Re-creating and Re-positioning of Sri Lankan Universities to meet Emerging Opportunities and Challenges in a Globalized Environment

WORKSHOP PROCEEDINGS

Editors

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Ministry of
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University Grants
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Re-creating and Re-positioning of Sri Lankan Universities to meet Emerging Opportunities and Challenges in a Globalized Environment

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PREFACE

The aim of making Sri Lanka a regional educational hub is consistent with the need to face the challenges posed by the current globalized environment. The higher education sector of Sri Lanka has strongly felt the impact of Globalisation during the past few decades, during which higher education has emerged as a global business with over three million students studying outside their countries, and the number growing steadily.

The reason why students seek overseas locations for higher education is not always necessarily a lack of educational and employment opportunities at home. The charm of a pleasant and healthy educational environment abroad even at a somewhat higher cost than at home can be tempting to many students, provided that the education that they receive is of the quality and content that they desire for their intended careers.

Sri Lanka possesses features such as its strategic location, political stability, relatively low cost of living, scenic beauty in a salubrious climate, and a friendly multicultural society with a relatively high level of English proficiency, which are important to attracting international students to its shores. These features also provide it with a great potential to become an educational hub in the region. The Government of Sri Lanka has, rightly, decided to harness this potential and given high priority to elevate the international ranking of Sri Lankan universities in order that they can attract foreign students and thereby develop the country into a regional educational hub.

Despite the high educational standards in the country and a long standing tradition of quality higher education, serious weaknesses have entered our higher education system over the years for a variety of reasons, and need to be addressed with a strong sense of urgency. In the context of making Sri Lanka a regional educational hub, the lack of important facilities, an unappealing physical environment, a rather limited reputation for academic research, and a system geared to cater exclusively to local students and the consequent lack of international flavour are among the most visible weaknesses. Along with these weaknesses are the absence of an adequate academic infrastructure for administering quality assurance and enabling credit transfer between universities locally, let alone internationally. Interruption of the academic programme as a result of student unrest and industrial disputes are major threats to the streamlining and concurrent running of programmes in all faculties and universities, which is an important prerequisite for effective credit transfer as well as the credibility of the institution.

South East Asian countries like Malaysia, Singapore and, to a less extent, South Asian countries like India, Bangladesh and Nepal already cater to foreign students in a variety of fields of higher education. Thus, breaking into an established market will not be easy, and without ensuring consistent performance the market share will not be sustainable.

Such being the challenges and threats faced by the country's higher education sector in tapping its potential to attract foreign students, there is a need to seriously study each

challenge and threat and take the necessary steps, often proactively and in anticipation, to transform Sri Lanka into a regional educational hub.

This demands firstly the re-creation and re-positioning of our universities to meet the emerging challenges and opportunities in a globalized environment. That in turn calls for an integrated approach where, besides the Ministry of Higher Education, the University Grants Commission and the institutions of higher education, the relevant Departments and Ministries such as the Department of Immigration and Emigration, the Board of Investment and the Ministries of Tourism, External Affairs have a well defined role to play.

A workshop titled "Re-creating and Re-positioning of Sri Lankan Universities to meet Emerging Opportunities and Challenges in a Globalized Environment" was therefore organised by the University Grants Commission jointly with the Ministry of Higher Education with the participation of key stakeholders, with active deliberation on papers presented by invited speakers on the following themes related to making Sri Lanka an attractive destination for higher education.

1. Policy interventions
2. Institutional leadership
3. Governance and management
4. Academic climate and research & innovation culture
5. Quality assurance and credit transfer

The papers presented in the Workshop covered various aspects of the issues from different perspectives and provided fresh insights and practical propositions to transform Sri Lanka into an educational hub in the region. This volume of the proceedings includes all the presentations, with the exception of presentations relating to the roles of the Ministries of Tourism and Emigration and Immigration and the Board of Investment, which need to evolve in the context of the adoption of strategies for the promotion of Sri Lanka as destination for higher education, following the re-creation and re-positioning of the Sri Lankan Universities to meet the emerging challenges. In addition, a few invited papers have been included in order to complement and supplement the proceedings of the Workshop.

All the papers have been reviewed and rewritten by the authors following their presentation in the Workshop. The papers will certainly be of immense value to legislators, policy makers, planners and institutional leaders in dealing with the changes needed in the higher education system and the reshaping of the universities to match their anticipated role in transforming Sri Lanka into an educational hub. The information contained therein will also be of value to university teachers, other educationists and students as well as to anyone interested in higher education and its role and place in a changing global environment.

Ranjith Senaratne
Sivanandam Sivasegaram
Editors

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Thanks are particularly due to Dr. Kobena Hanson, Head, Knowledge and Learning, African Capacity Building Foundation, Zimbabwe for his keynote address titled "Rethinking Institutional Leadership in a Globalized Era: Strategic Imperatives for Higher Education", which set the tone and tempo of the Workshop. Our special thanks also go to presenters of papers, chairpersons and rapporteurs of the sessions for their valuable contribution to make the Workshop a success. Particular mention should be made in this context to the contributions by Dr. Sunil Jayantha Nawaratne, Prof. Gamini Samaranayake, Prof. R.P. Gunawardane, Prof. Arjuna Aluwihare, and Prof. Dayantha Wijeyesekera.

Active participation in the deliberations of the Workshop by the galaxy of luminous personalities, including policy makers, planners, intellectuals, institutional builders, institutional leaders, vice chancellors, senior dons and entrepreneurs present contributed in no small measure to raising the intellectual atmosphere of the event.

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Kobena T. Hanson

Abstract

This paper draws on the extant literature on education and leadership to outline approaches to building institutional leadership in today's rapidly changing higher education landscape. The paper submits that universities and institutions of higher education must proactively take charge of nurturing leadership so as to translate leadership competence into strategic assets. The pressure for change within the higher education sector will intensify with scarce resources and increased competitiveness and international choice for students and staff, making leadership capacity even more critical. Adapting to the challenges and opportunities will require a leadership that is not only be visionary, but also has the unique ability to engage in strategic scanning, i.e. the capacity to recognize the behaviour of interconnected systems to make effective decisions under varying strategic and risk scenarios, and the transformation of knowledge. Hence, a leadership that is politically astute, economically savvy, business aware and uses its emotional intelligence to move its institutions into the future. The paper concludes that while institutional, economic, political and funding constraints exist, higher education in Sri Lanka (much like in many developing nations) is uniquely positioned as a result of technological innovations, private-public partnerships, open course-ware, and knowledge management to advance institutional leadership for transformative change and the establishment of world-class universities.

Keywords: *globalization, higher education, institutional leadership, intellectual capital, Sri Lanka, world-class university*

Introduction

The marketplace for higher education is changing rapidly with the advent of globalization, ICT, and a growing need for knowledge workers[i]. As a result, there is a growing shift toward a global network organized around the value of knowledge, and the intellectual capital of people and institutions to employ technology wisely, effectively and efficiently. These 'winds of change' not only present new challenges for higher education institutions (HEIs), but also signify a clear mandate for change. Indeed, scholars of higher education increasingly note that only those HEIs and stakeholders that are able to grasp how to harness and leverage the tectonic shifts taking place across the higher education landscape, will be positioned to seize the opportunities of change (Staley and Trinkle, 2011:25; see also Hanna, 2003; Hanson and Léautier, 2011).

The revised landscape of higher education has meant that many HEIs now have to invest heavily in the business acumen of leaders and develop tools to enhance emotionally perceptive leadership styles (Higgs, 2002; Goleman and Boyatzis, 2008). HEIs are also transforming structures, missions, processes and programs to be flexible and responsive to emerging socio-economic and knowledge needs (Hanna, 2003). More importantly, HEIs now have to engage a milieu in which global, national and local nodes relate freely within common networks (Marginson and Sawir, 2006). Consequently, HEIs are progressively being compelled to pursue strategies for building global capacity and facilitating cross-border staff and student movement and research collaboration. This has been critical because, the revised landscape requires that scholars merge and remerge in teams based not on academic discipline or institutional affiliation or geographic location, but on the unique requirements of the problems they want to address (Staley and Trinkle, 2011).

The global shift to a knowledge-economy has engendered new opportunities and possibilities for the leadership of institutions of higher education. Grasping these new opportunities and possibilities, however, requires a rethink of the role of higher education, and more specifically a thorough interrogation of the caliber and mandate of the leadership of institutions of higher education (Hanson and Léautier, 2011). The change has also spurred a push toward a post-modern outlook in which context; collaboration and knowledge creation have become invaluable skill sets. As a result, the leadership of HEIs are increasingly being held accountable, amongst others, for their support to growth and long-term success of dynamic learners (students and employees) and their ability to translate leadership competence into strategic assets (Hanson and Léautier, 2011).

Clearly, globalization has provided a wake-up call to HEIs, signaling an urgent need to address critical issues such as structures, missions, processes, programs and leadership. The change also provides an unparalleled opportunity for HEIs to compete in a global intellectual arena by drawing on the rich potential of diverse scholars, researchers and professionals in the educational pipeline (Held *et.al.*, 1999). As HEIs create a microcosm reflective of a larger global macrocosm, these efforts require intentional, systemic efforts to actualize the model of demography, diversity and democracy in campus environments through a framework of reciprocal empowerment (Held *et.al.*, 1999).. Viewed from this perspective, the sweeping forces of globalization present new challenges for higher education but also – as alluded to earlier – represent a clear mandate for change (see Marmolejo, 2007).

As a result of these dynamic developments, the ivory tower perception of HEIs is fast becoming a relic of the past (Hanna, 2003). The vision of knowledge transmission has similarly changed with the birth of concepts like "learning by doing" (Cope and Watts, 2002; Aldrich, 2005), "X-teams" (Ancona, *et al.*, 2002; Ancona and Bresman, 2007), and "Theory U" (Scharmer, 2007). Hanson and Léautier (2011) also note that the increasing focus on learning and knowledge signifies a shift away from an earlier discourse about the “information society.” This change in discourse has precipitated a rethink regarding of how HEIs and their leadership are perceived in terms of being proactive, visionary and current. Consequently, the previously held perception of an

academic leader (provost, rector, president, chancellor, or principal) as a quiet scholar has been overtaken by that of an executive who is politically astute, economically savvy, business aware and emotionally intelligent. An executive who possess the: a) ability to function in environments with weak governance and high unpredictability; b) capacity to generate strategic maps of pressure points and risk scenarios; c) preparedness to lead in conditions of conflict and work with tools to function under diverse potential futures; and d) values and behaviours that serve as a guide in making choices in challenging environments (Léautier, 2009a, 2009b).

The revised landscape – a direct result of globalization and a technology driven knowledge economy – is, thus, compelling HEIs to carve out niches that focus on intergenerational, cross disciplinary and societally-valuable learning and knowledge as well as rethink their specific role in civil society to transform societies and enhance transmittal of appropriate values (Hanson and Léautier, 2011). HEIs no longer can afford academic insularity (ACBF 2005, 2007). To thrive, HEIs have to embark on strategic public-private partnerships and collaborative endeavors, which advance knowledge/experience sharing, peer-learning and leadership capacity development. HEIs also need to integrate learning technologies into their strategic planning and their setting of institutional priorities (Hanna, 2003). Such integration needs to be inclusive and participatory if community buy-in and sustainability are to be achieved.

In the subsequent sections, this paper will: a) discuss some conceptual issues on institutional leadership and pathways to develop leadership capacity; b) map-out the threats, opportunities and possibilities HEIs face in light of the revised landscape; c) examine the role of leadership in today's HEI; d) interrogate the new order of higher education and the rise of the World Class Higher Education Institution (WCHEI); and, e) prescribe a way forward. The paper concludes that, despite the revised geo-political, socio-economic and technological landscape, HEIs are uniquely placed as a result of strengthened private-public partnerships, advances in information and communication technology (ICT), a growing acceptance of open course-ware, amongst other development to enhance leadership capacity and bolster the drive toward the attainment of World Class Higher Education Institutions (WCHEIs).

Institutional leadership – some conceptual issues

Leadership is a critical capacity in contemporary society. Leadership serves as the basis for strategic thinking and development initiatives. As a strategic asset, it enhances capacity to: a) formulate policies and programs for development; b) implement development initiatives; and, c) recognize the behavior of interconnected systems to make effective decisions under varying strategic and risk scenarios (Hanson and Léautier, 2011).

The dialogue on institutional leadership gained currency in the 1990s – starting with the private sector, and then spreading to the public sector. The growing interest was sparked, on the one hand, by the growing need to translate leadership capabilities into the strategic assets, and on the other hand, by the novel approaches to management which include concepts such as cascading leadership, intellectual capital, organizational

learning, knowledge management and self-organizing systems (Kivipõld and Vadi, 2008; Léautier, 2009a, 2009b). The dialogue is conceptually tied to new and emerging insights relating to the complexity of the decision environment – including policy and institutional environments – in which one's governance systems and developmental efforts exist (Fitzgerald, 2004).

Contemporary institutional leaders increasingly operate in very complex and interconnected environments. The degree of interconnectedness invariably shapes ones decision-making processes as well as the outcomes of their decisions (see Léautier, 2009a). To this end, understanding the dynamics of one's interconnected environment is thus vital to: a) shaping strategy; b) developing effective risk management approaches; and c) selecting from a series of potential courses of action. Leaders, thus, need to be familiar with the behaviour of interconnected systems to make effective decisions under varying strategic risk scenarios. Leaders also need to be equipped with the right set of values and behaviours to be successful in a specific context (Léautier, 2009a, 2009b). Interconnectedness further places a premium on the interaction between knowledge and culture.

Any attempt to leap-frog the development process requires institutional leadership capacity. For developing and merging nations, including Sri Lanka, to do so will entail strategic leadership capabilities in HEIs – to augment transformative and implementation capacity. It equally calls for a systematic tapping into developing/emerging nations' vast Diaspora knowledge and skills. It again requires leveraging the power of networks to connect actors, problems and solutions (Hanson and Léautier, 2011). Successful leap-frogging requires the leadership of HEIs to undergo critical and transformational seismic shifts (Harvard Business Review, 2012:66-71). To this end, leaders must shift from being specialists to generalists; analysts to integrators; tacticians to strategists; bricklayers to architects; problem solvers to agenda setters; warriors to diplomats; and, supporting cast members to lead role (Harvard Business Review, 2012:66-67). In each case, leaders of HEIs will need to creatively carry out the following shifts detailed below:

- **Specialist to Generalist** – grasp the mental models, tools and terms used in key business functions and develop templates for evaluating the leaders of those functions;

- **Analyst to Integrator** – integrate the collective knowledge of cross-functional teams and make apt trade-offs to solve complex institutional problems;

- **Tactician to Strategist** – shift fluidly between the details and the big picture, perceive important patterns in complex environments, and anticipate and shape the reactions of key external players/stakeholder;

- **Bricklayer to Architect**: grasp how to analyze and design institutional systems so that strategy, structures, operating models, and skills bases fit together effectively and efficiently, and harness this understanding to make needed organizational changes;

- **Problem Solver to Agenda Setter** – define the problem the institution should focus on, and spot issues that don't fall neatly into any one function but are still important;

- **Warrior to Diplomat** - proactively shape the environment in which the institution operates by influencing key external constituencies, including government, CSOs, the media and investors; and

- **Supporting cast member to lead role** – exhibit the right behaviors as a role model for the institution and learn to communicate with and inspire large groups of people both directly and, increasingly indirectly.

In undertaking these seismic shifts, leaders must be able to: a) make decisions that are essential for the business as a whole; and; b) evaluate the talent on their teams. The leadership of HEIs also needs to raise their game to stay in the game – by enhancing capacity for strategic scanning (i.e. risks, threats and opportunities). As Astin and Astin (2000:8) submit, "leadership is a process that is ultimately concerned with fostering change. In contrast to the notion of 'management', which suggests preservation or maintenance, 'leadership' implies a process where there is movement – from wherever we are now to some future place or condition that is different." Hence, leadership is a purposive process which is inherently value-based. Leadership, it has been further argued, is an art requiring a mix of technical, conceptual and human talents (Hill, *nd*: 28). Three critical leadership functions mapped out are: establishing direction, aligning people, and motivating and inspiring others (Hill, *nd*: 28). While some of the qualities of leadership are innate or acquired principally through prework socialization, much of leadership is learned (Harvard Business Review, 2012; Hanson and Léautier, 2011; Hill, *nd*). That said, globalization, new technologies and changes in how institutions interact have also altered the very notion of leadership, and how institutional leaders function.

As a result of the aforementioned dynamics, research on leadership, regardless of whether they focus on the corporate world or the nonprofit sector, today advocate a collaborative approach to leadership, as opposed to one based on power and authority (Harvard Business Review, 2012; World Bank, 2009a; Astin and Astin, 2000). By the same token, a measure of organizational change (i.e. how to coach and develop talent; build and lead a diverse team; exercise influence without formal authority; negotiate and manage conflict with multiple stakeholders; and, envision and implement change) is necessary to build the leadership talent necessary if HEIs are to function meaningfully in a globalized world (Hill, *nd*:29).

Scholars of higher education, further contend that the leadership of HEIs needs to take daring steps to encourage social innovation; leverage the power of networks to connect actors, problems and solutions in new ways; and, create enabling environments that advance exploration and experimentation (Bourgon, 2009:15). Doing so is central to any efforts to get HEIs leadership to advance from a reactive to a proactive position (Hanson and Léautier, 2011:396). HEIs need to invest in leadership development amongst others by: a) devoting time and attention to talent management; b) integrating 'business' and 'human' strategies; and, c) proactively offering learning opportunities

and resources – providing the tools individuals need to capitalize on their on-the-job learning experiences (Hill, *nd*).

Achieving the requisite leadership capacity desired in HEIs, in light of the revised landscape, will thus require that institutions deliberately engage their environments to negotiate the hurdles facing them, while embracing the opportunities and possibilities.

Threats, Opportunities and Possibilities facing Higher Education

Threats

As alluded to earlier, HEIs today continue to face a number of challenges including, but not limited to: financing deficits (a direct result of state disengagement from social provisioning); rising student-teacher ratios; inadequate incentives; tensions between the need for consistency and change; resource constraints; intrusion of politics into academia; and a demographic bulge – an explosion in the numbers of students seeking enrollment in the few HEIs available. These developments have, amongst others, viciously impacted HEIs' abilities to deliver quality services, and their leadership's contribution to their respective constituents. HEIs are, as a consequence, grappling with a complex and change-oriented environment. Simultaneously, they are compelled to seek a balance between the 'new' and the 'old' landscape, while at the same time striving to develop the requisite capacity critical to negotiate the dynamics of networked and interconnected spaces (CAPAM, 2009).

Aside from the above, the changing audience and demographic for higher education – including adult professionals and more students who are working part-time to make ends meet – are making customization and convenience a prerequisite for all programs and services (Hanna, 2003:27). Equally, HEIs face the challenge of commercialization and academic capitalism (Tirronen, 2009:220). These pressures within the higher education sector, and at individual HEIs, will only intensify with scarcer resources and greater competitive and international choice for the best students and faculty (Borysiewicz, 2010:1).

The aforementioned developments, call for new capacity, knowledge, skills and competencies. Negotiating the challenges and creating a context supportive of innovation, experimentation and learning presumes committed, passionate, and visionary leadership (Hanson and Léautier, 2011). The situation mandates HEIs to embrace a measure of organizational change to nurture leadership talent vital to negotiating the revised landscape and pushing toward the establishment of viable and sustainable HEIs. Again, HEIs need to expose the next generation to significant experiences that transfer knowledge from the current generation to the next, enhance local buy-in, and identify possible future leaders at an early stage (The GREEN Resource, 2008; see also Kahane, 2004; Klijn, 2008).

Paradoxically, while the significance of HEIs as key participants in knowledge generation is being emphasized, the indirect regulation and competition between HEIs (nationally, regionally and globally) appears to be increasing (Tirronen, 2009). And for a number of HEIs, especially in developing/emerging nations, current operating

systems appear insufficient to meet the tasks of engendering the requisite intellectual capital and leadership capacity needed for transformation, and the knowledge base vital to negotiating and/or transcending the revised landscape. This notwithstanding, Hill (nd: 30) notes that a decisive and difficult step in surmounting the threats facing HEIs, is to foster a culture conducive to learning and leadership. Hill further submits that only HEIs that are calculating in identifying and investing in the next generation of leadership talent will be able to achieve and sustain success (Hill, *nd*: 30). Doing so successfully means strategically scanning the environment, mapping out opportunities and possibilities, and seizing the moment. These actions are crucial if HEIs are to transcend the winds of change (Hanson and Léautier, 2011).

Opportunities and Possibilities

The risks of the revised landscape notwithstanding, Hanson and Léautier, (2011: 296) argue that, there is generally a new vision and evolving strategy for HEIs, triggered in part by the opportunities and possibilities of globalization and technology. This position mirrors that of Marginson and Sawir (2006), who similarly note that in a global environment in which global, national and local nodes relate freely within common networks, all HEIs must pursue strategies for building global capacity and facilitating cross-border staff and student movement and research collaboration. As Marginson and Sawir put it, as a result of "global communications and flows, and the trend to more [independent HEIs, many institutions of higher education are more] open to global pressures and forces. They are also affected by common global trends such as the facilitation of skilled migration and emphasis on international comparisons and international competitiveness" (2006:346).

Central to the myriad possibilities and opportunities arising from globalization, and rapid technological enhancements, is the growth in catalytic partnerships and collaborations amongst HEIs (i.e. North-South, and South-South) – heightening the demand for new knowledge, and modes of knowledge production. The partnerships are also radically transforming the production, utilization, dissemination and recreation of knowledge (Tirronen, 2010; World Bank, 2009a; World Bank, 2009b); and engendering a dual structure in which HEIs in developing/emerging economies are supplemented by centres engaged in knowledge application, both locally and globally (Hanson and Léautier, 2011).

Yet another emerging development resulting from the revised landscape is the integration of various perspectives from the plethora of disciplines and approaches to learning. An excellent case in point is the growing number of self-directed learners who access distance education or open courseware. Clearly, the meteoric acceptance of e-learning – offering flexible access to learning and pedagogic innovation at reduced costs; and not constrained by training design and/or delivery mechanism – has been a game-changer! The possibility of delivering high-quality knowledge to learners regardless of geographic location, socio-economic or cultural background or disability, offers HEIs glimpses into the future of higher education (Hanson and Léautier, 397-88), while at the same time paving the way (from a policy and implementation standpoint) for others to follow suite (Watkins and Corry, 2002).

