## Proposal

Recognition of the non-state higher education institutes in Sri Lanka through legislation together with provision for the establishment of non-state universities is long overdue. Such recognition would result in greater private investment in and rapid expansion of the non-state higher education sector while enhancing the quality of the education service. Further, this will contribute to a significant increase in student enrolment in higher education (GER) as well as attracting foreign students and foreign direct investment (FDI).

## Quality Assurance and Accreditation of Non-State Higher Education

Many non-state higher education institutes operate in the country at present. Whilst some are highly responsible, the presence of a few unscrupulous operators cannot be ruled out. Prospective students and their parents have difficulty in identifying the quality education programs.

There is an urgent need to establish an independent quality assurance mechanism to accredit non-state higher education institutions and their programs and make public statements regarding accreditation status. This will engender public trust in non-state higher education and help prospective students to select quality education programs with confidence.

Accordingly, it is proposed that all non-state higher education institutions that offer local and/or foreign study programs leading to certificate, diploma and degree qualifications be accredited as outlined below.

Technical committees comprising relevant experts appointed by the 'quality assurance body' could evaluate institutions and programs on relevant criteria, and those institutions and programs that meet

the prescribed standards/norms in relation to each of the criteria could be declared as ‘accredited’. The accredited institutions and programs will be published in the government gazette and on the website of the ‘quality assurance body’ for public information.

Accreditation is usually valid for a specified period (e.g., 5 years), and therefore the higher education institutes should be required to go through periodic reaccreditation to maintain the accreditation status.

In accreditation, there appears to be a tendency to rely too much on inputs. However, for ongoing operations, there should be a greater focus on processes and outputs. The following criteria, amongst others, may be evaluated setting specified standards/norms for each criterion.

- Corporate Plan – vision, mission, strategic goals/objectives, plans of activities, key performance indicators (KPI)
- Governance – board of governors (profiles); compliance to principles of good governance
- Organisational structure; composition of bodies/authorities; and management personnel (qualifications and experience)
- Financial stability – audited financial statements, financial forecasts
- Physical infrastructure and facilities to suit the number and type of study programs and student enrolment – lecture halls, tutorial rooms, library, laboratories, etc.; sanitary facilities, student cafeteria, recreational space, sports facilities, etc.; administration offices, staff rooms, etc.; teaching/learning equipment, materials, software, Internet, etc.; administration/office equipment and software; furniture and fixtures
- Qualified academic and academic support staff vis a vis the academic provision (qualifications and experience; academic staff training and development)
- Details of the academic provision (entry criteria; curricula of study programs; teaching and learning philosophy; student assessment strategy)
- Details of student support (student handbooks; mechanisms to capture student feedback; counselling)
- Research – funding, conferences, publications
- Academic and administrative procedures; regulatory frameworks; quality assurance arrangements

### Approval to use the titles ‘university college’ and ‘university’

The higher education institutions that offer approved local degree programs only may be authorised to use the title ‘university college’ or ‘university’ depending on the operational comprehensiveness and national contribution. That is, in addition to maintaining the required quality and standard of provision, the level of contribution to higher education and national development is taken into consideration.

1. Accredited Higher Education Institutes – those that meet the minimum accreditation criteria
2. University Colleges – those that meet the accreditation criteria and make a ‘higher contribution’ to national development through higher education and research
3. Full-fledged Universities – those that meet the accreditation criteria and make a ‘significantly higher contribution’ to national development through higher education and research

The 'higher contribution, and 'significantly higher contribution' need to be defined.

The following parameters could be evaluated as direct or proxy indicators in assessing the level of contribution:

- Campus infrastructure and facilities conducive to providing an outstanding student experience (physical evidence)
- Number of approved/accredited study programs offered across different disciplines (diversity)
- Number of students in enrolment in approved/accredited study programs (demand/ capacity)
- Number of students graduated from approved/accredited study programs (maturity of programs)
- Employability of graduates of approved/accredited study programs (effectiveness)
- Research output - quality and quantity
- Degree of internationalisation (foreign students as a percentage; foreign staff as a percentage; international collaboration in research and academic development and delivery; student and staff exchange programs; etc.)