The 'shifting sands' of the revised landscape have compelled HEIs to re-evaluate priorities and expectations. HEIs are also re-examining missions and mandates, largely the result of global flows of tertiary education resources – funding, ideas, students and staff (World Bank, 2009b: ix). Also ensuing, it appears, is a global fixation with rankings – recognition that economic growth and competitiveness are driven by knowledge and intellectual capital; and that HEIs are critical. Two of the most respected rankings are that of the Times Higher Education Supplement (THES), and the Shanghai Jiao Tong University (SJTU) (World Bank, 2009b). The increasing fixation with "rankings, reflect the general recognition that economic growth and global competitiveness are increasingly driven by knowledge and that [HEIs] play a key role in that context" (World Bank, 2009b:1). As the World Bank further posits, with students seeking out the best possible tertiary institutions that they can afford – regardless of national borders, and government keen on maximizing the returns of their investments in [HEIs], global standing is increasingly becoming a vital concern for HEIs around the globe (World Bank, 2009:4). In this milieu, an increasingly pressing priority of many countries – both in the north and south – is to make sure that their top higher education institutions are performing at the cutting edge of intellectual and scientific development (World Bank, 2009b:3).

According to Borysiewicz (2010), the solution to these developments will require leadership nationally, as well as within the HEIs. That said, while structural synergies and changes in leadership and governance may be central pathways to achieving organizational strength, the true idea of a competitive HEI relies on a viable and vibrant academic community. This is also the way to achieve academic excellence in these competitive times (Tirronen, 2010:234).

The role of leadership in the contemporary HEI

In the wake of the aforementioned developments, many HEIs are proactively taking on the task of fostering leadership capacity so as to translate competence into strategic assets. Such assets, Léautier (2009a) notes, are key to advancing intellectual capital and strategic scanning (i.e. the capacity to recognize the behavior of interconnected systems to make effective decisions under varying strategic and risk scenarios), and transformation of knowledge as a leveraging mechanism for the attainment of specified objectives and goals.

To succeed, however, HEIs need to acknowledge their place as principal places of learning, and strive to become trailblazers in evolving pedagogical tools, and take a leadership role in research in this critical area. HEIs further need to develop strategic collaborations to strengthen program content and delivery. Negotiating these strategic challenges is vital not only for the future of HEIs globally, but more so for HEIs in developing and emerging economies (Hanson and Léautier, 2011; World Bank, 2009b)

In fact, across the globe, increasing responsibility is being bestowed upon, and demanded of, the leadership of HEIs owing to the competing, interconnected and complex issues of institutional autonomy, globalization, and technological

developments of today's knowledge society (ACBF, 2005). And today, the time-honored tools and frameworks that institutional leaders previously employed to make decisions now appear inadequate. HEIs therefore need a cadre of leaders who possess dynamic leadership skills that empower them to navigate through the complexities and interconnectedness of 21st century knowledge society. The specific skills required include, but are not limited to, a) ability to function in environments with low predictability; b) preparedness to handle diverse potential futures; c) capacity to generate strategic maps of pressure points and risk scenarios; d) skills, set of values, and behaviors that guide them in making choices in challenging circumstances; and, e) capacity to identify patterns of change (shifts), extract important relationships (interactions), and select from a variety of approaches for handling challenges (Léautier 2009a, 2009b; see also Harvard Business Review, 2012; World Bank, 2009b). The strategic rethinking of the role of institutional leadership in HEIs is thus unavoidable. In this regard, Hanson and Léautier, 2011) submit that the dialogue should be articulated around issues of global competitiveness, knowledge utilization, changing landscape, and paradigm shifts in the role of HEIs from one of control and regulation to one of facilitation and flexibility.

As dynamic institutions, HEIs generally do not function effectively if constituent members do not have the right combination of skills, knowledge and attitudes, or have a structured system in place for the regulation of interactions. Accordingly, while HEI leadership capacity enhancement is both desirable and necessary, especially in this revised environment, it entails investments in time and resources, and a dedication to rethink old ways and develop new ones. This will not be achieved without an investment in change and meeting the costs that come with that change (Harvard Business Review, 2012; see also Léautier 2009a and 2009b). One potential hurdle in this regard, is how HEIs maximize the number of faculty, students, administrators, and staff who become committed and effective agents of positive social change (see Astin and Astin, 2000).

In fact, as argued in a recent publication of the National Centre for Public Policy and Higher Education (2008), HEIs must organize their resources for increased responsiveness to, and engagement with, society's core challenges in the century ahead. In doing so, HEIs have primary responsibilities to help ensure the continued well-being of society: a) to provide graduates and society at large with the skills desirable to be effective in a global, increasingly competitive economy; and, b) to close the achievement gap – educationally, culturally and economically – between advantaged and disadvantaged students (2008:2-3).

HEIs also need to optimize learning by setting forward-looking expectations. Doing so, will require HEIs to means take responsibility for learning and substantially raise the number of those who persist and succeed in programs of education. It means closing the gaps in achievement without lowering the bar for results. In many cases succeeding in this challenge will entail rethinking the nature and content of degrees as well as their timing and mode of delivery (National Centre for Public Policy and Higher Education, 2008: 3).

Invariably, all attempts to enhance the institutional leadership of HEIs will need to occur in tandem with capacity development efforts aimed at uncovering and designing creative learning tools and practices, while simultaneously absorbing and effectively utilizing new trends, knowledge and educational learning tool kits and techniques. The enhancement of HEIs leadership capabilities should be conceptualized as a purposive process which is inherently value-based and one that is designed and implemented as an integral and critical part of the HEI experience. To this end, HEIs need to transcend their current 'modern' system of education to a post-modern perspective, which recognizes context, collaboration and knowledge as valued skills and assets (Hanson and Léautier, 2011:393).

While the aforementioned is not being put forth as a panacea to the issue of institutional leadership in HEIs, there are a number of strategic actions that this paper recommends to enhance institutional leadership:

- Strengthened partnerships with southern (Asian, African and Latin American) and global knowledge centres;
- Institutionalized leadership mentoring and coaching;
- Establishment of recognition programs to develop exemplary leadership;
- Development of a forum to engage in continuing dialogue on issues of leadership;
- **E**stablishment of networks/Community of practices (CoPs);
- Promotion of a work environment supportive of leadership learning culture, and that attracts and retains good leaders;
- Pursuance of innovation-oriented policies aimed at increased flexibility, economic efficiency, productivity and quality of services;
- Sustained philanthropy and a capacity to attract funding now and in the future;
- Promotion of Open Access/Open Courseware; and
- Fostering an enabling environment for entrepreneurship and learning in universities.

In addition to the aforementioned strategic actions, there is the need to systematically build the behavioral skills of the current HEI leadership and focus on self-improvement; a need for skill development for managing under different risk scenarios; and, to promote research on effective pedagogy. Held *et.al*. (1999), in their seminal study on Global Transformations, identified the following six guiding values as vital for talent

management in HEIs to help mitigate the currents of globalization, dwindling resources and heightened competition:

1) A detailed approach to talent management that facilitates the attainment of diversity;

2) Diverse talent that brings in knowledge, intelligence, creativity and innovation;

3) Recruitment and retention of talented and diverse faculty and staff that is continuous;

4) The focus on talent that is prospective rather than retrospective and models the values of democracy in a global society;

5) Organizational compassion approach that enhances institutional awareness and sensitivity; and

6) A strategic approach to talent management that necessarily encompasses attention to the future evolution of workplace culture to be welcoming, inclusive and reflective of demographic diversity.

The strategic imperatives outlined in the preceding sections, should be viewed as starting points to transform leadership capacity in HEIs. To this end, they are essential if HEIs are to proactively anticipate, innovate and adapt. Embracing these suggestions, will assist HEIs to ease the scale and frequency of crises, mitigate negative impacts, seize opportunities and thrive in an era of a new order of higher education (Hanson and Léautier, 2011; Bourgon 2009; Miller, 2005). As Miller (2005) further notes, it is equally imperative to empower, challenge and motivate HEI leaders to be visionaries, initiators, effective communicators and decision-makers, capable of responding proactively to the realities of today's society. Developing their capacity to detect emerging trends and anticipate key changes by a few years or even months, will give such HEIs priceless comparative advantage. It will empower them to proactively prevent, preempt or alter the course of potentially negative events toward more favorable outcomes (Bourgon, 2009).

The new order of higher education and the quest for world class universities

The new order of higher education resulting from globalization is unique. It has seven key characteristics: a) **borderless** (shaping thought processes at the global level and aimed at social well being); b) **premised on collaborative learning**; c) **technology enabled**; d) **inclusive**; e) **fosters employability**; f) **innovative**; and g) **entrepreneurial**. HEIs thriving in this revised setting are viewed primarily as key for producing knowledge and workforce for the needs of modern society. Such HEIs are considered tools of social and economic change (Tirronen, 2009), and expected to play a central part in the innovation system, economic development, knowledge-based economy and the competitiveness of nation-states (Tirronen, 2009:1).

The networked paradigm represented by the new borderless HEI – global in scope, managed through self-organization and emergent behavior – reflects a knowledge-organization method very different from that of the top-down, hierarchical, command-and-control multiversity that operates much like a corporation (Staley and Trinkle, 2011:24). These emerging ecosystems of learning and knowledge coexist alongside – and compete with – today's HEIs. In this new order, the research environment and the production of knowledge are also changing and collaboration with industry and the private sector has increased dramatically. Further, the shifting relationship between the state and HEIs in this setting, presumes strong leadership and management, adequate institutional and financial autonomy, clear institutional mission and strategic self-steering of HEIs (Tirronen, 2009:220).

As Marginson and Sawir (2006) also note, in a global environment in which local, national and global nodes relate freely within common networks, HEIs must pursue strategies for building global capacity and facilitating cross-border staff and student movement and research collaboration. Again, because of global communications and flows, and the trend to more autonomy, HEIs are more open to global pressures and forces. They are also affected by common global trends such as the facilitation of skilled migration, downward pressures on public taxation and spending, and emphasis on international comparisons and international competitiveness (Marginson and Sawir 2006:346).

In this current higher education milieu, nations are integral to global capacity. While the capacity of HEIs is partly determined by themselves, it is also nation bound. To this end, not only is present university capacity an accumulated product of past government strategies of nation building; but also HEIs remain central to the policies of government (Marginson and Sawir 2006:349). Also, variations in the global power of the nation condition variations in the global potential of HEIs. The leadership of HEIs has also become increasingly aware of both the miracle and the mirage globalization represents in defining the HEIs' role (Hanson and Léautier, 2011; Held *et.al*. 1999).

As the global dynamics of higher education have expanded and grown in complexity, stakeholders in the sector are re-evaluating their priorities and expectations (World Bank, 2009b: ix). The dynamics have also led to the emergence of phenomenon that scholars are calling the World-Class University (also called Flagship University, World-Class Higher Education Institution) – institutions that transcend culture and education. They are "points of pride and comparison among nations that view their own status in relation to other nations" (World Bank, 2009b: x). An in-depth discussion of the World-Class University is neither the focus nor within the scope of this paper. This notwithstanding, its centrality to developments taking place in the higher education sector globally cannot be ignored.

With the global economy evolving toward an international network organized around the value of knowledge (Hanson and Léautier, 2011, Borysiewicz, 2010; Tirronen, 2009; Hanna, 2003); and students seeking to attend the most prestigious tertiary institutions that they can afford global standing is becoming an increasingly significant concern for institutions around the world" (Williams and Van Dyke, 2007 cited in

World Bank, 2009b:4)[ii]. However, achieving the status of the world-class higher education institution (WCHEI) is not via self-declaration; "rather, elite status is conferred by the outside world on the basis of international recognition" (World Bank, 2009b:4).

WCHEIs, according to the World Bank (2009b:5), "produce well-qualified graduates who are in high demand on the [global] labor market; conduct [cutting-edge] research published in top scientific journals; and contribute to technological innovations through patents and licenses" (World Bank, 2009b:5). However, as Tirronen (2009) notes, being a premier WCHEI, "carries with it responsibility as well as opportunity. A [WCHEI's] global standing will be challenged both internationally and locally; standing still is not an option and one must continue to adapt and develop" (2009:3-4). Tirronen further submits that research distinction is one of the defining features of the WCHEI. It is integral to fulfilling WCHEIs' mission and plays a vital part in grounding a WCHEI's international status. This reputation, in turn, is what attracts exceptional faculty and students (2009:3).

According to the World Bank (2009b:6-7), there are three defining characteristics of the WCHEI. First, a **high concentration of talent** (faculty and students – who undertake excellent research and teaching); second, **abundant resources** (from public, private sources – to offer a rich learning environment and to conduct advanced research); and third, a **favorable governance structure** – that encourages strategic vision, innovation, and flexibility and that enables the institution to make decisions and manage resources without being bogged down in bureaucracy). Figure 1, below, captures the features diagrammatically.

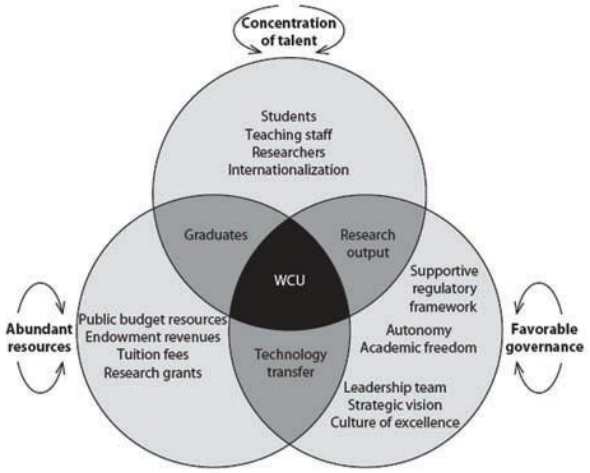

Figure 1: Characteristics of a World-Class Higher Education Institute

Source: Salmi (2009), The Challenges of Establishing World Class Universities. The World Bank

Different countries have adopted and adapted different pathways in their quest to set up such flagship universities. That said, three primary strategies appear to dominate this

quest: a) upgrading a select number of existing HEIs that have potential of excelling (**picking winners**); b) encouraging a number of existing HEIs to merge and evolve into a new university (**hybrid formula**); and, c) creating a new WCHEI from scratch (**clean-slate approach**) (World Bank, 2009b:43-49). All three models have their merits and demerits, as well as accompanying challenges – fiscal, institutional and socio-cultural.

The above strategic approaches notwithstanding, there is no universal recipe or magic formula. National contexts and institutional models vary. As a result, research (World Bank, 2009b; Tirronen 2009), recommend that the countries proceed based on their national strengths, vision and resources. In so doing, attention needs to be paid to: a) country's overall socio-economic development strategy; b) ongoing changes and plans for lower level education system; and, c) broader plans to create integrated system of teaching, research and tech-oriented institutions. After all, the generic approaches are not mutually exclusive and countries may pursue a combination of strategies based on permutations of the models (World Bank, 2009b:48).

Conclusions and way forward

This paper has sought to highlight the critical imperatives for leadership in contemporary higher education sector. The paper contends that that the challenges HEIs face today, including the shift toward a knowledge-based society, and from a national to a global economy, call for creative solutions and a new leadership. A leadership that is conversant with the behaviour of complex adaptive systems and able to make effective decisions under different strategic and risk scenarios. A leadership that is vested with strong interpersonal skills; which is **dynamic**; **innovative; politically astute; economically savvy; business aware;** and, which employs its **emotional intelligence** to lead HEIs into the future (Hanson and Léautier, 2011; see also Higgs, 2002; Goleman and Boyatzis, 2008; Sankar, 2003). HEIs with this cadre of leaders, will reposition themselves as the repositories of new ideas and exchange of knowledge such that the quiet force of their collective efforts unleash the spring of new approaches to sustainable development, good governance, and innovation.

In revitalizing HEIs as centres for leadership development, research and innovation (i.e. world-class higher education institutions), the paper further submits that all three levels of capacity are critical: **individual** (skills and knowledge); **institutional** (faculty development, library facilities, lecture facilities, modern teaching aids – e-learning, distance learning – and ICT innovations); and, **organizational** (strategic leadership).

The paper acknowledges that higher education sector is a dynamic global enterprise and the strategic impact of its facilities is becoming increasingly complex. Accordingly, to leap-frog HEIs into the 21st Century requires commitment at all levels – reaffirmation of government support; private sector support; innovative thinking and innovative capacity – especially of related stakeholders (talented graduate students and faculty); and transformative leadership – both political leadership and organizational leadership. At the national level, key policy options should include, but not be limited to: a) establishment of policy free from restrictions so as to encourage investments in higher

education; b) development of education infrastructure; c) development of scholarship programs to attract the best and brightest – locally and internationally; d) investments in technology; e) sustained philanthropic resource mobilization drives; and, f) recognition programs to develop leadership (Hanson and Léautier, 2011; World Bank, 2009b; Hanna, 2003). Effectively implementing these policy initiatives will enable HEIs in general and WCHEIs in particular to produce future generations of transformative leaders who will devise more valuable solutions to society's pressing issues (Marmolejo, 2007; Astin and Astin, 2000). Finally, paper posits that HEIs must re-organize their resources for enhanced responsiveness to, and engagement with, society's core challenges.

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Endnotes

[i] Following Held *et.al.* (1999:2), globalization is defined here as the widening, deepening and speeding up of all forms of world-wide interconnectedness.

[ii] Williams R, and N. Van Dyke. (2007). "Measuring the International Standing of Universities with an Application to Australian Universities." Higher Education, 53 (6, June): 819-41

INTERNATIONALIZATION OF HIGHER EDUCATION (IHE) IN SELECTED ASIAN COUNTRIES: CONTEXTUAL ISSUES, TRENDS, AND QUESTIONS/OPTIONS FOR SRI LANKA

Siri Gamage

Abstract

With the demise of the Cold War and the emergence of neoliberal-economic globalisation in the late 1980s, the mainly English-speaking countries such as the USA, UK, and Australia internationalised their higher education systems to capitalise on the unmet global demand for higher education (HE) and to attract thousands of foreign students. Asian countries such as Japan, Taiwan, Singapore, and Malaysia followed suit, and introduced HE reforms by copying processes such as privatisation, marketisation, and corporatisation. These steps have come under critical scrutiny and commentary by scholars who propose alternative meanings and paradigms for Asian countries. Firstly, these developments are explored in this paper, along with those in several other Asian countries. Secondly, questions and options that are important for Sri Lanka to consider are presented. It becomes clear that historical experiences and linkages with countries that promote dominant American or Anglo-Saxon paradigms based on privatisation, marketisation, and corporatisation—in contrast to the European paradigm based on 'international cooperation' rather than 'competition'— largely determine HE reforms for internationalisation in Asia. The need for Sri Lanka to move beyond the Anglo-Saxon paradigm and the dominance of English language in research and teaching, and to find its own vision, mission and strategies for internationalisation after systematically reviewing relevant contextual factors, challenges and opportunities specific to the country and adequate consultation with stakeholders is emphasised. The need for HEIs to adopt a balanced approach to research and teaching excellence, national development, and community service is also pointed out.

Introduction

Economic globalisation is based on neoliberal market principles where competition for goods and services is encouraged and facilitated by governments based on an ideology of free trade. The State as the sole provider of human goods and services for citizens has come under much strain. Global competition among HEIs for resources, opportunities and status is part of this process; and Lo (2009:735) points out: 'A stratification of higher education sectors has appeared in many developing countries'.

Although international cooperation among universities is not new, the transformation in the HE sector in response to changes unleashed by globalisation is new, and HE faces new trends, challenges and opportunities with cross-national implications. Notable

changes include ‘mass higher education; a global market place for students, faculty, and highly educated personnel; and the global reach of the new Internet-based technologies, among others’ (Altbach 2002, p. 29). Further, ‘the growing role of English in university teaching and research in non-English speaking countries, and new providers and modes of educational programs that cross national boundaries are…. examples of changes brought in by internationalization’ (Byun and Kim 2011, p. 468).

Following Shin and Harman (2009), Ng (2011) refers to two mega trends in IHE, i.e. globalisation and massification and, citing Chan and Tan (Ng 2011, p. 119), points to a market-induced process for promoting education focussed on cross-border competences through the mastery of an international language, critical thinking skills, information processing skills etc., unleashed by globalisation and fuelled by neo-liberal ideology emphasising entrepreneurship, cost-effectiveness, and customer orientation. The wish of universities to pursue excellence in teaching, research and service to the community or professions is constantly challenged by global competition for students, the pressure on the state to restructure higher education, and challenges to traditional academic values under the neoliberal paradigm.

The global transformation in HE has unleashed intellectual, managerial and entrepreneurial/commercial drivers/forces encompassing the idea of a networked and interdependent world. Different paradigms and approaches are at play in the various contexts of offering HE to more students. Concern has been expressed about neoliberal globalisation and its impact on the HE in Asia: Chen and Chien (2009) believe that the neoliberal globalisation backed by capital and linked with state machines is pushing the originally pluralistic space of cultural and knowledge production toward an enforced desire for adopting the dominant paradigm. In Taiwan, it has led to the displacement of Chinese by English and pressure on academics to disregard the cultural and historical contexts of research issues. A proposed alternative approach recognizes globalization, but insists on ‘the necessity of maintaining and realizing a pluralistic imagining of internationalization’ (2009, p. 223). The dominance of neoliberal paradigm is through the role of the US in Asia and the influence of mainly English Speaking Countries (MESCs). Scholars offer alternative visions for the university, knowledge production and internationalisation that assert local history, culture, languages, and academic traditions in the Asian context.

The aim of this review, is to present the different approaches to and meanings of IHE, trends and challenges, nature of student flows, policy reforms and strategies adopted by selected countries, and alternative models/visions of IHE; and to identify opportunities, challenges and options for Sri Lanka’s HE reforms for internationalisation. The literature shows two approaches to IHE in the Asian region:

1. Following the steps, paradigms, reforms and practices of the MESCs, as adopted mainly by private sector HEIs for profit generation, professional-institutional development, and as a service. Critiques point to the consequent academic and intellectual dependence on the dominant neoliberal paradigms of MESCs.

2. Following an alternative approach for pluralistic knowledge production relating more to national development needs and community service by asserting local histories, cultures, languages and academic traditions, alongside international cooperation.

Both approaches are considered in detail later in the paper.

The key messages from the review of literature for Asian countries concern adopting a broader perspective to IHE focussing on 'international cooperation' linked with 'national development'; looking beyond Anglo-Saxon paradigms and practices; and avoiding uncritical imitation of practices in other countries.

IHE: different meanings, phases, objectives and avenues

Internationalisation has been interpreted variously, and Ng (2011, p. 118, 128) summarises several of them:

1. Understanding the universal nature of the advancement of knowledge based on the common bonds of humanity and 'the awareness and operation of interactions within and between cultures through its research and curriculum' (Yang 2002).

2. Helping to enhance students' competencies and create a climate on campus that promotes and supports international/intercultural understanding' (Knight 2004).

3. 'A process integrating an international/cultural dimension into the teaching, research and service functions of higher education institutions' (Wit 2002).

4. Building up 'cross-cultural understanding, tolerance, and the creation of democratic communities and citizenships' (Chan 2008).

5. 'Development of human flourishing with the need to forge communities conducive to moral and spiritual growth' (Bottery 2005).

According to Ng, (2011, p. 118) these views are 'based on the profound belief that the cultural heritage of people is universal and humankind shares the bond of humanity and global citizenship in the process of advancement of knowledge'.

To Rubzki (1995, p. 422 cited by Lo 2009, p. 734), IHE implies 'a long term strategic policy for the establishment of overseas links for the purpose of student mobility, staff development and curriculum innovation', while to Deem *et al*., (2008 cited by Lo 2009, p. 735) internationalisation can also imply 'the pursuit of international image and quality in order to make the selected top institutions more globally competitive, especially in Asia'.

Wang (2008, pp. 508-509) summarises Knight's articulation of the phases and objectives of internationalisation at different times as: (a) replication of European

models of HE in their colonies, (b) the bid for influence by the two superpowers during the 'Cold War' period, (c) a shift in emphasis in the EU from political to economic motivation as evident in European programs for cooperation and exchange in research, technology and education, (d) emphasis on national identity based on a more equal status in Asia Pacific countries, and (e) the present wave of economic globalization. The last two phases are relevant to our purposes.

Knight (2006, p. 18 cited by Lo 2009, p. 734) points out that the avenues used by HEIs for internationalisation include 'international cooperation and development projects; institutional agreements and networks; the international/intercultural dimension of the teaching/learning process, curriculum and research; campus-based extracurricular clubs and activities; mobility of academics through exchange, fieldwork, sabbaticals and consultancy work; recruitment of international students; student exchange programs and semesters abroad; joint/double degree programs; twining partnerships; and branch campuses'.

Some policy analysts contend that the developing countries depend on major superpowers for their IHE. Altbach (2002, pp. 29-30) argues that deep inequalities under-grid many of the current trends in the globalization and internationalization of higher education, with a few countries dominating global scientific systems, new technologies owned primarily by multinational corporations or academic institutions in major Western nations, and the domination of English placing at advantage countries using English as the medium of instruction and research. These issues will be later discussed in relation to specific Asian countries.

European and other approaches to IHE

The distinction between seeing HE as a 'public good' and as a 'commodity' or 'service' to be traded on the world market is clear in the neoliberal, market-principle based approaches of the mainly English speaking countries (MESCs) such as UK, US, Canada, Australia and New Zealand on the one hand, and continental European Universities on the other. According to Van de Wende (2003, p. 199), continental Europe, from a political and value-based perspective, distances itself from an actual market and trade perspective on higher education. It sees (free) higher education as a public good rather than as a commodity to be traded on a (world) market.

He further explains that 'most continental European countries pursue a cooperative approach to internationalisation, based on mainly academic and cultural (and not so much economic) rationales' (2003, p. 200). The Bologna Declaration, which aims to enhance international competitiveness of European higher education and the compatibility of degrees and qualifications thus 'stays away from a market or trade perspective' (2003, p. 200). However, Van de Wende argues that, while the European approach conforms to traditional academic values, the Bologna process is inadequate to meet the challenges of globalisation, since its institutional arrangements are inclined more towards cooperation between governments than towards a competitive view of HEIs.

Mok (2007, p. 447) pleads that, promotion of mutual understanding and cross-cultural exchanges requires moving beyond the established order dominated by the Anglo-Saxon paradigms and instead developing systems and standards that could preserve national heritage and promote rich cultural traditions. This proposition deserves further critical scrutiny in specific country contexts.

Suggestions by authors such as Chen and Chien, and Lo on IHE in Asia also concern national development and knowledge production with Asian characteristics and values for local consumption, and will be further discussed later in the paper.

Part I – IHE in the Asian context

The body of scholarly literature on recent reforms in HE and internationalisation in Asian countries analyses the nature of the reforms undertaken and their directions and highlights the uncritical adoption of Anglo-Saxon paradigms and practices. Some authors argue the need to learn from but not imitate the Anglo-Saxon paradigm and practices in developing policies and programs for providing internationalised higher education with Asian characteristics.

Wang (2008 pp. 507-508) citing (WTO and ILO, 2007) argues that while Globalization increases the need for linguistic, technological and inter-personal skills to deal with different institutions and cultures, HE in most developing nations has been ill-prepared to face the challenge and, for various socio-cultural reasons, lacks a clear strategy and policy to deal with it. In this context, Mok (2007, p. 435) suggests various ways to differentiate one's higher education system from those abroad while enhancing global competitiveness. Japan, Malaysia and Singapore, for instance, seek to develop as regional hubs of HE by grasping opportunities to turn HE into a service industry (p. 436).

Transnational educational services are aggressively penetrating the Asian region with private sector establishments entering into partnerships with foreign HEIs, as local agents to recruit new students. Some Asian countries now have private colleges that provide education in various countries by linking up with foreign universities, e.g., the INTI College system in Malaysia. Such moves have increased access to education and established strategic alliances between foreign universities and local agencies. The mode of internationalisation adopted by such colleges differs fundamentally from that of state funded HEIs, as the two systems vary in intent, scope, function, content and output.

Ng (2011, p. 118) explains that universities like those in Hong Kong, Singapore, and Malaysia, in order to meet the global demand for HE services, have started integrating into the global HE community. Policy reforms and initiatives have come into place in Japan, China, and South Korea with the aim of internationalising their HE systems. Ranges of new institutions now exists across Asia and include rapidly expanding institutions of lesser stature. Such developments call into question the very nature of globalisation as well as calls for internationalisation of higher education (IHE) based on the Anglo-Saxon paradigm.

Cross border student flows and policy issues

In developed countries and the emerging economies of Asia, wherever national HE systems could not meet the demand for higher education, HEIs expand their operations to cater to the need by adopting a market model; and Van de Wende (2003, p. 194) points out that, facilitated by information and communication technology, matching of demand with supply is increasingly occurring across borders, leading to a global market in higher education. He gave the volume of the global market in higher education, based mainly on international student flows, as US$30 billion in 2003 (p. 195), and added that public institutions often adopted (quasi) corporate strategies (p. 202).

Asian countries have for long sent students abroad for higher education. 'According to the Organization for Economic Co-operation and Development (OECD 2009), Asian students will dominate the global demand for international HE in the next decade, with China and India as key growth drivers, generating over half the world demand by 2025 (Ng 2011, pp. 115-116).

In this context, it is useful to capture a sense of the foreign student flow across borders. According to Altbach (2002, p. 31), the flow of foreign students was largely from developing countries to industrialized nations. Only 15% of foreign students in the US were from Europe while the majority was from developing countries. The number of Americans studying abroad remained low in 2002, despite a 45% growth since 1998 (p. 31).

In 2003, 71.4% of the on-shore international students in Australia were from Asia. The figures were 84.2% for New Zealand, 40.8% (compared to 40.3% from Europe) for the UK and 62.5% (13.1% from Europe) for the US (Healey 2008, p. 336). Healey contends that the combination of declining public subsidies for domestic students with the deregulation of tuition fees for foreign students made foreign students an attractive market for MESC universities (p. 346). For example, though Australia's highly successful model is being challenged on many fronts, 'Australian universities have been big winners from the Asian gold rush of full-fee paying international students for almost two decades' (Gallagher and Garrett 2012).

Similar trends have emerged across Asia. The number of international students in China exceeded 80,000 in 2004, with enrolments growing at 20% per annum' (Chich-Jen and I-Ming 2006 in Healey 2008, p. 348). IDP Australia 2003 forecasts that, by 2020, 2.6 million could be studying in MESCs, with 71% from Asia. Healy anticipates a 7.8% annual growth in the number of Asian students between 2003 and 2020 (p. 350). Given the changing global economic circumstances, such forecasts require cautious interpretation.

That the US, UK and Australia, the three countries with the highest number of international students, stimulate their universities to expand their markets indicates the economic significance of the enterprise. In the US, education and training services ranked among the top five service exports in 1999. UK's share of the global market for

international students was 16% in 2003, and accounted for 4% of its service revenues. In Australia, the third largest exporter of higher education, the education and training sector ranked fifth in general exports (Van de Wende 2003, pp. 195-198). Also, international students, mainly South and South East Asian, constituted over 21% of the student enrolment in Australian public HEIs in 2002 (Harman 2004, p. 101).

Of South Korean students studying abroad in 2008, 28.8% were in the US enrolled mainly in degree courses, with 26% in China in language courses. The number of South Korean students going abroad for undergraduate studies showed a nearly 50 % rise between 2003 and 2008. This increase appears to be due to the strong attraction for foreign degree holders in South Korean society and the importance of proficiency in a foreign language, especially English, in the South Korean job market (Byun and Kim 2011, p. 472). Of foreign students in South Korea in 2008, 92.8% were from Asian countries, with 70% from China (p. 474).

Japan presents a different picture. According to the Japan Association for Student Support Organization (JASSO 2005), Japanese universities and colleges had 121,812 international students in 2005 compared with 35,379 students in Japanese language educational institutions in 2004 (Mok 2007, p. 444).

The number of Indian undergraduate and postgraduate students in the US rose by 60% to 90,000 between the academic years 2000-2001 and 2007-2008. Chakarabarti *et.al.* (2010, p. 187 based on Bhandari and Chow 2008) suggests that most Indian students in the US (72% postgraduates) are unlikely to return to India. This contrasts with a much smaller number of students from the US studying in India, numbering fewer than those from South and Central Asia and comparable with the figure for Southeast Asia (De Wit *et al*., 2008 cited by Chakarabarti *et.al.,* 2010). The number of international students in HE in India has been modest (UNESCO, 2008) and income from international student influx is less than 0.5% of India's annual HE expenses (de Wit *et.al.,* 2008). Chakrabarti *et.al.* (2010, pp. 190-191) point out that while India has the third largest number of international scholars in US universities, agreements and partnerships between Western and Indian HEIs are still in their formative stages and are inadequate to attract substantial numbers of students from the West.

It is evident from the above that the MESCs are at an advantage over Asian countries in attracting foreign students, although the picture is changing rapidly.

Following Knight (2002), Van de Wende lists several policy issues relating to the export of higher education, such as the changing role of the government and its public responsibility; implications for student access and affordability; funding, regulation and recognition; quality assurance and accreditation; research and intellectual property rights; impact on non-commercial internationalisation; the brain drain; culture and acculturation; and institutional issues such as autonomy, academic freedom, and employment conditions (Knight 2002 cited by Van de Wende 2003, p. 197). He draws attention to threats associated with further liberalisation of higher education in the developing countries, including detrimental effects on smaller countries and their languages and recommends that policy makers should move beyond 'fake

contradictions' and 'overtly general statements' concerning the public nature of higher education, and identify the nature of threats in concrete terms.

Internationalisation trends in Asian countries

The main trends identified in the literature survey are listed below, to be further examined in the rest of the paper.

Trend I: Importance of international benchmarking and steps taken to be among the top 200 Universities.

Trend II: Adoption of neo-liberal policy tools and practices, and its impact on HE systems.

Trend III: Adoption of corporate-style, top-down management and processes and its impact on collegial nature of academic enterprise.

Trend IV: Reviews of HE systems with focus on further internationalisation, implying privatisation, marketisation etc.,

Trend VI: Market research, branding and aggressive marketing or promotion by host countries

Trend VII: Adoption of English as a medium of instruction, and provision of bilingual courses to the detriment of knowledge production via local languages.

Trend VIII: Twinning programs and international staff and student exchanges in HEIs.

Trend IX: Exporting HE services to other Asian countries

Trend X: Policy assertions on the need to link IHE with national development, international cooperation and understanding, teaching excellence, community service, knowledge production with Asian roots, values and characteristics.

IHE in selected Asian countries: reforms and critical perspectives

IHE in selected countries of Asia is briefly reviewed to obtain a picture of the key drivers, changes, reforms and alternative visions. Perspectives from individual countries are used to show, in different country contexts, the impact of location, history, networks, politics and culture on the one hand, and the perseverance and reproduction of a dominant paradigm of internationalisation based on neoliberal market logic, on the other. Problems in transcending such paradigms and practices once adopted are also discussed.

Taiwan

Transition from elite university education to mass access occurred in Taiwan from the late 1990s. The number of HEIs rose from 50 in 1991 to 163 in 2007. The number of private HEIs now exceeds public institutions, and admission to private institutions exceeds that to public institutions. The Ministry of Education initiated a five-year program to promote academic excellence in Universities in 1998. The second round was implemented in 2002-2006 with a large financial investment (Lo 2009, p. 736).

Under the Program for Developing First Class University and Top Research Centres launched in 2005, a 'differentiated system' was set up to provide resources to universities at four levels. The Apex Level with 12 research universities is required to create at least one world-class university within a decade. The second level has 28 teaching excellence universities which are not research-oriented. The third level includes some HEIs, which are not comprehensive universities and nurtures talent in key areas, and enhances teaching quality in specific disciplines. The fourth level institutions are not entitled to specific government funding. To encourage interaction among these levels, the ministry of education established a program under which, top-level universities share their teaching with lower level institutions. However, while the system risks segregation between internationally focussed and locally focussed sectors, the institutions are less likely to develop a multi-dimensional profile (Lo 2009, p. 741).

Chen and Chien (2009, pp. 206-228) are critical of Taiwan's HE reforms, especially the adoption of Social Science Citation Index to evaluate scholarly work in view of its overemphasis of the use of English and ranking by SSCI as important criteria of globalization (pp. 207-208). They argue that HEIs should contribute to 'knowledge production under globalizing, postcolonial, multicultural conditions' (p. 208). The paper comprehensively reviews Taiwan's knowledge production, the dynamics and driving forces of changes (p. 208-212) and explains how Taiwan's relationship with the US became predominant during the Cold War. With 80-90% of Taiwanese who pursued HE going to the US before 1990[i], the tendency was to imitate the American system and paradigm. When the neoliberal globalisation dynamic based on capital and free market emerged in the late 1980s, universities in Taiwan, Singapore, South Korea, and even China followed the American model to move toward privatisation and marketisation.

Observations by Chen and Chien about Taiwan's situation in the IHE include the challenges and steps to be taken as outlined below.

1. The trend of 'de-linking with Asia/joining up with America' in the post-Second World War Taiwan has had a long term historical impact on knowledge production, and total Americanization has endangered the survival of locally-fostered historical consciousness (p. 219). Taiwan has muddled through without critical assessment of the trend and its impact on local tradition.

2. Rebuilding subjectivity with critical consciousness in Taiwan is not merely de-Americanization and 'returning to Asia'. The need is to build critically conscious subjectivity to offset the obsessive dependence on the US as the single reference model.

3. Taiwan's academic production must be examined within the broader context of its geography and history; and clarification of Taiwan's historical context should precede the imagination of any vision of globalization and internationalization of academic production (p. 219).

4. With Taiwan situated at the meeting point of several different networks there is a need 'to see Taiwan's subjective location as a nodal point, and an imaginative entity in geographical-historical space,' (p. 219)[ii].

The authors go on identify these networks — one being the Chinese-speaking diaspora scattered around the globe — cutting across state and cultural boundaries, and offer thoughts on utilising them in the IHE.

South Korea

IHE has been at the forefront at policy and institutional levels in South Korea. In the early 2000s, South Korea 'introduced policy initiatives to recruit more foreign students to counterbalance a declining population of domestic students (Byun and Kim 2011, p. 468). Initially, HEIs saw this as a means of generating income, but later recognised quality standards for education and research, and acted to internationalize campus environments. Since 2008, South Korea has invited prestigious foreign universities and scholars to ease access to the global knowledge network. Thus, internationalization is increasingly seen as a tool for improving quality and increasing competitiveness of HE and research (p. 468). The text that follows is based on the overview by Byun and Kim of the changes in government's policies for internationalising HE since mid 1990s.

In 1996 the Korean government introduced its plan to open HE market to foreign countries. Collaborative curricula were developed between Korean and foreign universities and foreign universities were allowed to establish branch campuses from 1998, followed by further deregulation. Now 29 institutions offer dual degree programs in partnership with 34 overseas institutions in 14 countries, and student exchange programs are thriving, mostly with the US and China.

The new policy was driven by the desire to develop a knowledge society, effects of Asian financial crisis, the falling birth rate and the decline in freshmen population. It led to a market mechanism and a concept of global competition. The aggressive steps that followed (p. 470) led to a tenfold rise in foreign student enrolment between 2004 and 2007, and since 2008, quality and diversity of foreign students fare prominently in government policy.

The Brain Korea 21 Project aims for 10 world-class Korean universities, based on research paper publication in international journals. The 2008 World Class University Project aims to attract foreign scholars to reverse Korea's brain drain (p. 475). The US$740 million project aims to 'provide students and researchers with a superior study and research environment linked to an international knowledge network' (pp. 475-476).

The 2005 Special Act further eased academic and fiscal restrictions on foreign HEIs and allowed the government to fund foreign universities. With foreign institutions allowed to transfer surplus income from 2009, several (mostly American) HEIs are in discussions to set up branches in Korea. As for becoming a knowledge hub in Northeast Asia, the authors say that the situation is far from satisfactory (p. 477).

Byun and Kim also identify major future challenges to effectively cope with internationalisation: (a) effective quality assurance for cross-border educational activities, (b) redressing previous overemphasis on quantitative aspects of internationalization, (c) balance between the conflicting demands of international competition and cooperation (pp. 466-467), and (d) need for local HEIs to compete with rapidly rising HEIs in other Asian countries (p. 480).

A most tangible recent development in curricula 'is the expansion of courses taught in English in South Korean HEIs. In 2006, English medium instruction (EMI) courses accounted for 2.2% of the courses offered by South Korean universities in the first two semesters' (p. 478). This suggests that internationalisation is being conceptualised in terms of attracting foreign institutions, academics and students or the teaching of various courses in the English medium.

The authors urge the government to focus 'not only on areas of national interest but also on possibly contributing to the academic and cultural diversity of Asian universities in general and to higher education cooperation across the East Asian region' (p. 482). Balancing competition and cooperation alongside the international and regional role of the HE system is a challenge faced by South Korean HEIs. In this context, sustained government support for the policies aimed at IHE is a necessity for effective internationalisation.

Hong Kong

According to Ng (2011, p. 115), of 9,333 non-local students in Hong Kong's HEIs in 2009-2010, 90% were from China and 6% from other Asian countries. Hong Kong has a language edge for attracting students from China.

Hong Kong has world-renowned universities: Hong Kong University ranked the 18th best in 2007. Forty offices of the Hong Kong Trade Development Council are usable to market higher education in several areas of excellence including MBA and EMBA. The 2006-07 policy agenda aiming to turn the Hong Kong to an 'education hub' covers areas such as immigration control, accommodation, financial assistance, support for local institutions to offer services outside Hong Kong, and promotion strategies (p. 116).

Ng identifies inadequate policy infrastructure, lack of working rights for students, lack of scholarships and financial subsidy, high cost of accommodation, and inadequate research and development funding among serious impediments. Others concern the quality of some of the programs offered, the medium of instruction (mainly Cantonese)

and the English language capacity of some lecturers, lack of visibility of HK's higher education, and social and cultural barriers (pp. 123-127). Recently Hong Kong has acted to address these impediments to be on the verge of developing a unique hub of international education that will challenge the market-driven and profit-oriented Western models (p. 129).

Ng also identifies four challenges: (1) keen competition from education exporting countries in the region; (2) the impact of the strong tide of marketisation based on neoliberal ideology; (3) the need to integrate an intercultural dimension to teaching, research, and community service to give education a humanising effect; and (4) perception of Western education as better than Asian education (pp. 127-128).

He adds that Hong Kong's HEIs should emphasise more the vision of preparing future leaders and citizens to address global issues so as to counteract the tide of excessively market-centred values and commercialization of higher education, and that the HEIs should contribute to the wider community through curriculum reforms and future visions (p. 128).

He places the long exposure to Western systems among the advantages unique to IHE in Hong Kong (pp. 120-121), associated with advanced technology as well as law and order, freedom of speech, and a multilingual population that make Hong Kong a cosmopolitan city. Besides, some of the curricula are uniquely structured with China's modules and Hong Kong's geographic, business and cultural proximity to China is a major attraction to foreign students (p. 122).

China

China's HE reforms for internationalisation will be dealt with briefly here for want of time and space.

Since 1999, China's HE sector expanded significantly in terms of student enrolment. Reforms in HE focussed on turning a few universities to world-class institutions, internationalising the curriculum, and promoting student exchange programs, and several HEIs are under pressure to internationalise. China 'has set the ambitious target of doubling its international student intake to more than 500,000 by 2020' (Gallagher and Garrent 2012).

According to Chen and Chien (2009, p. 224), China is using the US as its single model for university reformation. Chinese speaking communities in China and elsewhere are at the same time called upon to face the objective reality that Chinese is an important international language and to contribute to the 'pluralisation of knowledge production'.

Further exploration of the initiatives by China is necessary to understand correctly the direction in which its HEIs are heading to internationalise — particularly since China is an Asian country sending large numbers of students for study overseas while attracting a significant number of students to its own institutions.

India

India, with over 11 million students in 16,000 HEIs (350 universities and 15,600 affiliated colleges), has the largest education system in the world, after the US and China (Mitra 2010, p. 108). India seeks to make its universities attractive to foreign students and to domestic students who would otherwise go overseas for study. With those leaving India for higher education constituting a large fraction of its emigrants, 'an effective strategy for the retention of highly skilled workers would be to make Indian universities more attractive' (Chakrabarti *et.al.,* 2010, 184).

Altbach (2002), based on his review of "Internationalization of Indian higher education" by Power (2002), considers India as a good case study to understand the challenges and opportunities of IHE in developing countries. India ranks second among countries sending students to the US (p. 30), with 54,664 Indian students in US HEIs in 2000-2001, while India receives only around 10,000 students, mainly from developing countries, with some on Indian government scholarships.

The number of universities in India grew from 20 in 1947 to 378 by 2005. The HEIs include Institutes of Technology and Institutes of Management with a global brand value. Some Institutes, like the Centre for English and Foreign Languages, Hyderabad, have set up offshore campuses. The medium of instruction in many HEIs is English. There is a mix of public and private institutions. While several public universities now look for private financing and charge a tuition or service fee, some private institutions eligible for public funds engage in social non-profit actions (Mitra 2010, p. 106). There are campus-based and virtual universities operating for profit like Aptech and NIIT. Chakrabarti *et.al.*, who observe that private HEIs can contribute to domestic student retention and promote graduates with varied qualities and skills befitting the global context, also believe that the Indian HEIs need to further develop student support structures as in developed countries to attract more foreign students (pp. 184-185)

In 2001, the Association of Higher Education in India issued the 'Mysore Statement' which accepted internationalisation in the new 'knowledge era' as a fact of life that can enhance the quality of education while producing understanding and financial returns. The Statement acknowledged the importance of partnerships and networking for enriching teaching and research (Mitra 2010, p. 107). It recommended a series of actions to the government and academic institutions to enable Indian Universities to open offshore campuses, simplify registration procedures, grant greater autonomy to HEIs, establish a central website, and let Indian embassies promote Indian higher education. It also recommended reinforcing the disciplines that may attract international students, partnerships and networks, internationalisation of the curriculum, and English language assistance for students from non-English speaking countries, and short-term courses on Indian culture (p. 109).