The accredited higher education institutes may apply to be upgraded to university college status, and the university colleges may apply to be upgraded to university status at the periodic reaccreditation.

It is suggested that a national working group be established to develop a detailed framework of criteria and norms/standards for accreditation of higher education institutes and upgrading of higher education institutes to 'University College' and 'University'.

## Conclusion

Clearly, recognition of private higher education through legislation would lead to further expansion and diversification of the non-state higher education provision. This would help meet the increasing demand for higher education in Sri Lanka and make a singular contribution to social and economic development of the country.

Further, this would facilitate greater international collaboration in higher education leading to franchising and articulation arrangements, offering of dual and joint/double degrees, and establishment of international branch campuses. Such internationalisation would help draw not only foreign students but also foreign direct investment.

## References

1. Buckner, E. (2017). The Worldwide Growth of Private Higher Education: Cross-national Patterns of Higher Education Institution Founding by Sector. *Sociology of Education*, 90(4), 296–314. <https://doi.org/10.1177/0038040717739613>
2. Levy, D.C. (2018) Global private higher education: an empirical profile of its size and geographical shape. *High Educ* 76, 701–715 <https://doi.org/10.1007/s10734-018-0233-6>
3. Qureshi, Fayyaz Hussain; Khawaja, Sarwar (2021) The growth of private higher education: an overview in the context of liberalisation, privatisation and marketisation. *European Journal of Education Studies*, [S.l.], v. 8, n. 9.
4. Altbach, PG., Wit, Hans de , Woldegiyorgis, A. A.(2021) ‘Public Vs. Private Participation in Higher Education: Realities And Debates’, “Paper commissioned for the 2021/2 Global Education Monitoring Report, Non-state actors in education”
5. Ministry of Higher Education, Peoples Republic of China, (2022) ‘Report on Chinas Education Achievements’
6. Policy Planning and Research Division, Ministry of Higher Education Malaysia (2022), Higher Education Report: [MALAYSIA], *UNESCO World Higher Education Conference*, <https://whec2022.net/resources/Country%20report%20-%20Malaysia.pdf>
7. Generalao, Ian Nicole & David, Clarissa. (2022). Public-private complementarity in the distribution of students across programs of study: Implications for policy.
8. Wadia, L.C., Shamsu, T. S., (2021), ‘The Indian Higher Education System, an Evolving Quest for Global Competitiveness’ in Sarangapani, P.M. and Pappu, R. ‘*Handbook of Education Systems in South Asia.*’ Springer, Singapore: Springer Nature Singapore Pte Ltd, pp.80-864
9. Statista Research Department (2022), *Indonesia: number of state universities 2020*. [online] Available at: <https://www.statista.com/statistics/704732/number-of-state-universities-in-indonesia/>.
10. Statista Research Department (2022), *Japan: number of private university students 2021*. [online] Available at: <https://www.statista.com/statistics/648002/japan-number-private-university-students/>
11. Welch, A. (2021) ‘Private Higher Education in East and South-East Asia: growth, challenges, implications’, “Paper commissioned for the 2021/2 Global Education Monitoring Report, Non-state actors in education”
12. Hayhoe, R. and Lin, J. (2008) “China’s Private Universities: A Successful Case Study”, *International Higher Education*, 0(51). doi: 10.6017/ihe.2008.51.8020.
13. Wan, Chang Da & Sirat, Morshidi & Razak, Dzulkifli. (2020). Academic Governance and Leadership in Malaysia: Examining the National Higher Education Strategic Initiatives. *Journal of International and Comparative Education*. 9. 91-102. 10.14425/jice.2020.9.2.0913.
14. Yang, H., & Wu, M. (2021). Who are studying at International Branch Campuses in China? A case study. *International Journal of Chinese Education*, 10(3). <https://doi.org/10.1177/22125868211046016>
15. World Bank (2022) “Deep-Dive on Malaysia’s Higher Education Services Trade” (March), World Bank, Washington, DC