India also formulated legislation to allow foreign universities to enter the Indian HE sector. Chakrabarti *et.al.* confirm interest within the Indian HE market for collaborative partnerships and exchange programs with IHEs (p. 197), and about 50 foreign universities have expressed interest in establishing campuses. While India is moving

towards IHE, it also faces a severe brain drain; and, based on the recommendation of the 'Knowledge Commission' (Neelakantan 2007 cited by Chakrabarti *et.al.,* 2010, p. 185), India recently announced the creation of 40 new universities.

Chakrabarti *et.al.* point out that India's public education standards are far below international standards, except in the 10 highly reputed public universities (p. 186), and no Indian university is ranked among the world's top 300 universities. They believe that the twinning between Western and Indian schools is a way to address challenges faced by the Indian HEIs. There are now more than 130 foreign universities that have tied up with a variety of Indian academic institutions (Sengupta, 2007 cited by Chakrabarti *et.al.*) and in 2009, 'the governments of Britain and India launched the $50 million UK–India Education and Research Initiative, with top-tier British schools vying to tie up with relatively young Indian institutions' (2010, p. 189). However, it is the private HEIs in India that are highly active in twinning arrangements, international student recruitment and exchange, reminiscent of similar activities much earlier by private HEIs in Malaysia and Singapore.

Thus while there is evidence of both private and public sector initiatives in India for IHE, their impacts on the nature of student flows, improving the quality, promoting Indian culture, and access to HE remains be seen.

A framework for encouraging local dimensions

The dilemma facing Asian countries is the internationalisation of public HEIs while ensuring that they serve local needs and play a role in national development. Arguments about the impact of IHE on local HEIs, particularly privatisation, corporatisation of management and student recruitment, bring it out strongly. Lo (2009, p. 734) argues that the hegemony of the English-speaking systems persuades academics from non-English speaking countries to abandon writing and publishing in indigenous languages. He calls for a radical change in the way policy makers view the role of culture in HE in order to promote the local dimensions. (pp. 742-743).

Lo proposes the concept of 'state-building University' as an alternative to the quest for powerful world-class universities and a response to the demand for scholarships within different contexts to develop toward a common direction in the name of internationalisation. To Lo the concept of state building offers a parallel ideological framework to preserve and even strengthen local dimensions in universities (p. 743)[iii], and asserts a role for local dimensions in the process of constructing and restructuring higher education in developing countries (2009, p. 743).

Lo insists that state building and localisation are distinct concepts, and that the latter comprises 'a process of translating global approaches into local practices in a top-down mode' (p. 743), whereas state-building universities are more concerned with their presence in local community than with building research capacity. Thus, faculty participation in community services, outreach to domestic industry and local organisations, publishing in local journals and newspapers, and the role of graduates in

community leadership become more suitable performance indicators for state-building institutions (p. 742).

Thus Lo proposal for 'a new differentiated model' for Taiwan is for institutions to develop multiple dimensional profiles. The apex level would include the international research-intensive universities along with quality teaching and local dimensions, while a majority of institutions, including teaching-oriented and locally focussed ones, are at the second level. This model deserves further attention.

This differentiation in conceptual and institutional terms between research-excellence universities, and teaching and local/national development universities — while retaining teaching excellence as common ground — is an innovative way of visualising the categories of HEIs in the present era. The idea of institutions developing a multiple dimensional profile too is a useful concept in the context of single purpose (like teaching only) institutions, which risk being labelled as second class for lack of a clear role in national development or competition for research excellence.

Issues and challenges faced by Asian countries & HEIs

As evident from the country cases described above, the issues and challenges seem country-specific, with each country facing issues and challenges unique to it, depending on the evolution, management, funding, reformation and service of its HEIs. In this section, I aim to identify issues and challenges that are common to all Asian countries. These include:

1. International benchmarking of national universities, which are research-focussed along with teaching excellence

2. Internationalisation vs. local knowledge production for state building. Developing clear visions and missions for a two-tier system of universities, i.e. those with international focus and those with a local-national focus

3. Choice between competition and cooperation or reaching a balance

4. Contradiction between top-down decision making in policy reform and management of HEIs, and adequate consultation with stakeholders in matters of policy reform and university management

5. Public-private and domestic-international partnerships in program design and delivery, exchange of students and knowledge

6. Developing research evaluation systems appropriate to local conditions and needs— not imitating Western countries

7. Curricular reforms and resourcing to reflect global and international dimension and/or national development and knowledge production

8. Dynamic leadership capable of understanding global, regional, and national forces, challenges, issues, and opportunities while consultatively managing change.

There are useful lessons to learn from countries like Japan, Taiwan, Hong Kong and South Korea which moved early in the direction of HE reforms characterised by privatisation, marketisation, and corporatisation. Steps taken by countries like China and India cannot be replicated in smaller countries like Sri Lanka except where issues are similar, like the brain drain, social justice issues, overdependence on dominant languages and paradigms in the region. The examples of Singapore, Malaysia and Thailand could be useful to Sri Lanka, subject to studying them in their full complexity.

The following points made by Wang (2008, pp. 511-516) on internationalisation in South East Asian Countries are noteworthy:

1. Political will and institutional leadership

2. Strategies for internationalizing the teaching profession

3. Internationalizing the curriculum: changes to reflect new knowledge areas, foreign language skills, use of open courseware (OCW)

4. Focus on substance and seeking appropriate partners for international cooperation (emerging networks of HEIs with specific objectives such as the Global University Network for Innovation based at the University of Catalonia in Spain)

IHE in a 'narrow sense' is accompanied by its own issues and challenges, namely attracting foreign students, and implementing curricular and institutional reforms, partnerships with foreign universities or inviting satellite campuses of foreign universities for the purpose. IHE in the 'broader sense' of academic and research cooperation and exchange with public-private institutions and foreign HEIs has its own set of issues and challenges. The two have to be distinguished through a systematic review process and necessary policy reforms to be implemented with adequate stakeholder consultations while learning from the experiences of other countries.

Part II – IHE in Sri Lanka: challenges, opportunities, and questions

In planning for IHE, it is important to understand the different meanings and methods of internationalisation. The approaches and strategies adopted by developed and developing/emerging Asian countries have to be studied in their full complexity together with their strengths and weaknesses. One should not underestimate the complexity of the task when emphasis on trade and competition increasingly provide the driving rationale for internationalization (Mok 2007, p. 436).

As Chen and Chien (2009, p. 222) have emphasised, globalisation cannot be simply equated to the use of Anglo Saxon paradigms or that of neoliberal economic

globalisation since stronger regional forces are at play within globalisation and demand for higher education. The multilateral and multi-polar nature of globalisation needs to be recognised, as is the changing nature of Asian market for full-fee paying students. Gallagher and Garret estimate that the demand from Asia for full-fee paying students has peaked (2012), and prescribe a rethinking of strategy for Australian universities. As much as Taiwan continued to depend on US HEIs for its knowledge production to the detriment of its knowledge production with Asian characteristics, post-independence knowledge production in Sri Lankan HE has depended heavily on MESCs, in particular Britain. English as the main medium of instruction enjoys greater privilege over local languages. With this mind-set and the associated paradigms, practices and structures prevailing — in both public and private sectors — a narrow approach can set serious limitations for IHE with Sri Lankan/Asian characteristics. While capitalising on existing relations and networks with MESCs and their HEIs, Sri Lanka needs to expand into other spheres of knowledge production in other regions of the world in its next phase of internationalisation. Various networks that Sri Lanka has developed in many parts of the world including in Asia can be used for the task. It can also utilise its current edge in information technologies to reach wider audiences.

Sri Lankan intellectuals and policy makers need to examine if the reference point for academics in Sri Lanka should still be the US, UK, Continental Europe or Australia, or indeed recently developed countries such as China and India. De-linking with Asia in the colonial period and its impact on the local knowledge production[iv] need to be considered. Among further issues are: existing gaps in knowledge and their rectification; possible dependence on the dominant paradigm in academic production, its continuation and mode; the impact of such a paradigm on local knowledge production, for state-building in particular as seen by Lo; feasibility of moving away from the dominant paradigm in planning internationalisation in higher education; the choice between the market driven model based on neoliberal globalisation and finding a broader meaning and purpose for internationalisation with Sri Lankan roots; the extent to which the critical perspectives emerging from scholarly policy analysis in Asian countries are useable in the context of what governments in the region have accomplished.

It is not desirable to seek simple bureaucratic formulae for the task at hand, without addressing fundamental issues. If the academic community and other stakeholders fail to generate the necessary analyses, interpretations and directions for the needed changes, the exercise can become a top-down process destined for failure.

If the aim is to plan for ‘exporting education’ like other Asian countries, Sri Lanka has to reflect on the ‘competitive advantages’ of its HEIs owing to its location, history and culture, proximity to India, programs of excellence, quality of offerings, reputations of institutions, and the pool of multi-lingual, multicultural workforce. Mok points to the need to systematically investigate ‘opportunities available’ and ‘the impediments’ and reform the system to be able to internationalise with international cooperation as the focal point rather than imitate or reproduce the Anglo-Saxon paradigm and commercially oriented practices. Sri Lanka should consider the role of the HE system in the socio-economic and cultural development of the country and learn from Asian

countries that have been proactive in this area to develop its own blueprint for future growth of universities as cosmopolitan centres of learning[v].

Greater autonomy for HEIs to choose the route to internationalising within a nationally oriented policy and funding framework needs consideration. Embedding an intercultural aspect together with an international/global dimension to the curriculum along with desired 'graduate attributes' is as important to generate excellence in programs, as are the specific subject contents. The ability of graduands to function effectively in multiple societies in varied roles and contexts will be a desirable quality in this era of change and opportunity. Desirable graduate attributes include knowledge of the discipline, communication skills, global perspective, information literacy, lifelong learning, problem solving, social responsibility, and teamwork.

The merits of international competition among universities to pursue excellence through rankings and league tables need reconsideration in the context of its implications for meeting local/national needs. This is crucial in the context of preserving the balance between content (curriculum and learning resources) and local teaching-learning context.

Education in a foreign university or in a satellite campus cannot be considered international if the curriculum, resources, pedagogies, knowledge paradigms, ways of thinking and examples drawn are from the countries of origin of the institutions or if they reinforce the dominant paradigms of the MESCs with disregard to developments in other regions. The utility of education is in its potential 'comparative' and 'applicational' value to the context where the learner intends to operate. Likewise, education received from a Sri Lankan HE institution cannot be considered international if it concerns only local issues, context, concerns and knowledge. Education, to be truly international, should be globally-regionally focussed in terms of the curriculum, resources and pedagogy that is inclusive of cultural diversity in the classroom and in the backgrounds of students.

The literature review shows that IHE is not simply a matter of imitating what other countries have implemented but systematically reviewing, analysing and researching the way forward for each country based on international experience, competitive environment, competing paradigms, and local values and needs. The following matters deserve consideration when planning for IHE:

1. Internationalisation as mediated or conditioned by a country's history, culture, language and market edge, current needs and values, the reputation of its HEIs, funding sources, and the political will to reform.

2. Differing reasons for Asian countries to internationalise their HE systems, such as a decline in the number of local students entering HE; high levels of brain drain; and super-power influence or language edge.

3. Transcending the dominant Anglo Saxon and neoliberal paradigms in HE delivery to read the meaning of international cooperation or exchange in a

broader sense, and locating local knowledge production for national development.

4. Delineation of the roles of public and private HEIs in educating a country's younger generation with a global and internationally competitive outlook, free of fixed ideas about one being good and the other bad.

5. The nature of required curriculum reforms and changes in the approaches to teaching and research to accommodate global, and intercultural perspectives, with adequate support services and student-centred teaching.

6. The need to develop a 'drive for achieving excellence' in world recognised research as exemplified by the drive towards world-class university status or something similar from a regional sense.

7. The need for regional and global emphasis of culture, history, languages, and international understanding, alongside domestic training and knowledge production.

8. What Sri Lanka has to offer to the outside world in higher education (teaching, research and service to professions and communities) rather than what it can borrow.

The necessary strategies for Sri Lanka should flow from the answers; and the mechanics for implementing IHE amid such broadly based parameters and a competitive regional/global context should derive from a country-specific vision, mission and clear objectives, whose determination leads to further fundamental questions.

Following Mok (2007, p. 437), we confront the issues of purpose and benefits of internationalising HE; the case for immediate adoption of internationalisation as agenda/strategy for contemporary universities; implications for students and other stakeholders; key factors and right policy focus from a national point of view. Policy reforms and changes to legislation and institutional structures should follow a rigorous process of consultation with relevant stakeholders, with necessary funding put in place for specific, targeted projects. There is need for targeted research on specific aspects of IHE and for dynamic and forward-looking leaders from within or outside the country to handle the transformation.

Criticisms of the neoliberal paradigm of privatisation, corporatisation, and marketisation of higher education centre around the objectives of HE – other than generating incomes for HEIs – getting side-lined. Top-down decision-making and implementation structures put in place following the management styles in the corporate world by the CEOs of universities alienate the workforce for lack of adequate consultation, casualisation of workforce, outsourcing of services previously internal to institutions, destruction of collegial work cultures, and most importantly treating students as customers rather than potential intellectuals. Award of a degree for a fee

takes priority over broader academic and intellectual pursuits for knowledge production to benefit society and mankind.

Conclusion

IHE should be defined in terms of a broad framework of features and functions, e.g. national development, international cooperation, national and regional integration, knowledge production and dissemination through enhanced research funding and productivity, giving students a global perspective, imparting intercultural and multilingual capabilities, and democratic management. Institutions need to develop multiple profiles instead of narrowly focussing on teaching only.

Before moving to further internationalise HE, we need to understand how the logic of neo-liberal globalisation has redefined academic production globally, regionally, and in Sri Lanka, and identify paradigms and practices that have become dominant, and those under stress. The specific roles that public and private HEIs play now and should play in the future need examination. An educational vision needs to be developed to articulate the role of each institution, embracing both 'international' and 'local' elements along with specific goals and strategies, based on a thorough process of consultation, review and organisational research, with different arms of the government developing mechanisms for cooperation in the pursuit of national goals in HE.

Future discussions about IHE should concern identifying and retaining the positive features of local dimensions of scholarship. The quest for building internationalised universities with world-class research and teaching excellence should go together with the notion of state-building universities, which can play a crucial role in community development and producing dynamic and far-sighted leaders. State funding should reflect this two-polar re-organisation (See Lo 2009, p. 744).

Foreign and local HEIs engage in knowledge construction and dissemination in their own ways. The knowledge disseminated and its value in the local and regional-global contexts can differ – especially in competition for employment and other professional opportunities. Knowledge acquired through a degree or diploma course has a value placed by the receiving person and his/her society. Thus the value of degrees/diplomas, which embody specific knowledge, are 'relative'. Yet certain forms of knowledge are seen as universally valid. It is necessary to distinguish between 'true or intrinsic value' of a HEI degree/diploma and the 'marketed/promoted value'. This requires critical examination, searching, collation and assessment of information. The government too has a role to play for the benefit of the younger generation who aspire to access transnational education.

Internationalisation in a futuristic sense means transcending the Anglo-Saxon paradigm, and linking up with the HEIs, languages and cultures in the region and elsewhere for knowledge production, sharing and transfer. Sri Lanka-centric knowledge production is feasible but will lack outside appeal if the neoliberal market model is to be applied by public university system.

While Van de Wende (2003, p. 203) suggests that 'the new paradigm of trade in educational services will need to be combined effectively with the existing paradigms and strategies in higher education' subject to keeping in mind that 'the growing demand for HE is not so much a demand for more of the same', Mok (2007, p. 44) warns that 'We should not take global trends or global practices for granted. Without proper contextualization, the adoption of such global strategies or global reform measures is complex and often contradictory, and therefore we need to avoid an overly deterministic view of globalization. We should not underestimate the social and political costs of globalization'

Thus a 'pluralistic space' for knowledge production and dissemination needs to be re-constructed in the country based on its core values and long term goals for IHE set within a global, regional, and national vision without being limited by dominant paradigm or language at work.

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[ii] After 1990 this figure has dropped to less than 50%.

[ii] Being an island nation and a meeting point of various networks, including multilingual ones, Sri Lanka is in a similar position.

[iii] State building can mean having a strong vision in local dimensions, pursuing excellence in teaching (undergraduate and taught Master's levels), basic and applied research to benefit domestic industry and social good, training national and local leaders, and public policy influences by a bottom-up approach (Lo 2009, p742).

[iv] Imitation can exist in the country's HE system if educational concepts and methods acquired from the US and the West are reproduced without serious reflection on their suitability to local contexts and knowledge paradigms.

[v] For more on this read Britez, R.G, Peters, M.A. Internationalization and the Cosmopolitan University, Geopolitics, History and International Relations, 2(1), 2010, pp. 34-61.

POLICY REFORMS IN HIGHER EDUCATION: TRANSFORMING SRI LANKA INTO AN EDUCATION HUB

Sirimal Abeyratne and Upul Lekamge

Introduction

Policy reforms in higher education have been regarded as one of the key issues by successive governments since the introduction of open economic policy. But at the implementation level the actual outcome has produced little success. Besides, much of the effort at policy levels has been directed at dealing with the issues related to the annual student intake to the state universities and to the unemployment problem of the university graduates. The frequent attempts to liberalize the higher education sector have made a slow progress owing to the political sensitivity of the issue. The issues at source have not been the target of the many programmes aimed at improving the quality of higher education. Given this background, higher education is one of the key areas which were not subject to a significant reform process even in the context of widespread policy reforms during the past three decades.

The need for drastic reforms in higher education has become more important today than ever before because the problems have got accumulated resulting in a continuous loss of competitiveness in university education locally as well as globally. University education in Sri Lanka has been operating behind the high protective barriers under the state monopoly. Therefore, the university system in Sri Lanka continued to exist with all of the typical problems of a "state-owned enterprise" operating in a "closed-economy" model. At the same time, many other countries in Asia in general and, even those in the South Asian region in particular have progressed rapidly compared to Sri Lanka in undertaking reforms in higher education.

As Sri Lanka wishes to be one of the emerging economic giants in the region and at the global level, it has to introduce a series of educational policy reforms to achieve its goal in making or becoming a hub of knowledge. The government's main policy document, "Sri Lanka – the Emerging Wonder of Asia: Mahinda Chintana – Vision for the Future, 2010" clearly states the aim of the government;

> 'The objective of our next massive leap forward is to transform Sri Lanka into a strategically important economic centre of the world. My determination, therefore, is to transform Sri Lanka to be the Pearl of the Asian Silk Route once again, in modern times. Using our strategic geographical location effectively, I will develop our Motherland as a Naval, Aviation, Commercial, Energy and Knowledge hub, serving as a key link between the East and West'.

This paper is aimed at elaborating the problems and weaknesses of the Sri Lankan university education in the context of the government's vision for transforming the country into an "education hub" and, finding out the strategies and policies in guiding

the higher education policy reform process. The analysis is based on an investigation into the Sri Lankan University education system, in compared to the practices of the countries that have established global educational hubs in the world as well as a series of educational reforms undertaken in many countries around the world.

Even the traditional educational hubs such as the USA and the UK are concerned with radical reforms in their university education in line with national requirements and global competition (Browne *et.al.,* 2010, Klein *et.al.,* 2012). Reforms in University education have not been limited to the countries with traditional education hubs. While East Asia is already far ahead of reforms (King and Guerra 2005), Singapore, Malaysia, China, Hong Kong, and Vietnam have initiated reforms in the higher education sector, primarily eyeing on international demand for University education. In the South Asian region too, India, Pakistan, Nepal and Bangladesh have undertaken policy reforms to liberalize the higher education sector.

University education in a knowledge hub

A 'knowledge hub' means a central point around which educational activities revolve with greater and competitive global connectivity. Thus the Sri Lankan government's policy thrust requires greater openness of its economy and more far-sighted political actions to expedite the reform process. Parallel to this move, it is also necessary to improve the physical and social infrastructure, including human resources, in order to serve the rapid growth in the key sectors. Kozma (2005, 117) highlights the special concerns and challenges of a developing country in the wake of globalization. For him 'knowledge creation and innovation' play a greater role in establishing a 'knowledge economy' because globalization has generated an 'information society' based on the rapid growth of ICT technologies. 'In the 21st century', Sijapati (2005) exclaims a similar view that,

> 'developing countries are confronted with the dual task of overcoming the existing problems related to equity and quality that have beleaguered their education systems while responding to new challenges posed by globalization and the information revolution'[p. 25].

Sri Lanka could boast about its impressive educational standards of people with Net Primary Enrolment Ratio close to 100 percent and Adult Literacy Ratio over 90 percent. Yet these achievements make little sense in the context of globally competitive knowledge and skills. It is a pressing question that what percentage of people in our literate society has the competency to work in a globally competitive labour market. Of course, even a substantial number of people who have that competency do not remain in Sri Lanka in contributing to its national economy either because there are no opportunities or because the reward for making that contribution is very little.

The environment to create globally competitive knowledge is, however, a fundamental pre-requisite of transforming Sri Lanka into a 'global knowledge hub'. The problem is more intensive than it appears as far as the higher education is concerned. In the field of higher education Sri Lanka has not only been stagnant, but also fallen behind its

neighboring countries. Many countries in the region which in the past lagged far behind Sri Lanka have advanced in higher education by surpassing Sri Lanka. Today, Sri Lanka is not the only country in the region getting ready to become an educational hub and eyeing at international demand for higher education. Singapore, Malaysia, China, Hong Kong, Vietnam and, India are among them, while unlike Sri Lanka they already cater to the international students.

A knowledge hub must create a dynamic educational environment to produce and multiply dynamic and globally competitive knowledge. A country geared towards producing globally competitive knowledge in higher education should exhibit the following:

- Firstly, the country should be 'importing' knowledge and skills from where it is available by employing foreign academics in the local Universities and, by sending local students to learn from abroad. Sri Lanka does not have a historical record of spending to do either of them, although in the recent past there has been an enthusiasm at policy level.

- Secondly, there should be international demand for higher education in Sri Lanka so that the country should be 'exporting' knowledge, accommodating foreign students in the country's higher education sector. In this case too, Sri Lanka does not have a historical record, although there have been deliberate attempts to attract foreign students in the recent past.

- Thirdly, there should not be a shortage of human resources with globally competitive knowledge in the country as the country creates opportunities for their employability and, reward the employees comparably and competitively. Sri Lanka, faced with a brain drain for long-time, has a serious problem of even retaining the competent human resources in the country.

One remarkable comment that has its validation over the past few decades was the inability of the Sri Lankan university graduates to cater to the demands or cope up with the challenges to get adjusted to the globally competitive labour market. The few people who have the necessary competencies migrate to greener pastures seeking better living conditions on offer. Although it is the choice of the educated to select between the home country and the host country, it is difficult to find a reasonable justification to utilize tax-payers' money to finance education of those who choose not to serve the country.

Dynamic global hubs have been created mainly not by effort, but by setting the necessary environment so that a global hub would eventually evolve. An important feature of an education hub is that it is recognized beyond the national boundaries as a centre of excellence in creating globally competitive knowledge and skills through education and research so that there is international demand. According to UNESCO Database (http://stats.uis.unesco.org), top countries that attract international students are USA, UK, France, Germany, China, Australia, Canada and Japan. In terms of the share of foreign students of the total enrolment in tertiary education, among the Asian

countries Singapore has already on the top and is comparable to Australia. Malaysia and Hong Kong occupy the second and third places. In the South Asian region too, while India has a reputation to attract a small share of foreign students to tertiary level enrolment, Pakistan, Nepal and Bangladesh have already begun to attract international students.

Both microeconomic and macroeconomic research has confirmed that education can make an important economic contribution in economic development. Education and the development of human capital have been central to the development strategies of all these countries. Economic-based education reform policy in is strongly linked to the development of human capital (Ashton *et.al*, 2002). Finland's Education Reforms are aimed at societal transformation and it provides a contrasting approach to that of Singapore. Its use of education is focused on broad-based, decentralized decision making and collaborative knowledge creation. Egypt highlights its education reforms in the context of economic and social development. As part of the education reform effort, it has advanced a plan that would integrate technology into the education system to both improve education and benefit the economy through the export of knowledge-based services and software production.

The problems of the Sri Lankan university system

The issue of the university education has often been highlighted in terms of its manifestation through lack of opportunities on the one hand and, the inferior quality of graduate output on the other hand. However, the crux of the matter, as many have understood, is deep-rooted in the University system of Sri Lanka covering a range of policy options. The high protective barriers that the traditional higher education policy has imposed have not been able to allow the Sri Lankan university system to get exposed to the competition and to get updated with the changing global standards. Despite numerous discourses aimed at policy reforms for higher education, this important sector was not subjected to liberalization even after more than 30 years of liberalization policy reforms under the open economic model. Therefore, the Sri Lankan university system has been suffering from all of the typical problems of a 'state-owned enterprise' operating in a 'closed-economy' model.

Inadequate institutional expansion

The University system of the country has not expanded enough to cater to the growing demand for higher education. As the University system comprised of largely the state-universities which depend overwhelmingly on the government's Treasury grants, its function and expansion were subject to the government's annual budgetary constraints of the government. So there is a widening gap between the demand and supply. The cost of producing the service is transferred to a third party so that there is no price and quality concern either at the demand-side or supply-side. There is no incentive structure developed within the University system to improve competition and efficiency. All forms of reforms, often through the loans and grants from the donor agencies, seem to

have touched upon the problems at the superficial level without addressing them at their source.

In the contemporary context the government's policy thinking centreed on creating a 'dynamic global hub' in knowledge has become more vital. The main objective of the 'global knowledge hub' status is that Sri Lanka should be able to produce globally competitive knowledge locally in catering to the global demand. Even if the policy concern for creating a 'global knowledge hub' is kept aside, those students in Sri Lanka who foresee a 'dead-end' after taking GCE (A/L) examinations, should have a choice to obtain higher educational qualifications with international competence.

The official statistics of the UGC proclaim that each year more than 125,000 students [out of over 200,000 sitting the GCE (A/L) examination] become eligible to seek University admissions in Sri Lanka. Although it does not mean that all of these candidates should be given University admission, all of them should have a choice and access route. Yet the state-owned Universities have the capacity to accommodate only about 15-16 percent (around 20,000), who enjoy the privilege of receiving 'free education'. This means that, although education is a basic human right, the majority lose even the 'freedom of education' under the closed higher education policy of the country, leading to deep-rooted economic, social and political problems among the youth.

According to the reported data around 15,000 – 20,000 students leave for University education abroad, while another 3,000-4,000 students choose to enter the local private institutes that are affiliated to the foreign Universities to gain tertiary educational qualifications. Depending on the affordability, the students going abroad choose countries from USA, UK and Australia at the high-cost end to India and other South Asian countries at the low-cost end. The opportunities for professional and vocational education have also not developed in the country parallel to its University education. So the majority of the students who passed the GCE (A/L) examinations, therefore, appear to find a 'dead end' along their path to acquire university or other forms of tertiary education at a reasonable cost.

According to the official statistics of the UGC, the Sri Lankan government spends around 1.5 percent of its total government expenditure or about 0.3 – 0.4 percent of GDP on University education whereas Finland 6.4% (Kozma, 133), Egypt 3.9%, Singapore 3.1% (Kozma, 135) and US 3% (Vedder and Denhart, 2) spend of its GDP on education. This is an insignificant amount compared to most of the other countries where both, the government and the students, share the cost of University education. An expansion of the State University system that depends on the government grant does not appear to be a viable or feasible policy option as it would add an extra burden on the government budget. Besides, it would not be an answer to most of the burning issues within the Sri Lankan University education. Yet, reviewing, restructuring and reforming the university system in Sri Lanka is a timely contribution.

Lack of competition and competitiveness

Under the 'centralized' University system in Sri Lanka, which does not have an incentive structure to be more competitive, it is not unusual to observe the sub-standards of the average output at international level. At one level of analysis, it is difficult to reject the idea that education is a marketable commodity which has a cost to produce and, hence a price. The notion is quite strong particularly in relation to objectives of tertiary education, compared to those of primary and secondary education. In fact, the countries which have developed as global educational hubs in the world have historically capitalized on this concept. However, in Sri Lanka the price of university education is also transferred to a third party (the tax payers). A related issue is that the Sri Lankan University system subsidizes higher education of the rich *more* than that of the poor.

As the students do not pay for what they demand for and the Universities do not charge for what they supply, there is *less* incentive on both the demand-side and the supply-side for the product quality. As a consequent of the same issue, the Professors, the Faculties, the Universities do not have to compete with their counterparts in the local context, leave the global competition aside. There is no incentive for competition, because there is no reward for competitiveness.

Universities depend largely on government's budgetary allocations for their recurrent and capital expenditure so that they do not exercise management and financial autonomy. Therefore, "management" is only a matter of "running the university", adhering to the rules and regulations imposed from outside. The performance and progress of the University is related more to the personal character of its leadership than to its centralized management system. As the higher education sector is protected by entry barriers and monopolized by the government, there is no incentive for competition and, hence efficiency improvement. Even within the University system, government universities hardly compete among each other so as their managers and academics. As a result, all the Universities equally remain where they are without an incentive and an environment for competition and competitiveness.

Sub-standard graduate output

Universities have often been blamed for producing unemployable and/or globally uncompetitive graduates. There is a greater degree of truth in this blame, although the Universities alone do not have to undertake the responsibility. While the demand for graduates depends on the speed of economic expansion and the stage of economic development of the country, it is an important issue to be examined whether all graduates equally face the problem of employability. However, there are deep-rooted structural issues to be considered, some of them extend well beyond the University premises, covering the country's overall education policy.

As was already examined earlier, lack of competition and competitiveness in the University system leads to a sub-standard graduate output. Apart from that, in a situation where a bulk of the University staff itself is a product of the same given

University system, it is difficult to anticipate a different graduate output. Unlike many other countries, Sri Lanka does not have a historical record of investing in producing a University staff with a high-caliber or paying competitive salaries to attract, to recruit or even to retain a staff as such.

The fact that the Sri Lankan Universities do not have the right to select their students it is difficult to anticipate graduate output, as the quality of output also depends on the quality of inputs. Under the present system of selecting the students for University admissions by the UGC, the only selection criterion is the GCE Advanced Level examination. Because the University admission is limited to a tiny minority, 'cramming' for the GCE Advanced Level examination has become the only avenue for University admission even if the students lack knowledge in applications, analytical skills, critical thinking, soft skills, general knowledge and, the performance outside the subject area.

By age, the Sri Lankan university undergraduates are 3 – 4 years older than their regional and global counterparts at the time of their university entrance. On average, the Sri Lankan university students are above 25 years when they complete their undergraduate studies, whereas at that age their counterparts in many other countries have completed Master's level postgraduate studies as well. The reasons could be seen first, as lengthy years of schooling (including 2 sittings at GCE Advanced Level examination) as well as University education. The Universities have continuously failed to adhere to a fixed academic year which often extends beyond the normal 365-day year, compelling the students to remain and waste more time in the University than the expected time. Further this may have some critical outcomes when they compete at international level for their further academic, professional and vocational opportunities.

Inadequate focus beyond undergraduate teaching

The Sri Lankan Universities which have emerged and continued to serve as institutions undertaking undergraduate teaching do not appear to have developed significantly as postgraduate institutions and research institutions. In fact, these two areas are important in terms of upgrading the Universities with an international image as a knowledge hub and, of strengthening their financial base.

Apparently, some of the universities have emerged in the recent past to conduct postgraduate studies, but there is hardly any international demand for these programmes. There is no quality assessment of the postgraduate programmes some of which are, in fact, in high demand just for a certificate at a cheaper cost. Postgraduate teaching expansion is also hindered by the logistic constraints and the administrative bottlenecks.

Research and consultancy is an area where many of the Sri Lankan Universities have performed very poorly. They have hardly entered into international bidding for research and consultancies due to the lack of institutional mechanism and inadequate expertise. Even the existing research at University level is carried out by individual expertise at their personal capacity and, not at institutional capacity mainly due to the lack of an

efficient mechanism to facilitate research and consultancy as an integral part of the University system.

Policy guidelines

The policy guidelines are directed at reforms in the higher education sector ensuring liberalization, competition, management and, quality of the output at international standards. Liberalization, apparently, opens up the room for foreign and private participation in the higher education sector, while the policy makers have already taken steps in this direction. Yet, what is lacking in the current policy thrust is the need for reforms in the state-owned Universities and the regulatory mechanism that govern them. Without reforms in these areas, the problems in the state-owned Universities are likely to get aggravated as liberalization, of course set the parameters for inefficient sectors to lose competition. Therefore, the reform process needs to be based on a holistic approach if Sri Lanka is to establish a thriving higher education sector with the participation of both the government and the private sectors.

Removal of state monopoly

It is essential to eliminate the state monopoly in University education by (a) inviting top-ranked Universities in the world to set up their off-shore campuses in Sri Lanka and (b) granting 'degree-awarding status' to local higher educational institutes which satisfy the requirements. The liberalization policy could be extended to cover technological and vocational education as well. The focus of these institutions should not be limited to satisfy the mere local demand, but the regional and world demand as well as the home demand of the foreign Universities. Even from the point of view of the international students, it is cheaper and more attractive to study in Sri Lanka than in USA, Western Europe and any other high-income country as well as, perhaps than in their home countries too.

In order to maintain the consistency and incentives for studying in Sri Lanka, the liberal economic policies of the country need to be strengthened and the immigration procedures should be aligned with these requirements. A legal framework needs to be formulated in order to facilitate the international student demand for higher education in Sri Lanka.

Management autonomy to state universities

There is a seeming tendency that the state-owned Universities are unable to face the sudden and unexpected challenges posed by the competitive liberalized economy. So they can be highly vulnerable in the liberalized higher education sector and would tend to deteriorate further. Therefore, it is critical that at policy level the state-owned Universities should be granted the responsibility in management and financial autonomy allowing them to become competitive in a liberalized environment. Each of

them could be managed by an independent 'Director Board' responsible for administrative and financial management.

The government should withdraw gradually from allocating Treasury grant for recurrent expenditure, and should provide necessary powers to the Universities to raise income and expenditure. However, the government can divert its grants to the Universities to spend on infrastructure and capital expenditure, research and development and, staff upgrading including their postgraduate studies. The Universities should have the powers to initiate and run the courses independently in a cost-effective manner and, to recruit faculty (including from abroad) as well as to select the students (including foreign students). They should also have the ability to retain efficient faculty, by paying competitive salaries or allowances in par with international or at least regional standards.

Student admissions to undergraduate studies

Although the current system of student admissions to the undergraduate studies is fair and transparent, the Universities cannot expect a different graduate output with knowledge, soft skills and attitudes at international standards when they do not have a control over the student admission. The different Universities and their different Faculties or Institutes should design the admission criteria specifying the requirements and pre-requisites in order to select the students through admission tests. The strategies should also be in place to monitor and to avoid the possibilities for abusing the system. This system could also help to ease the pressure on students at GCE Advanced Level examination and to promote their overall learning process at Secondary school level.

Free education and beyond

As far as the free higher education in Sri Lanka are concerned, there are two-fold issues.

a) Payment by the third party (tax payers) and financing the universities instead of the students: The third party payment as a share of the individual university budget should gradually come to an end, particularly in the case of salaries and wages and, other recurrent expenditure which requires substantial degree of administrative and financial autonomy.

b) Financing the Universities, instead of students: Free education grant could be provided to the student (not to the University), who receives admission to a University, which charge its price. This would also expand the choice of the student to select the university s/he prefers most the University and create an environment for competition and quality improvement within the University system.

It appears from above that Sri Lanka's free education at University level is not in conflict with the reforms, when it is taken as a separate issue. However, when it is decided to expand the University admissions, even the "free higher education" policy needs to be revised focusing on the level of need. In addition, it is necessary to move beyond free higher education to other forms of financial assistances. In this respect, educational loan schemes, sponsorship schemes and, scholarship schemes could be expanded beyond their current standards and coverage. Free education at University level should also be revised: First, as the system operates at present, the student who receives free education does not have a commitment and accountability so that it is difficult to justify the abuse of the system as well as the brain drain, both at a cost transferred to the tax payers. Secondly, it is also difficult to justify free education at University level to all the local students alike, when the upper-income groups in the country can actually pay for it.

New role for the University Grants Commission

The UGC, as it operates at present, plays a very limited role confining to centralized and localized University education system. Even this role would become redundant in a liberalized and competitive higher educational sector. With the provision of management and financial autonomy to the state Universities as well as their right to select students and staff, most of the UGC functions would be transferred to the Universities. However, a top-ranked centralized body such as the UGC could play an even more important role for the development of the higher education sector by concentrating on the following areas:

a) Designing and implementing higher educational policy, along with monitoring its progress against the changing international environment and guiding the Universities and higher educational institutes

b) Granting accreditation rights to the higher educational institutes, by setting up accreditation criteria and evaluating the applications accordingly

c) Designing and implementing mechanisms to assess and maintain minimum quality standards of the Universities and other higher educational institutes, including individual courses, graduates, staff, management and, infrastructure

d) Functioning as the government institution for research and statistics in the higher education sector in Sri Lanka in providing necessary information and guidance

e) Implementing the government's 'free education' policy at University level in granting the government's financial contribution to needy students

University specialization and national contribution

There are state-owned Universities scattered among different regions of the country so that there is scope for them to position themselves strategically within the national context as well. This strategy is expected to lead them to be specialized according to their own comparative and competitive advantages as well as to make their contribution to the regional economy where they are located. In this way, the Universities can develop their link with the community, industry and government at local level while enhancing their global image as well. The approach could be based on a number of criteria, while some of the guiding factors would be the existing resource base and interests of the University, locational advantages, existing links with outside, local comparative advantages, and other factors including their international links.

Concluding remarks

The preceding analysis was directed at conceptualizing the strategies and policy guidelines to reform the University education in Sri Lanka in the context of the transformation of the country in a "knowledge hub". A Knowledge hub provides a liberal environment for creating and disseminating global knowledge through greater connectivity and international competitiveness. While the activities revolving around the hub themselves become the catalyst of economic progress, the knowledge created and disseminated will set the parameters for the acceleration of economic growth in a knowledge economy.

The Sri Lankan University system which has operated under high protective barriers focusing on the domestic demand as a sector monopolized and financed by the government is far from being integrated into a knowledge hub. In this context, the policy intervention should be directed at creating an environment in order to generate globally competitive knowledge output through undergraduate teaching, postgraduate teaching, research and consultancy.

The policy guidelines emerged through the analysis were centered on establishing a liberalized and competitive level playing field where both state-owned Universities and private or foreign universities compete efficiently and effectively on equal terms. This requires a substantial administrative and financial autonomy to the existing state-owned Universities which would be managed independently by internal management bodies. The system requires the University Grants Commission to be elevated to a higher level in order to deal with national higher education policy level. While the *ad hoc* ways and means of selecting policy elements will not derive the expected outcome, a holistic approach with bold policy reforms as outlined above is needed at the current juncture of the university education in Sri Lanka.

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INTERNATIONALIZING SRI LANKA'S UNIVERSITIES: A REVIEW OF FISCAL AND GOVERNANCE ISSUES

Stanley W. Samarasinghe and Derek Scott Marshall

Introduction

The term "higher education" usually encompasses university education as well as other branches of tertiary professional and technical education. This paper, deals only with university education, which in Sri Lanka dominates higher education.

Universities perform three main functions, teaching, research and public service. The three are interrelated. This paper focuses mainly on teaching and research functions of Sri Lanka's university system.

Globally the public sector accounts for about 70% of university education measured by indicators such as student enrolment and spending. In the case of student enrolment the ratio varies from as low as less than 10% in countries such as Germany, Cuba and South Africa to as high 35% to 60% in countries such as India, Japan and Malaysia. In the USA the private sector is estimated to account for about one third and the public sector for the balance two-thirds (UNESCO, 2009).

This paper is written in the very specific context of the proposal that the University Grants Commission (UGC) of Sri Lanka has made to "internationalize" Sri Lanka's university system that currently is overwhelmingly in the public sector. In the process of the proposed change, it is hoped that academic standards and quality of university education in the country would improve. Such a change is expected to benefit Sri Lanka in multiple ways and make the country a regional and possibly a global knowledge hub.

The UGC is making this proposal at a time when globally university education is undergoing three major changes. This is particularly true of the emerging economies. For example, in China, the university student population grew almost fifteen times in five year from 1.1 million in 1998 to 17.0 million in 2003. The gross enrollment ratio (GER) in tertiary education in that country increased from 3% in 1991 to 26% in 2010. In India it rose from 6% to 18% and in Brazil from 11% to 20% in the same time period. (UNESCO, 2012)

The second is the significant rise in international mobility of university education. For example, UNESCO has estimated that globally the total number of foreign (international) students in universities increased by 56% from 1.8 million to 2.8 million between 2000 and 2007 and that it may increase to 7.0 million by 2020 (UNESCO 2009). In 2010 US reported having 691,000 foreign students in US universities, the highest ever recorded and 3% more than in 2009. The two largest emerging economies China (128,000 or 18.5%) and India (105,000 or 15.2%) topped the list of sending countries (Institute of International Education, 2010).

The third is the increasing public scrutiny of the cost that universities, especially public universities, incur, the quality and utility of the product that they deliver, and who stands to benefit from public spending on universities. In Sri Lanka the attempt to establish a private medical school (North Colombo Medical College) in the 1980s floundered not only because of the opposition from those who objected to private medical education in principle but also because the entire project lacked proper public accountability and transparency. For example, the selection of students was rather opaque, especially in the context of the fact that the private medical school would have benefitted from a significant hidden public subsidy by way of use of state hospitals for training of medical students.

The most recent public controversy in Sri Lankan university education has arisen in connection with the system of undergraduate admission to state universities that directly involves the UGC. The matter remains unresolved at the time of this writing. What these episodes illustrate is that when public funds are involved universities and university regulatory bodies become accountable to the taxpayers. Thus the UGC project to internationalize Sri Lankan universities to be successful will have to be transparent and accountable to the public.

Up to now Sri Lanka's state university system has been geared almost exclusively to cater to the local demand for university education. Thus any proposal to make a radical change such as internalization of the system merits close scrutiny taking into account the wider implications of the proposal for, among other things, the nation's university education system and public finances. This paper will address the issue of public funding for state universities in the context of internationalization. However, as a prelude to that discussion we want to raise a few broader conceptual issues that would provide a framework for the analysis that we present.

Conceptual framework

Educationists identify four distinct university cultures or models. One is the monastic model with which the origins of the older European universities such as Oxford, Cambridge and Padua are associated. The second is the German university model that evolved in the 19th century. It was seen as one that devoted itself to the disinterested pursuit of truth as opposed to religious learning. The third is the technological university model. The Massachusetts Institute of Technology (MIT), California Institute of Technology (Caltech) and the Indian Institutes of Technology are some of the best-known examples of this cultural tradition in university education. The fourth called the "retail" university model is the most recent that has entered the discourse on the nature of universities. The retail model is one that is consumer driven where the university responds and supplies what the student demands. It is a highly market-oriented model. Understanding Sri Lanka's current state university system in such a framework is helpful to analyze the UGC proposal to internationalize the system because it is the existing system that provides the base for the ambitious initiative of UGC.

Sri Lanka's modern university system has evolved over a period of about 140 years reflecting a mixture of all of the above university cultures. A medical school was

established in Colombo in 1870 followed by a law school in 1874. Both prepared students for the London University degree examinations. In 1921 the government established the University College (UC) that still did not have the right to grant its own degrees but prepared students for external degrees. In 1942 UC was elevated to the status of an independent degree-granting institution and re-named University of Ceylon (UOC). UOC moved its main campus from the capital city Colombo to Peradeniya in the early 1950s.

UOC was modelled on Oxbridge. Oxford and Cambridge that have their origins in a monastic tradition of university culture, later copied the German model as the significance of religious study in those institutions declined and more secular learning took its place. Oxbridge have been viewed as "ivory towers" sometime as a compliment to stress the importance of detached reflection, learning and research, but at other times as a criticism of their detachment from the real world. The University of Ceylon faced the same kind of comment especially in its early days in Peradeniya. It is interesting to note that the first two "indigenous" universities established in Sri Lanka in 1959, Vidyalankara (now Kelaniya University) and Vidyodaya (now Sri Jayewardenepura University) also were Buddhist monastic institutions of higher learning that were elevated to the status of universities. However, the pressures from the wider Sri Lankan society and polity were such that the UOC could not maintain the traditional Oxbridge model for long. For example, the original residential model collapsed under pressure from the rapid growth of student intake. The halls of residence were compelled to accommodate numbers beyond the capacity for which they were originally designed. A significant proportion of the students had to find accommodation outside the campus, undermining the residential model of campus life. UOC also began granting external degrees that was alien to the Oxbridge tradition. Vidyalankara and Vidyodaya rapidly shed the monastic culture that they inherited to become regular secular universities. For example, both replaced the monastic names with more secular names, commenced admitting female students, gave up the tradition of having monk vice chancellors (rectors or presidents) and introduced courses of studies that are associated with modern secular universities.

Some of Sri Lanka's state universities have been awarding degrees in engineering and other technology-related fields for many decades. However, the first full-fledged technological university in Sri Lanka is the University of Moratuwa established in 1978. The Sri Lanka Institute of Information Technology (SLIIT) established in 1999 with government assistance is one other prominent such degree granting institution in the country.

The so-called retail model of university education has come into prominence in the past three decades with the triumph of the market economy over centralized planning. Economic globalization has further helped strengthen that model. In this model students are the consumers who demand a degree programme of their choice to be delivered in a manner and method that best suits their requirements. The university supplies what is demanded. In a broad sense demand and supply guide teaching and learning in every model, be it monastic, disinterested pursuit of truth, technological or retail. However, the pure retail model is very utilitarian, much more market-driven. The for-profit segment of this model has to pay heed to the interest of shareholders as well. In Sri

Lanka, the growing presence of private universities, many from abroad, best represent this model.

It is evident that all of the above models are evolving. To some degree they are fusing with each other and becoming hybrid models. However, it is also clear from the successes and failures of the fifteen state universities with a total student population of about 73,000 that Sri Lanka has, that the one-size-fits-all approach to university education will have to be abandoned. In the view of the present authors that approach to university planning management and governance should be abandoned even if we do not attempt internationalization of Sri Lankan state universities. Perhaps, the Uva-Wellassa University is a modest attempt to create a new model. But more of such bold experimentation is needed in governance, financing and delivery of knowledge, not to mention research.

Globally, modern information technology is significantly impacting the cost, mode of delivery of the product ranging from teaching method to examination and reading material, and the quality of university education. While it is certain that university culture would evolve, it is hard to predict the exact shape and direction that it would take. This has serious implications, most notably in the areas of university governance, pedagogy and funding, for the project that the UGC plans to launch.

Internationalization

Internationalization of universities is multi-dimensional (De Wit, 1995; Knight and de Wit, 1997; Bartell, 2003). These include admission of foreign students, hiring of foreign faculty, opening of satellite campuses abroad, teaching using distance education methods, especially new information and communication technology, study abroad programmes, international collaboration in research, international recognition of degrees (accreditation) and maintenance of internationally acceptable standards and rank.

It is very important to note that internationalization of university education has both a *competitive* element as well as a *cooperative* element. It is competitive because universities compete in the global market for students and other resources including faculty and research funds. It is cooperative because education and research by their very nature require a high degree of mutual cooperation.

It is not possible for all the conditions outlined above in respect of internationalization to be fulfilled at once or to the same level. Owing to financial and other constraints difficult choices have to be made.

From an economic point of view, internationalization applied to university education implies market competition for students, teachers, research funds and other resources. The US and other western countries are attractive because of the relatively high quality of university education that they offer, the prestige and cache associated with a degree from a reputed western university, the financial assistance those countries are capable of offering to lure bright students, and, of course, the improved prospects for

employment, sometimes in a country such as USA, UK or Australia where they choose to study. Research generally requires large amounts of money for infrastructure and hiring of highly qualified personnel. It will not be easy for Sri Lanka, which has a per capita GDP measured in current exchange rate dollars of about 5% of that of USA to compete in this market. Even in purchasing power parity (PPP) dollars Sri Lanka's GDP is about 11% of that of USA (World Bank, 2012).

But money alone does not determine international comparative advantage in university education and research. For example, location can give an advantage to even some poorer countries both for study and research. The study and research of the environment and environment-related areas such as tropical diseases is an obvious example. Another is the study of history, language, culture and anthropology. Lower cost of living and wages can also make universities more competitive in the international marketplace.

The rich-poor division in international university education has further been blurred in the last thirty years with the birth of what are called "emerging economies." China, India, Brazil and South Africa stand out as the most prominent among them. There is a rapidly growing demand for university education and research services in these countries.

Given the financial and human resource constraints that Sri Lanka faces, it is more productive to think of a cooperative model of internationalization for Sri Lankan universities than a competitive model.

The internationalization of university education has to happen in the context globalization, academic excellence and academic innovation. Globalization is a complex and controversial concept. Some see globalization, defined here as the breakdown of national boundaries and the process of integration of activity ranging from trade and investment to education, culture and sports, as a positive win-win situation for all that opt to participate. Some others see it as a process that gives a tremendous advantage to the already powerful and privileged, be it country, region, community, family or individual. Economic evidence generally supports the former theory. However, we concede that globalization can and does have a negative impact on some not only on the economic side of life but in other facets as well. On balance, globally, globalization has reduced poverty and improved human welfare. China and to a lesser extent India, Brazil and several other developing countries stand as examples.

The internationalization of university education is an essential component of globalization that is gaining increasing momentum. Today there are more international students in universities worldwide, especially in North America and Western Europe than at anytime in the past. For example, the Institute of International Education states that in the academic year 2009-10 there were about 723,000 international students in US universities, up 4.7% from the preceding year's figure of 690,000. The former figure was 32% higher than that of 2000-01 (Institute of International Education, 2011). In 2009-10 foreign students in US universities spent an estimated $21 billion (about 40% of Sri Lanka's GDP in 2010), about 70% of which came from personal funds and other non-US sources. About 22% of the foreign students came from China. India

(104,000), South Korea (73,000) and Canada (28,000) were the other leading sources as reported by International Student (International Student, 2012).

USA has been a source for university education for students from abroad for a very long period of time. What is more noteworthy is how some "emerging" countries are making policies to capture a share of the growing demand for university education. A case in point is Malaysia. The Malaysian example is especially instructive to Sri Lanka because it is also a mid-sized Asian country (population 28 million), with a multi-ethnic demography. It was also a British colony with an economy dependent on primary commodity exports. The one significant difference is that from about the early 1960s Malaysia has had more economic success than Sri Lanka.

The National University of Malaysia (UKM) has been quite successful in moving towards what it calls a "national university with an international reach" (Azman and Yang, 2006). Between 2001 and 2005 UKM had signed ninety-five memoranda of understanding (MOUs) with foreign universities as a part of the strategy of internationalization. The government while supporting the strategy requires UKM and other public universities that wish to internationalize to generate more of their own funds and reduce dependence on government grants. Between 2002 and 2008 the UKM's total student population has remained more or less unchanged at about 23,000 to 24,000. But the foreign student population had risen from about 500 (2%) to about 2,000 (9%) (UKM, 2010)

Internationalization of university education will continue apace globally whether Sri Lanka chooses to participate in the process or not. In principle, participation can yield benefits to the country. On the economic side it can create jobs and increase income. It will improve Sri Lanka's competiveness in the global economy. On the education and research side cooperating and competing in the international market can raise standards of university education in the country. It will also aid in elevating Sri Lanka's diplomatic stature. However, it is essential that we make a realistic assessment of the current base from which we have to start.

From a competitive perspective, if we use the retail model to analyze the internationalization of university education, academic excellence and academic innovation are critical selling points for marketing success as well as cooperation. Prospective students are the consumers who buy the product and they want the best value for money. Using a simple demand and supply model we can compare what Sri Lanka offers on the supply side and also assess the price (fees) that we ask prospective students to pay on the demand side.

From a cooperative perspective universities in other countries will agree to have student exchange programmes and other such joint teaching activities only if they judge that the prospective Sri Lankan counterpart universities have something worthwhile to offer. In research, funds and cooperation will come only if funders judge that the necessary skills and competencies are available in the universities in the country.

On the supply side global ranking of universities can be used as a rough measure of competiveness and competence of Sri Lanka's universities in the global market place.

Global ranking of universities depend partly on the methodology of ranking. Given the methodology, we can use a widely respected ranking such as the Time Higher Education Global Ranking to find out the competition that Sri Lanka faces. In the 2011-2012 ranking in the top 300 there were no South Asian universities, let alone Sri Lankan. However, there were twenty-seven South East Asian and East Asian universities. The Indian Institute of Technology, Bombay was ranked between 301 and 350 (Times Higher Education, 2012).

In the QS Global University Rankings for 2012 the University of Colombo (UOC) was the only one that figured securing the 601th place. In Asian ranking UOC was placed in the 251-300 range. No other Sri Lankan university reached the top 300. East Asian and South East Asian universities dominated the 1-300 list. There were a several Indian universities including the more prominent IITs and the University of Delhi (78), a few Pakistani universities and the University of Dhaka in the top 300 (QS University Rankings, 2012).

The above results are not very encouraging for Sri Lanka. Let alone globally even in Asian terms we are badly outranked. In principle, we can outbid the competitors with a cheaper price. But few will buy what they may perceive to be an inferior degree even at a cheaper price. Thus, quality matters and adequate funding is essential to ensure quality. For that reason the rest of this paper focuses on the fiscal aspect of Sri Lanka's state university system and relate the results of our analysis to the proposed internationalization of the state university system.

Rate of admission

As policy and structural changes intended to make Sri Lankan universities more competitive in the global higher education market are planned, there are two areas within the domestic higher education system that deserve closer examination before proceeding with the proposed reforms. The first is the historically low rates of admission of qualified students who attained the minimum requirements designated by the UGC on the GCE A/Level examinations. Between 2006 and 2010 the average rate of admission among qualified undergraduate candidates was as follows:

- Arts: 10.79%
- Commerce: 11.33%
- Physical Science: 40.88%
- Biological Science: 29.62%
- Average Total Admission: 16.02% (See Table 1)

Table 1: Number of Sri Lankan candidates qualifying and admitted to higher education institutions for undergraduate studies (2006-2009)

Year of GCE (A/L)		**2006**			**2007**			**2008**			**2009**		
Year of Admission		2006/2007			2007/2008			2008/2009			2009/2010		
Subject Stream		No. Qualified	No. Admitted	%	No. Qualified	No. Admitted	%	No. Qualified	No. Admitted	%	No. Qualified	No. Admitted	%
Arts	Total	53582	5849	10.92	56917	6307	11.08	65235	6693	10.26	62676	6841	10.91
	Female	38865	4519	11.63	41860	4854	11.60	47956	5179	10.80	46246	5360	11.59
Commerce	Total	39758	3252	8.18	37861	4357	11.51	36707	4337	11.82	33202	4583	13.80
	Female	22536	1753	7.78	21326	2429	11.39	20215	2388	11.81	18148	2521	13.89
Physical Science	Total	10897	3711	34.06	10018	4241	42.33	10408	4493	43.17	10164	4467	43.95
	Female	3362	873	25.97	3056	1090	35.67	3036	1111	36.59	3069	1091	35.55
Biological Science	Total	15718	4384	27.89	16625	5164	31.06	17886	5323	29.76	19242	5656	29.39
	Female	9882	2580	26.11	10826	3211	29.66	11655	3339	28.65	12736	3559	27.94
Total	**Total**	**119955**	**17196**	**14.34**	**121421**	**20069**	**16.53**	**130236**	**20846**	**16.01**	**125284**	**21547**	**17.20**
	Female	**74645**	**9725**	**13.03**	**77068**	**11584**	**15.03**	**82862**	**12017**	**14.50**	**80199**	**12531**	**15.62**

Source: University Grants Commission, Sri Lanka University Statistics 2010, UGC, Colombo, 2011

Admission to the arts streams is based on "All Island Merit". For the other courses that are considered more "desirable" and "competitive", admission is based on a combination of "All Island Merit" and "District-based Merit."

> *"Up to 40% of the available places will be filled in order of Z Scores ranked on an all island basis. Up to 55% of the available places in each course of study will be allocated to the 25 administrative districts in proportion to the total population, that is, on the ratio of the population of the district concerned to the total population of the country. A special allocation up to 5% of the available places in each course of study will be allocated to the under-mentioned 16 educationally disadvantaged districts in proportion to the population, that is, on the ratio of the population of each such district to the total population of the 16 districts"* (University Grants Commission, 2012)

Such a mechanism was devised to fairly distribute the limited number of students the universities could absorb in the face of rising numbers of admission-qualified candidates. Herein lies the first major challenge that a programme for internationalization of state universities would face. The public is bound to question the logic and fairness of admitting foreign students to undergraduate programmes when qualified local students are denied places. The pushback from the public will be even more if foreign students are subsidized with local tax money.

Funding

Secondly, an issue in need of greater attention is the provision of funding to universities. In order to attract foreign students and lecturers to Sri Lankan universities there must be proper funding available to pay teachers and to construct/maintain/improve university facilities ranging from classroom and laboratories, and research to housing and related infrastructure that are on par with global and regional standards. Figure 1 displays the ratio of total university expenditures to total government expenditures between 1985 and 2010.

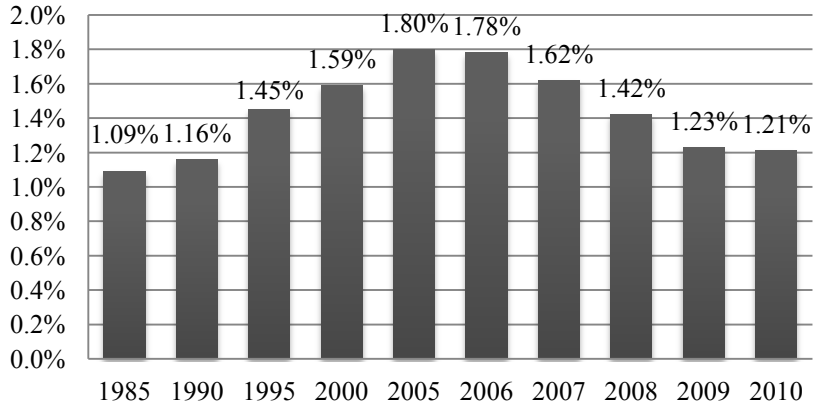

Figure 1: Total university expenditure/total government expenditure 1985-2010

Source: University Grants Commission, Sri Lanka University Statistics 2010, UGC, Colombo, 2011, p. 2.

The percentage increase between 1995 and 2005-06 can be attributed to major university infrastructure expansion projects as well as new staff hires to compensate for the increased volume of university entrants. Between 1985 and 2005 the number of faculties increased from 9 to 15. During this same period the number of institutions expanded from 8 to 17. Since 2005, infrastructure expansion campaigns have decreased which is further reflected in the decline in the ratio of total university expenditure to total education expenditure in 2010 (See Fig. 2).

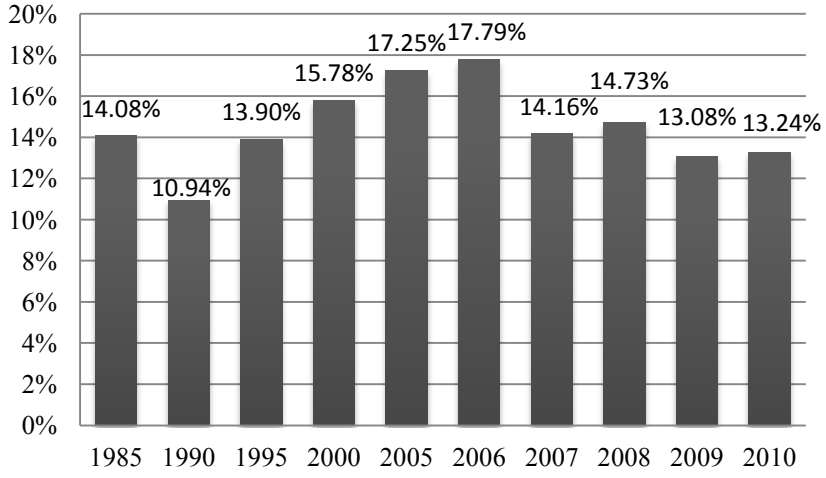

Figure 2: Total university expenditure/total education expenditure

Source: University Grants Commission, Sri Lanka University Statistics 2010, UGC, Colombo, 2011, Colombo p. 85.

Figure 3 displays in real (inflation-adjusted) terms the annual total university expenditure. The total amount has risen over time between 1985 and 2006. After 2006 the allocation has declined each year. By 2010 it was about 20% below the 2006 figure.

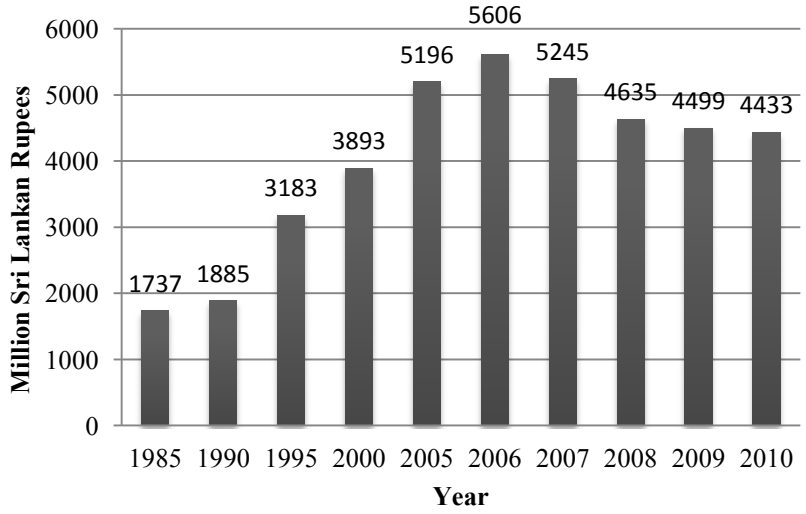

Figure 3: Total government expenditure on universities 1985-2010

Source: University Grants Commission, Sri Lanka University Statistics 2010, UGC, Colombo, 2011, p. 86.

Note: Expenditure is expressed in real terms after being adjusted for inflation using the GDP deflator (1996=100) extracted from the Central Bank of Sri Lanka, Annual Report 2011, Special Statistical Appendix, Table 2.

The financial situation becomes even tighter when the growth of the student population is factored in. The number of university entrants has continued to rise at an average rate of 31% every five years during the period 1985 to 2010 (See Fig. 4).

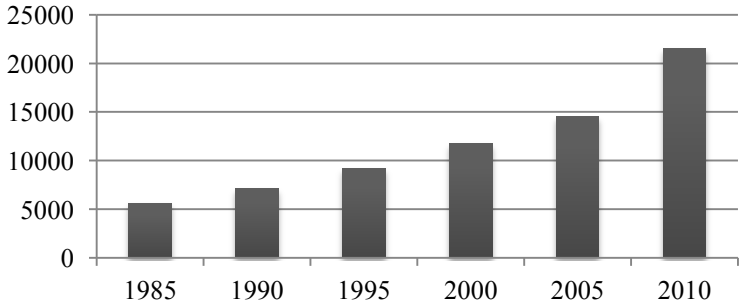

Figure 4: University new admissions 1985-2010

Source: University Grants Commission, Sri Lanka University Statistics 2010, UGC, Colombo, 2011, p. 3.

Figure 5 shows inflation-adjusted expenditure per student enrolled in undergraduate or graduate courses. Per capita student expenditure peaked in 1995. After 2005 the amount has declined steadily to reach close to about half of what was spent in 1995.

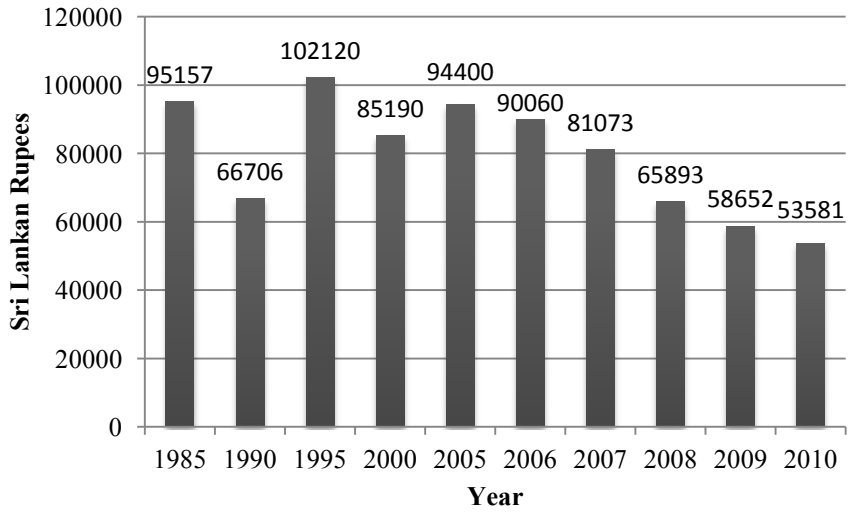

Figure 5: University expenditure per university student 1985-2010

Source: University Grants Commission, Sri Lanka University Statistics 2012, UGC, Colombo, 2011, 2010 Colombo p. 86.

Note: Expenditure is expressed in real terms after being adjusted for inflation using the GDP deflator (1996=100) extracted from the Central Bank of Sri Lanka, Annual Report 2011, Special Statistical Appendix, Table 2.

The shortage of allocated state funding has manifested itself in various ways on campuses; the most recent are student protests over unsuitable housing and academic and non-academic worker protests and strikes. Before the university sector can look outward to expand its brand as a destination for talented minds from abroad, we must first examine the issues previously outlined to provide the best learning environment for native Sri Lankans and establish a global reputation as a reliable and high quality university education system.

Faculty salaries shown on Table 2 partly explain the challenge that the universities face. For sure there are some non-salary monetary benefits and non-monetary benefits attached to teaching faculty positions. Subject to that qualification, these salaries are well below par for highly qualified and some of the best and brightest in the country. Let alone western universities these salaries are not even competitive with Sri Lanka's corporate private sector executive compensation. These salaries simply are not competitive to retain and attract qualified instructors, especially in a globalized university education market.

Table 2: Current university faculty salaries – 2012

Category	Monthly salary in US dollars
Probationary Lecturer	410
Lecturer	550
Senior Lecturer Grade II	625
Senior Lecturer Grade I	700
Associate Professor	760
Professor	840
Senior Professor	920

Source: UGC, Management Information Systems Division, Colombo

These salary rates also help explain the reason many faculty members seek outside sources of income that presumably adversely impact on teaching and research. For example, members of medical faculties practice private medicine to supplement their low salaries. An essential part of the process of internationalizing Sri Lankan universities is the ability to attract foreign faculty to increase quality and introduce diverse perspective. The low salary levels create a barrier to accomplishing this task.

Fiscal constraints

This fiscal pressure in Sri Lanka's university education raises a number of issues. It is likely that the financial squeeze on state universities described above is associated with increased funding for the country's civil war that occurred in the second half of the last decade. One question is whether this trend could be reversed and if so how. Discounting donor aid, in principle, either funding has to be cut from other areas of government spending or tax revenue has to increase. Both are not easy to achieve. The obvious source for funding would have been a cut in the defense budget (a part of the so called "peace dividend") after the war came to a conclusion in 2009. This however, has not happened in the three budgets presented after the end of the war.

Tax revenue too has been sluggish. Income tax as a percentage of GDP has declined from 3.0% in 2007 to 2.9% in the following two years and further to 2.4% in 2010 and 2011. Total tax revenue to GDP ratio has followed a similar trend. In 2006 it was 14.6%. In the following five years it declined to reach 12.4 in 2011.

In 2009 the overall budget deficit rose to 9.9%, a figure that is considered unsustainable. In 2009 when Sri Lanka got the IMF standby loan of $2.6 billion, the government promised to hold down the budget deficit that year to 7.0% of GDP and cut it to 5.0% by 2011. In reality the deficit in 2009 was 9.9%. In 2011 it was down to 6.9%, but was still 1.9 percentage points (38%) above target. The basic point is that no matter how deserving spending on university education may be, the current fiscal situation is not very promising to anticipate a substantial increase in the university budget.

If the fiscal situation turns more favorable (and that is a big "if") and the state is willing to spend more on universities, what should be the priorities? A programme to internationalize our state university system by raising quality, improving facilities and other amenities to attract foreign students will have to compete with other needs including finding places for at least some proportion of the 80% to 85% local students who qualify for admission but are left out for lack of resources.

Certainly, it is not fiscally feasible and socially just to subsidize foreign students at the expense of locals. However, when university education is sold and purchased in the global market place it will not be easy to attract foreign students unless the product that we offer is of good quality for the (presumably unsubsidized) price that they are asked to pay.

Reverse globalization

Just now there are only a relatively few foreign students in local state universities. However, globalization is proceeding apace in respect of Sri Lankan students getting foreign degrees. Sri Lanka has become a lucrative market for foreign universities of varying quality and reputation. A few have satellite campuses in the country mainly as a means to cut the overall price that they charge for the degree that they offer. Others simply entice students to the mother campuses abroad. When classes cannot be filled with local students it pays these foreign universities to entice foreign students even with "scholarships" if the reduced fee that is paid covers the total variable cost and helps meet some part of the overheads.

Viewed from the perspective of the proposal to internationalize Sri Lankan universities, the current influx of foreign universities to Sri Lanka is a type of reverse globalization. The basic reason is the lack of sufficient places to accommodate those who qualify for admission. As noted above, UGC figures show that in the academic years 2007/8, 2008/9 and 2009/10 only about 16% to 17% of those who formally qualified were admitted to state universities for undergraduate degrees. This automatically creates a market that private universities, mostly foreign, are exploiting.

Table 3 shows a sample of courses that foreign universities advertised locally in May and June, 2012. These advertisements came from institutions in Canada (21), UK (17), Malaysia (14), Australia (9), USA (4), three each from Germany and Russia, and two each from China, India, Ireland and Singapore.

Table 3: Courses Advertised/Offered by Foreign Universities

	The Sunday Times: Education Section June 10, 2012	**The Sunday Observer: Education Section June 10, 2012**	**The Sunday Observer: Business and Finance Section June 10, 2012**	**The Sunday Observer: Education Section June 3, 2012**	**The Sunday Observer: Education Section May 13, 2012**
Total Number of Advertisements	38	54	2	47	30
Courses of Study					
Arts	4	4	0	6	4
Engineering	10	15	0	8	8
Computer Science & IT	13	17	0	13	11
Law	6	5	0	2	4
Business	22	23	2	24	21
Management*	10	18	2	18	14
Social Sciences	6	7	0	3	7
Medical	12	10	0	4	6
Science	4	8	0	3	4

*Includes Business courses
Source: Sunday newspapers as shown above, 2012

There are no accurate figures on how many Sri Lankan students are enrolled in foreign universities. The Chronicle of Higher Education published in USA reports that currently the number of Sri Lankan nationals enrolled in US universities is less than 2,000. If the number enrolled in Community Colleges that award two-year associate degrees is added the total will be higher, perhaps in the 2,500 range. If a guesstimate is made that around 15,000 Sri Lankans are studying abroad in post-secondary institutions and that they rely on funding from Sri Lanka averaging about $10,000 (Rs 1.3 million) per student per year, the total that is spent amounts to $150 million (Rs 20 billion). This is about one third more that the Rs 15 billion that the government spent in 2010 on the state universities.

The loss of income and spending of foreign exchange are only two of the negative consequences of this situation. Many of these students take employment aboard and thus are permanently lost to the country. Many western countries, especially in Europe, that face the prospect of aging populations and shortage of skilled human resources are only too glad to see their universities act as recruiters of bright young men and women from countries such as Sri Lanka. Thus Sri Lanka acts as a feeder nation for foreign countries experiencing deficits in skilled labor that is necessary for economic growth.

If Sri Lanka wants to attract foreign students to internationalize the country's university system there is no logical reason to prevent foreign universities from attracting Sri Lankan students. It is the global market place for education in action. What is needed is a proper accreditation system and regulatory framework in Sri Lanka for foreign universities that wish to operate in Sri Lanka. At present private universities are registered through the Board of Investment (BOI).

Governance

In a programme to internationalize university education, price, physical infrastructure, quality teaching faculty and related facilities and resources are only part of the equation. The academic environment is also equally important. In this regard it is helpful to make some distinction between the social sciences including law and the humanities on the one hand and physical sciences, biological sciences and related "technical" disciplines such as ICT, Architecture and even Business Management on the other. Broadly speaking the latter group of disciplines is somewhat apolitical. The former are not. The social sciences in particular address issues that are often directly connected to politics and governance. That means freedom of speech is the bedrock of healthy academic discourse. Social sciences at the university level thrive in countries that are open to free discourse on controversial issues. This is an important consideration to bear in mind when restructuring Sri Lanka's university education to create a global knowledge hub. Given Sri Lanka's political environment and culture, irrespective of which party or which individual is in power, politically it would be easier to make advances in the technical fields and less so in the social sciences and the humanities.

Consideration of governance issues apart, there are three more compelling reasons for being more selective in the subjects and disciplines that Sri Lanka may want to choose for internationalization of state universities. One is comparative advantage. There are some disciplines and areas of research where Sri Lanka has an advantage for reasons of location, geography, history or culture. We do not have the space in this paper to discuss what they are in detail. However, the planners that are tasked with designing the internationalization of the university system will have the responsibility to identify what these fields of study and disciplines are.

Second, the brief survey we did earlier in this paper of international ranking of universities also gives a clue to some options Sri Lanka may have. India's success with its Institutes of Technology and the relatively high ranking that other technological universities in South Asia and South East Asia have acquired suggest that there is more scope for success, especially at the initial stages of internationalization, in some branches of technical education.

Finally, our brief reference to the Malaysian case points to an important fact. That is Malaysia's relative success in internationalizing its flagship university UKM in the last ten years is closely associated with the country's economic success and its willingness to radically restructure the way universities are governed, managed and funded.

Conclusion

This paper highlights the pressure of demand for places in the state universities and the fiscal and human resource constraints that those institutions face. In the circumstances it will be very hard to internationalize the system, unless a radical structural overhaul of the system is undertaken. For example, in principle, the current universal tuition-free system can be replaced with a means-tested scholarship system and/or a loan system.

Legislation was enacted in the mid 1960s to create a system of bank loans to university students. After a few years this scheme fell into disuse. There is ample evidence to show that in general the lifetime earnings of those who get a university degree are significantly higher than those who do not. A World Bank study showed that in 2008 a male in Sri Lanka with a university degree earned 284% more than one who had no education and a female 372% (World Bank, 2011, p.89). In the same study the private rate of return to education for both male and female graduates was estimated to be 21%, which was significantly higher than the private rates of return to education at lower levels of education. The same report also showed that the Gini Coefficient that measures equity (lower the coefficient the more equitable the spending is) is relatively very low for primary and secondary education (0.2% and 4.92% respectively) and relatively very high (40.24%) for higher education (pp. 90-91). What this data shows is that there is a strong case for asking university students to pay some share of the cost of their education. Thus even on grounds of equity and social justice there is a case for reforming the university funding system to get those who enter university to pay at least a part of the cost of their education.

The demand for private university education amply demonstrates that people are willing to pay large sums of money, some of it borrowed, for what they believe is a quality education. For example, medical education in India, Bangladesh or Nepal cost several million rupees and many who fail to enter Sri Lanka's state medical schools that charge no tuition willingly pay to enter a private medical school in another South Asian country.

Creative public-private partnerships are also a possibility. However, past experience of the politics of such changes that we attempted is not very encouraging.

Before the university sector can look outward to expand its brand as a destination for talented minds from abroad, we must first examine the issues previously outlined to provide the best learning and research environment for Sri Lankans.

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SHIFTING PARADIGMS OF HIGHER EDUCATION IN SRI LANKA

Sunil Jayantha Nawaratne

Abstract

This paper focuses on how the present higher education system of Sri Lanka should be re-engineered or re-thought. The prevailing higher education system has many advantages and strengths as well as some weaknesses, and faces a few threats too. If we can address these weaknesses and threats, our higher education system can be converted into a "modern" and "world class" system within very short period. Our mindset or the paradigms on which our thinking is based play a vital role in that process. The core of the discussion in this paper is on changing this mindset or shifting the paradigms, which is a prerequisite to achieve change in an effective and efficient manner. When our external environmental factors are changing rapidly, if we do not change our interior, comprising people, processes and strategies effectively, our organizations become obsolete.

Keywords: *enterprising graduates, globally employable graduates, K-SAM, paradigms, professional graduates, world ranking of universities*

Introduction

Sri Lankan Higher Education (HE) today is at a crossroads. As a middle income country with a per capita income of US$ 2,835 (in 2011 WDI July 2012) it is aiming to reach the next level, that is, to become a high income country. Sri Lanka has a new vision – "to be the emerging wonder of Asia" or "to be the miracle of Asia". A vital input in achieving these long-term goals is "Human Capital" development, which will be the key to realize the set vision and mission of the nation.

The higher education environment of Sri Lanka has changed dramatically with the open market operation and under the influence of international and global educational flows and institutional operations. Nearly 10,000 (9,970 in 2010 according to the Annual Report, Ministry of Finance and Planning, 2011) students are going abroad annually and a majority of them are returning to Sri Lanka with international educational qualifications and experience. Many foreign universities and institutes are offering affiliated degrees and other qualifications in the country at a comparatively low cost. Many world-recognized professional courses are offered and many students are simultaneously following both degree and professional programs to market themselves competitively, locally and globally. Most of these students are ones who could not enter the local universities to do their degrees in state universities or state higher educational

institutes. This means that local graduates have to compete with these foreign graduates and professionals who are qualifying locally in internationally recognized institutes.

If these changes are ignored by state sector higher educational institutions and they continue to produce the same type of graduates whom we produced traditionally, the demand for local graduates may diminish, especially for graduates in the fields of liberal arts and social sciences.

Besides competing with the graduates and professionals referred to above, liberal arts graduates have to compete with state university graduates from other faculties like Science and Agriculture for state sector jobs like in the SLAS, Planning Service, Customs etc. This has become a huge challenge for them.

It is high time that by the state universities and other higher educational institutes understood the challenges and appreciate that the only answer before them is to make appropriate changes without further delay to their internal processes, strategies and techniques to face the challenge.

The UNESCO report, "The Role of Higher Education in Society" (1991) has clearly identified the two principal channels of action of the university within its social function, namely:

a) the training of specialists, of professionals and of highly qualified manpower to meet the needs of governments, of industry and business, and all branches of society; and

b) the provision of a range of services to a specific region or community which can take on a great variety of forms.

The above UNESCO report clearly accepts the fact that universities should produce the specialists, professionals and qualified manpower to meet the needs of the labour market. If we neglect that responsibility, our graduates will become obsolete and the resources that we spent on them will be wasted.

Furthermore, under the open-market fundamentals, the private sector is destined to be 'the engine of growth', to which I would add that the public sector will be 'the gear-box of the growth', deciding the speed and direction of the growth. In that sense, the public sector as whole and the public universities especially have a bigger role to play in the economic growth of Sri Lanka.

The Oxford English Dictionary defines higher education as "education beyond the secondary level; especially: education provided by a college or university". In the Sri Lankan context, all education beyond the secondary level, except vocational training can be considered as higher education.

Keeping the above background as the backdrop the main focus of this paper is on re-engineering the total higher education sector of Sri Lanka to support the long-term aspirations of Sri Lanka – to take the country in to the next level. Thus, the paper will

examine and raise the following questions and explore possible answers to the questions raised.

- What are the long-term aspirations of the country?
- What are the salient aspects of the changing environment of global higher education?
- What is their impact on universities and other HEIs, and what should be the role of Sri Lankan higher education in their context?
- Where do we stand now and where do we seek to be?
- What are our deficiencies and what should be done to overcome then?

The main objective of this paper would have been fulfilled if, at the end of the paper, we can find some reasonable answers to the questions raised.

Long-term aspirations of Sri Lanka

Our nation's long-term vision is to be the emerging miracle of Asia. It is an inspiring vision for us to focus on and work together to achieve, aided by proper analysis and strategies.

For achieving this vision we have developed five specific goals based on our core competencies and strategic location, to become a hub in five key sectors. Thus the goals are to be a naval hub, to be an aviation hub, to be a business and commercial hub, to be an energy hub, and to be a knowledge hub.

Of the five hubs, the central hub will be the "knowledge hub" since without knowledge or human capital it is impossible task to achieve other four hub statuses effectively and efficiently. Developing "Human Capital" or suitable "Knowledge Workers" demanded by the long-term vision and goals of the nation is a major responsibility of the Higher Education System of the country. What we have been producing through our traditional and higher education systems is now inadequate since the external environment has changed drastically and demands a modern product (graduate) in contrast to the traditional graduate whom we have being producing.

To illustrate, for long, the ability to write with a pen was good enough for a graduate, but today it is not enough to make him/her a "Knowledge Worker" and (s)he should be equipped with computer or ICT knowledge and English to make him/her employable and effective human capital. Traditionally, university graduates were mainly employed in the public sector of Sri Lanka, and being in possession of a degree certificate was enough to obtain an employment after facing to an IQ test and/or an interview. Today, IQ itself is not enough to pass the tests and interviews, and (s)he should demonstrate additional skills like EQ (Emotional Quotient), ExQ (Execution Quotient), soft skills

and conceptual skills. Today's job market is demanding up-to-date knowledge (theory + practical) and skills (human/soft skills: initiative, commitment, innovative, pragmatic and practical, problem solving, results oriented, team work, leadership etc.), right attitude and right mindset too.

A World Bank report on Higher Education of Sri Lanka (2009) has explained the same as follows:

"Sri Lanka's future in the global knowledge economy of the twenty-first century depends critically on the country's intellectual and human capital. The ability of people to think and act creatively, work industriously and productively, and innovate and adapt available technologies to strengthen economic activities is cardinally important in the modern world. In this context, Sri Lanka needs a higher education system that can produce skilled, hard-working and enterprising graduates. Also, the country needs research and innovation capacity capable of promoting dynamic economic development". (Towers of Learning, World Bank, 2009, pp.1).

The above statement of the World Bank clearly highlights the direct link between higher education and the economic development of Sri Lanka.

Parents and children's expectations

Expectations of parents and university students also play a vital role in this exercise. Parents and children are the customers of the higher education on the one hand and we can on the other hand consider the students as "products" of the universities and other higher educational institutes, that are demanded by the labour market.

Expectations of students now include not only knowledge but also wider skills. It is no longer sufficient for them to graduate with a degree in philosophy, physics, biology, management or English. Their expectation is for skills in areas like communication, interaction, team work, business activities, decision making, social entrepreneurial work, leadership etc., in addition to conventional knowledge.

As customers, parents and students have many expectations, the main expectation being finding good employment with a reasonable income, job security and social recognition. Also, if a student, after graduation, will belong to the lower income group his/her main objective will be to join the "middle income group" by using his/her degree or other qualification by obtaining a suitable job, in a locally or globally recognized organization.

Thus, all Higher Educational Institutions (HEIs) have two markets to satisfy, namely the "parents and students" market and the "employers" market. While the students are on the one hand the customers of the universities and all the HEIs, they are on the other hand potential "products" of the universities or other HEIs targeting the labour market or the prospective employers.

If the student fails to become a quality gradate or a product s(he) will be unable to find suitable employment opportunities or become "un-employed graduates". Then, students as well as parents will be dissatisfied. On top of this, prospective employers will also be dissatisfied since they are unable to find suitable candidates from among the graduates from the HEIs.

General public and the government

Since we have free education in Sri Lanka, all the public sector universities and HEIs are funded by the Treasury using taxes collected from the general public. If the graduates are "un-employed" general public views the investment in the graduates as a waste.

From the government's perspective, the accumulation of a large number of graduates in the country becomes a liability to the government as it has the responsibility to provide some kind of employment for them in the public sector, although the system does not really require their services. Even more worrying are the negative effects and the invisible cost and burden to the system resulting from the recruitment of unemployed graduates by the government without appropriate vacancies or need.

For example, if the government recruits 40,000 unemployed graduates to the public sector the cost in salaries alone to the government will be as follows:

Assuming an initial monthly salary of Rs.15, 000, the monthly cost in salaries will be Rs.15, 000 x 40,000 (= Rs.600, 000,000).

This will amount to an annual cost of Rs.600 million x 12 (= Rs. 7.2 billion).

If the age at recruitment is 30 years, assuming an average life expectancy of 70 years, the government will need to pay them a salary and a pension for the remaining 40 years. Assuming an average monthly salary/pension of Rs. 40,000 for the graduates during the period, the total cost of the 40, 000 graduates to the government will be:

Rs.40, 000 x 40,000 x 12 x 40 = Rs.768 billion.

Therefore, if graduates become unproductive employees in the public sector, it will be a huge burden on the government and a waste of taxes paid by general public.

Labour market expectations

On the other hand, employers of various organizations look forward to hire skilled, high quality graduates with the right attitudes and mindset to make their organizations more sustainable and expanding their activities in their respective fields. They expect something more than average from graduates since they are the "cream of the cream" of our educational system. In other words the industry wants them to develop into "good

leaders" or "effective managers" in the course of their career and expects their contribution towards elevating the organizations to a higher level. To be a good leader or manager or even to become an effective middle-level employee, a graduate needs: Knowledge (up-to-date theoretical and practical knowledge), Skills (basic + specialised skills), Attitudes (positive and appropriate) and Mindset (how one perceives the world) – "**K-SAM**".

As discussed earlier, when we consider graduates as "products" in a job market, the employers expect the above K-SAM features from all graduates, and those features will certainly be assessed during the recruitment process.

Universities and Higher Educational Institutes (HEIs)

In the present model, the universities and the HEIs are placed in-between the secondary educational institutes and the Industry or the job market. Here, primary and secondary schools, after providing 13 years of education, let the students sit the GCE-A/L examination. The highest rated students become the input to the universities and HEIs. They go through a process of teaching-learning and research for three to four years (five years in the case of medical education) and become the output of the universities and HEIs. These graduates (or the output) become the input to the industry or the job market.

The demand is from the job market and there are graduates with a very high demand while some have a medium level of demand and others a very low demand. A tool called "Employability Ratio" (ER) may be used to identify the level of demand as high or low.

Employability is defined as "the ability to gain initial employment; hence the interest in ensuring that 'key skills', careers advice and an understanding about the world of work are embedded in the education system".

It may also be defined as "a set of achievements – skills, understanding and personal attributes – that make graduates more likely to gain employment and be successful in their chosen occupations, which benefits themselves, the workforce, the community and the economy".

Both definitions provide a good guideline to the "employability" or "the ability of gain initial employment", which is the focus of this article.

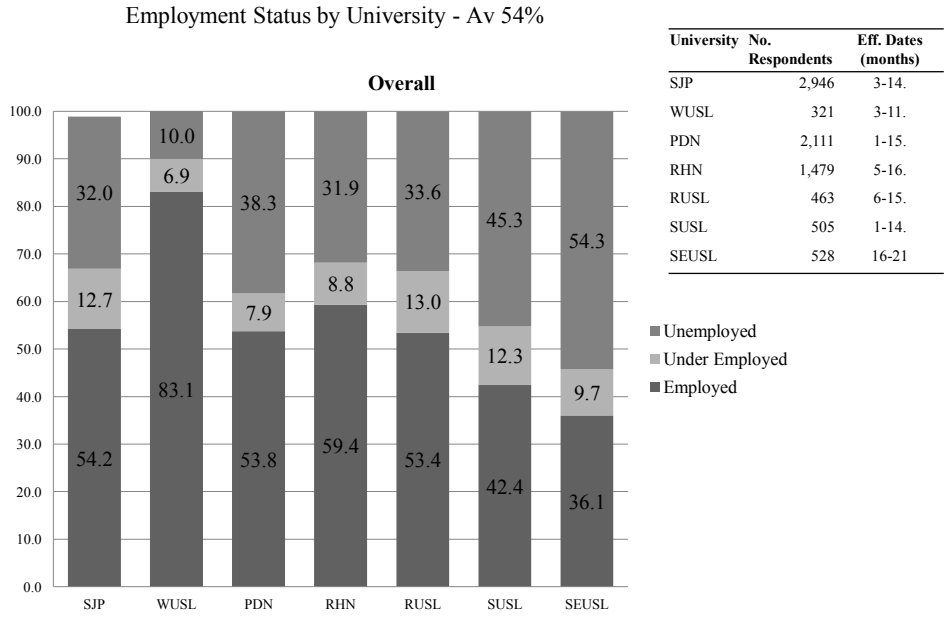
Through the Higher Education for Twenty-first Century (HETC) project funded by the World Bank, the Ministry of Higher Education calculated the "Employability Ratio (ER)" of each university during the year 2012. The surveys were carried out at the "graduation ceremony of each university", with graduation held between two and sixteen (2-16) months of qualifying from the university. In this study, employability is defined based on "whether the graduates were employed or not by the date of graduation ceremony".

As at 1st of July, 2012 ER data for the following universities were available from the HETC project and is summarised below.

The data (ER) was gathered when the students attended their graduation ceremony. The time lapse between the passing out of students and their graduation varied between universities and even faculties of one university. Thus, direct comparison based on the data will not be reasonable. However, there was no other practical way to compile the relevant data. Nevertheless, the information contained therein is adequate to obtain a fair impression of patterns of employability. It should be noted that the number of students graduating from the different faculties also varies from small to large numbers. Conclusions have been drawn based on the data, knowing well the limitations.

Overall Employability

The overall ER of each university based on the survey data and results is presented in Fig. 1 for seven universities in Sri Lanka, namely the Peradeniya, Ruhuna, Jayawardenapura, Sabaragamuwa, Rajarata, South-Eastern and Uva-Wellassa Universities .



University	No. Respondents	Eff. Dates (months)
SJP	2,946	3-14.
WUSL	321	3-11.
PDN	2,111	1-15.
RHN	1,479	5-16.
RUSL	463	6-15.
SUSL	505	1-14.
SEUSL	528	16-21

Figure 1: Employment Status by University

The average overall employability ratio of the seven universities was 54%, with the average ERs tabulated below in descending order.

Table1: Employment Status by University

University	Employed	Under-employed	Unemployed
Wayamba	83.1	6.9	10.0
Ruhuna	59.4	8.8	31.9
Sri Jayawardenapura	54.2	12.7	32.0
Peradeniya	53.8	7.9	38.3
Rajarata	53.4	13.0	33.6
Sabaragamuwa	42.4	12.3	45.3
South Eastern	36.1	9.7	54.3

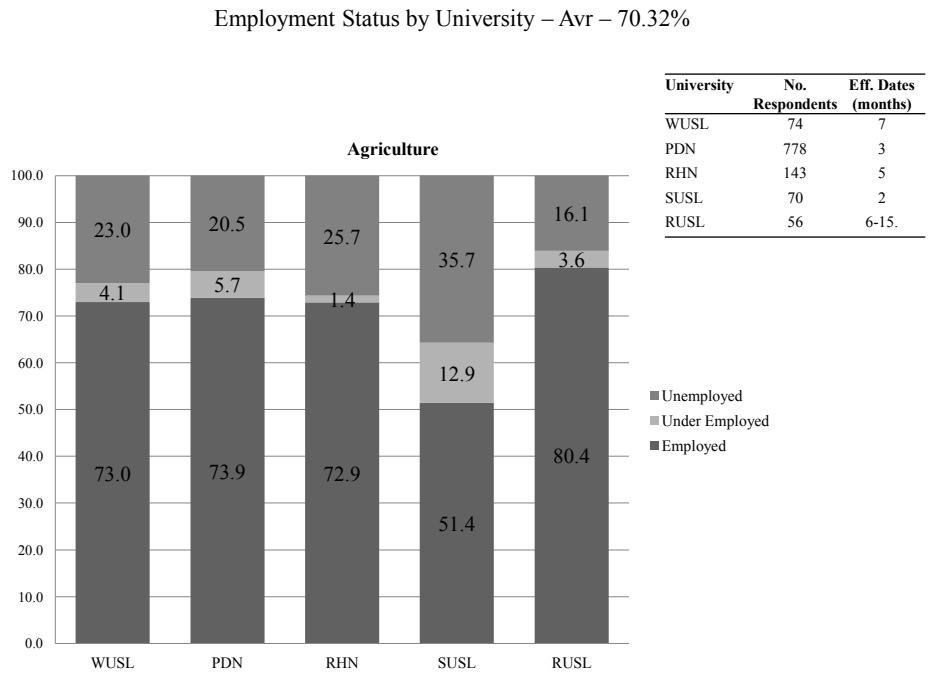
The second column in Table 1 identifies "fully employed" graduates, meaning that they are in jobs matching with their qualifications; the third column identifies the "under employed" graduates, meaning that they are doing jobs but not matching with their qualifications; and the last column gives the "unemployed" ratio of the respective university.

Employability Ratio at Faculty Level

At least two of the six faculties, namely Agriculture, Arts, Engineering, Management, Medicine, and Science, exist in each university considered. The Employability Ratio data is presented below university-wise for the six faculties in the order in which they are listed.

Faculties of Agriculture

Of the seven universities five have Agriculture Faculties and their ER data is shown in Fig. 2 below.



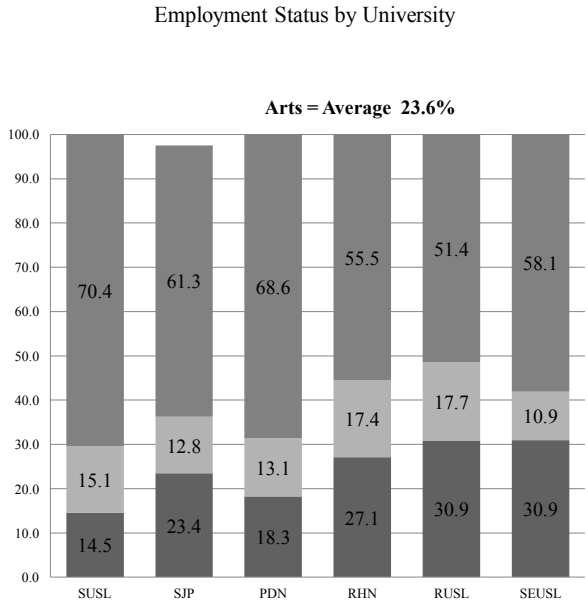
University	No. Respondents	Eff. Dates (months)
WUSL	74	7
PDN	778	3
RHN	143	5
SUSL	70	2
RUSL	56	6-15.

Figure 2: University-wise Employment Status: Agriculture Faculties

The overall average employability for Agriculture graduates is 70.32%. Sabaragamuwa University has the lowest ER of 51.4% compared with ER values calculated as 80.4%, 73.9%, 73.0%, and 72.9%, respectively, for the Rajarata, Peradeniya, Wayamba and Ruhuna universities from 72.9% to 80.4% for the rest. The reason for the low ER rating for Sabaragamuwa University is that they held their graduation ceremony just 2 months after the passing out of graduates. Rajarata University shows the best ER since their graduation was held between 6 and 15 months, for two successive of two batches following the passing out of graduates.

Faculties of Arts and Social Sciences

Figure 3 below shows the ER for university faculties of Arts and Social sciences.



University	No. Respondents	Eff. Dates (months)
SUSL	188	1.5
SJP	853	3
PDN	778	4
RHN	535	17
RUSL	175	12
SEUSL	214	21

Figure 3: University-wise Employment Status: Arts & Social Sciences Faculties

The average ER for all Arts/Social Sciences graduates is 23.6% with values for individual faculties varying between 14.5% and 30.9%. Again Sabaragamuwa with only 188 graduates shows the lowest (14.5%) since their graduation was held after 1.5 months from passing out. The largest number of Arts graduates (853) came from USJP, and the ER is 23.4%, three months after passing out. The next largest number (778) is from Peradeniya with an ER of 18.3%, four months from passing out, while Ruhuna produced 535 Arts graduates with an ER of 27.1% after 17 months from passing out. Rajarata and South Eastern universities, with only 175 and 214 Arts graduates, respectively, have both an ER of 30.9%, after 12 and 21 months since passing out.

Though the interval between passing out and graduation ranges from 1.5 months to 21 months, ER has remained low for all Arts faculties, indicating a big gap between market demand and the quality of graduates produced.

This is one of the major issues that we have to focus on and pay high attention to in developing both short and long term strategies to improve the situation.

Several fresh initiatives are possible to improve the Employability of Arts graduates and will be presented later in the paper.

Faculties of Engineering

There are three Engineering Faculties in Sri Lanka, excluding the Open University whose system cannot be directly compared with the others. Results are shown below in

Fig. 4 for the two faculties in the Universities of Ruhuna and Peradeniya. Data for the University of Moratuwa are being processed, and will be available soon.

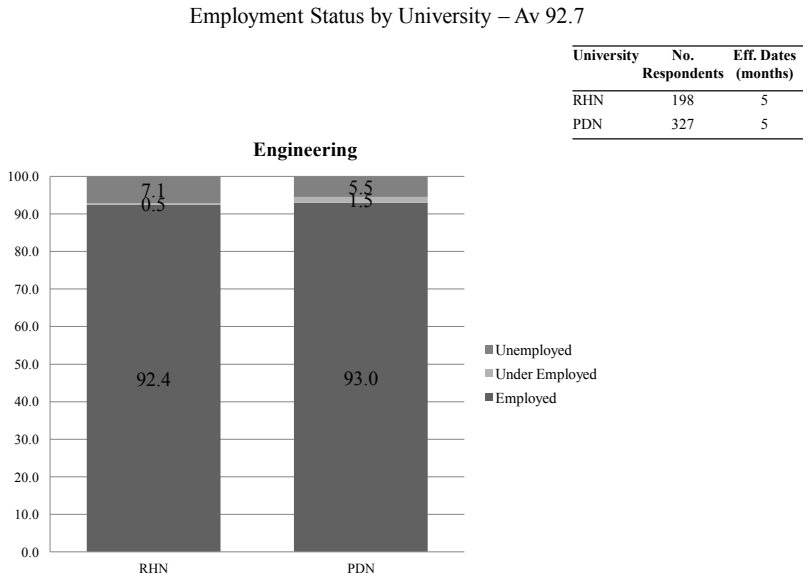
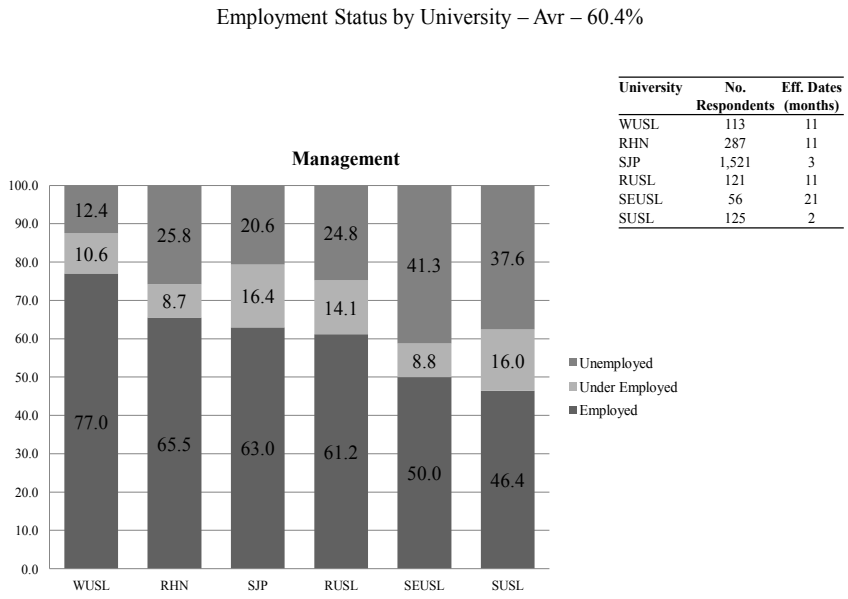


Figure 4: University-wise Employment Status: Engineering Faculties

As far as the Engineering Faculties are concerned, both Ruhuna and Peradeniya show very high ER values of 92.4% and 93%, respectively. In both cases, the graduation ceremony was held five months from passing out. Clearly, employability is very high for both engineering faculties, indicating that the quality of the graduates is up to standard.

Faculties of Management

Results are shown in Fig. 5 below for the Faculties of Management in six of the seven universities where they exist.



University	No. Respondents	Eff. Dates (months)
WUSL	113	11
RHN	287	11
SJP	1,521	3
RUSL	121	11
SEUSL	56	21
SUSL	125	2

Figure 5: University-wise Employment Status: Management Faculties

The average ER based on survey data for the six faculties is 60.4%, compared with average ER values of 23.6% for Arts and 92.7% for Engineering. Thus, ERs for the Management faculties can be considered to be in the medium range, varying from 46.4% for Sabaragamuwa (125 students) to 77.0% for Wayamba (113 students). Wayamba students had their graduation ceremony eleven (11) months after passing out whereas those at Sabaragamuwa had their graduation two (2) months after passing out. In the cases of Ruhuna (287 students after 11 months), Jayawardenapura (1,521 students after 3 months), Rajarata (121 students after 11 months) and South Eastern (51 students after 21 months), the ERs are 65.5%, 63%, 61.2%, and 50%, respectively.

The average ER for Management is 60.4% which is significantly lower than Agriculture (70.32%), Engineering (92.7%), Medicine (90.33%) and Science (70.4%) but much higher than the Arts (23.6%). This indicates the need to develop and implement effective strategies aimed at improving the employability of Management Faculties and achieve higher ERs in the future.

Faculties of Medicine

Values of ER are shown in Fig. 6 below for the Faculties of Medicine in three of the eight universities offering medical degrees.

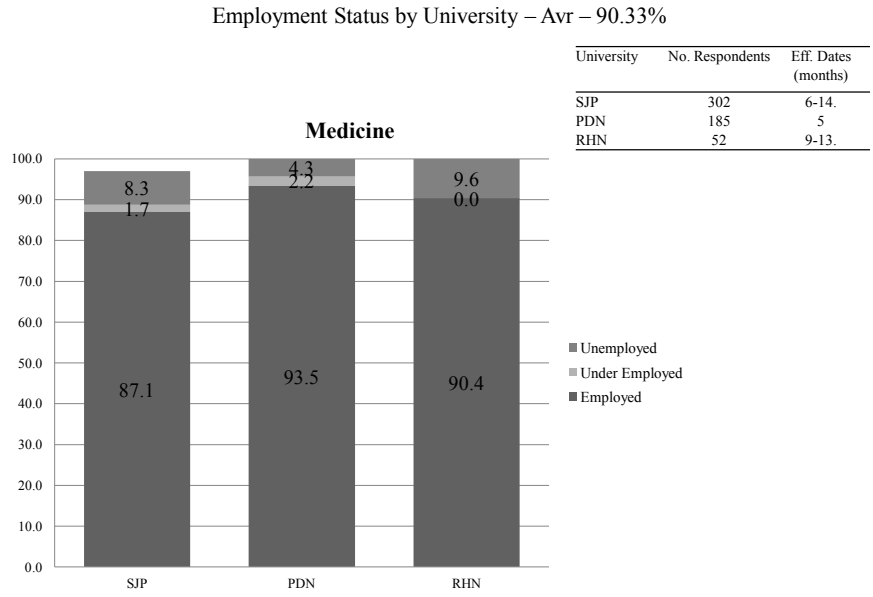
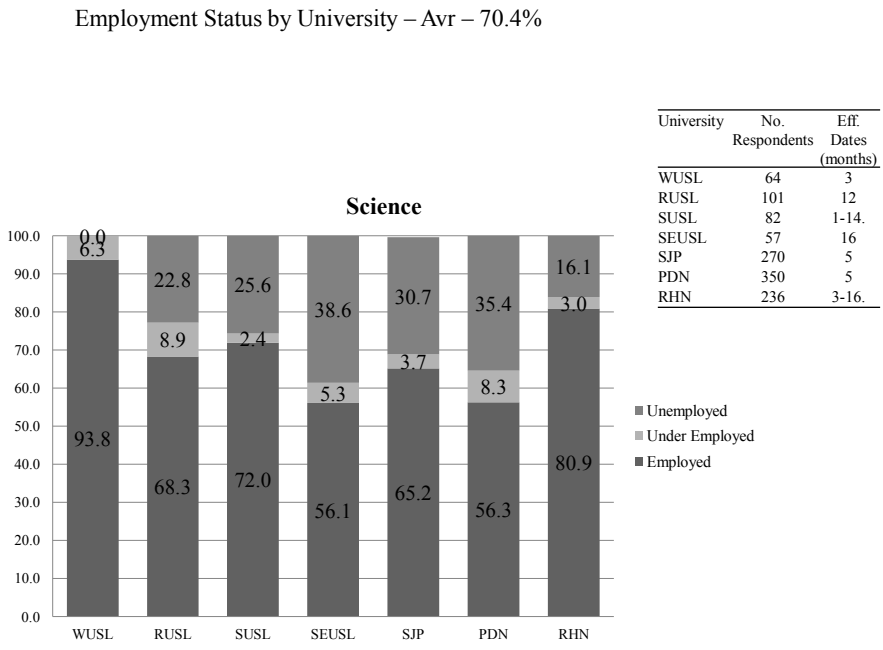


Figure 6: University-wise Employment Status: Medical Faculties

The overall average ER is 90.33%, which is the second highest among all faculties. The ER is 93.5% for Peradeniya (185 students after 5 months), 90.4% for Ruhuna (52 students after 9-13 months) 87.1% for Jayawardenapura (302 students after 6-14 months), where the lower values are as a result of having "Para-medical students" in the Medical Faculty.

Faculties of Science

All seven universities considered had Faculties of Science and the results of the survey are shown in Fig. 7 below.



University	No. Respondents	Eff. Dates (months)
WUSL	64	3
RUSL	101	12
SUSL	82	1-14.
SEUSL	57	16
SJP	270	5
PDN	350	5
RHN	236	3-16.

Figure 7: University-wise Employment Status: Science Faculties

The average ER for the seven universities is 70.4%, with individual values were varying from 56.1% for Sabaragamuwa (101 students after 12 months) to 93.8% for Wayamba (64 students after 3 months). The employability ratios for the remaining five are: Ruhuna, 80.9% (236 students after 3-16 months); Sabaragamuwa, 72.0% (82 students after 1-14 months); Rajarata, 68.3% (101 students after 12 months); Jayawardenapura, 65.2% (270 students after 5 months); Peradeniya,56.3% (350 students after 5 months); and SEU,56.1% (57 students after 16 months).

This statistics show that though the average employability ratio is around 70%, for two universities the ERs are around 56% with ERs for two others at 65and 68%, respectively. This indicates that there is much room for improvement of ER and points to the need for more attention to the matter.

Summary

To sum up, this is the first time in the history of higher education of Sri Lanka that official statistics have been published for Employability Ratios of Sri Lankan universities, and the data is also provided faculty-wise. It gives a fair picture of the current situation of the graduates, their quality, and level of fitness for the job market. Based on this information, the UGC, Vice Chancellors, University Councils, the Deans and Heads of Departments can take the necessary initiatives to improve the employability of their own graduates, which is one of the main criteria to measure the effectiveness and efficiency of the universities and faculties.

Proactively accepting the responsibility towards their own graduates

Based on the above analysis, we can introduce two new goals to the higher education system of Sri Lanka guided by an important principle, namely that all HEIs should proactively accept responsibility towards their graduates. In other words, if the Employability Ratio of our graduates is low, that we should take responsibility proactively and take initiatives to improve that ratio continuously until we achieve the target of 100%.

On the other hand, someone may ask why we should take the responsibility for the graduates. The answer is simple. Universities are the institutions that develop curriculum and course content. They teach and train the students and assess their knowledge and skills through various tests and assignments, and issue the degree certificates. If in the end the graduates are not employable who is responsible?

For example, if an industrial organization manufactures a product which is not marketable, it is the manufacturing company and not anyone else who is responsible for it. The same logic can be applied to the universities too in this regard.

In Sri Lanka, universities are producing graduates but when they are not employable, the government takes the responsibility. If the economy cannot absorb the graduates into the public or private sector, it is reasonable for the government to take responsibility. But if the economy offers enough opportunities, especially in the private sector, but the graduates fail to match the needs of the job market and as a result the graduates remain unemployed, then the HEIs should take the responsibility.

The problem becomes more serious when higher education is free and both students and money are supplied to the universities by a central organization like the UGC, without any effort by the institutions. Most of the HEIs in the world need to compete for resources and students. If the employability of their graduates is not high enough, the survival of the HEIs is at stake as students will not be attracted to institutions which are not producing quality graduates.

Based on the above-stated principle we can have two goals for all HEIs. That is (a) Globally Employable Graduates and (b) 100% Employable Graduates

Globally Employable Graduates (GEGs)

Neither is Sri Lanka nor its economy is isolated, and we are producing Human Capital (HC) targeting the world market. As a result, one of our major exports today is Human Resources, which earn around US$6 billion annually through export of human capital to the world market. In that sense, even HEIs of this country cannot be an exception but need to follow the trend. Therefore, by definition, all HEIs of the country should produce “Globally Employable Graduates” (GEGs). In which case, finding jobs for

22,000 graduates annually will not be an issue at all if we target both local and global markets for our graduates.

Abdullah Bin Ahmed Badawi, Prime Minister of Malaysia, in his Opening Address to the 2006 Meeting of the Association of Commonwealth Universities said: "I do believe that it is necessary to stress that for most countries today, human resource development and human capital formation are either extremely important, absolutely vital, or a matter of life and death. In the case of Malaysia…we think it is a matter of life or death."

I think that the statement is very much valid for Sri Lanka and especially for our HEIs and the universities in particular.

100% Employable Graduates

The HEIs should also aim to produce 100% employable graduates. As we have seen in the previous section, in Engineering and Medicine our graduates are almost 100% employable. Science, Agriculture and Management graduates follow with employability at the time of the graduation ceremony at 70.32%, 70.4% and 60.4%, respectively. Therefore, the respective universities, faculties and departments should seriously target 100% employability by introducing innovative strategies and programs. In the case of the Arts Faculties the average ER is very low at 23.6%. Therefore it is very important to re-think the program content, delivery, teaching and learning process, evaluation, quality assurance processes etc. of the degree programs in the light of employability.

World Class Universities (WCUs)

At the same time, Sri Lanka should focus on how to transform a few selected universities into World Class Universities. One definition of WCUs follows from Williams and Van Dyke (2007):

"In the past decade, the term 'world-class university' has become a catch phrase for not simply improving the quality of learning and research in tertiary education but more importantly for developing the capacity to compete in the global tertiary education marketplace through the acquisition and creation of advanced knowledge. With students looking to attend the best possible institution they can afford, often regardless of national borders, and governments keen on maximizing the returns on their investments on universities, global standing is becoming an increasingly important concern for institutions around the world".

For any university to become a WCU there are three criteria to be fulfilled, which are:

1. The University academics and students should publish their research in refereed journals and those articles should be cited by other researchers;

2. The University should have an international academic and student community;

3. The University should produce globally employable graduates.

Another definition of a WCU follows from Levin, *et. al.* (2006):

"In general, there is wide agreement that great universities have three major roles: (1) Excellence in education of their students; (2) research, development and dissemination of knowledge; and (3) activities contributing to the cultural, scientific, and civic life of society. By excellence in education we refer to the resources and organization of undergraduate, graduate, and professional instruction and educational opportunities for students. Clearly, this goal requires outstanding faculty, high quality teaching and other instructional activities, and availability of good libraries, laboratories, and other pertinent facilities as well as highly prepared and motivated students who serve to educate through their peer influence. Research, development, and dissemination of knowledge refer to the embryonic identification, growth, and extension of concepts and ideas as well as their transformation into applications, goods, and services that enhance understanding and welfare. Activities contributing to the cultural, scientific, and civic life of society are many and varied, but include conferences, publications, artistic events and forums as well as provision of services (e.g. medical clinics and hospitals or museums) that engage and contribute to the larger community including the regional, national, and international communities."

Based on this thinking and concepts already we have selected seven universities to be developed as WCUs in Sri Lanka. Originally, of fifteen universities only six universities, namely Colombo, Moratuwa, Peradeniya, Jayawardenapura, Kelaniya and Ruhuna, were selected when the concept was introduced in 2011. The University of Jaffna has been added to the list in 2012, and already Rs.600 million has been allocated for this project in the 2011 Budget.

As a result, the world rankings of the selected universities and others too have drastically improved. The details are as follows. (Please see the Table 2 below).

Table 2: World Ranking of Sri Lankan Universities

2012 July World Rank	**South Asian Rank July '12**	**2011 January World Rank**	**University**
1681	12	2690	University of Colombo
2010	14	2324	University of Moratuwa
2466	27	2615	University of Peradeniya
2758	38	6068	University of Sri Jayewardenepura
3047	48	6104	University of Kelaniya
3293	54	2552	University of Ruhuna
5662	-	9096	University of Jaffna

Source: Ranking Web of World Universities, 2012 July vs 2011 January

The target of this project is to take at least the selected six (6) universities into the top 500 universities of the world, the top 100 of South Asian universities, and the top 100 of Asian Universities.

Based on the above latest ranking, all the six selected universities in 2011 have achieved ranking among the top 3300 of the world universities which is a remarkable achievement comparing to the 2011 January ranking. At the same time all six universities are among the top 55 (target was top 100) of South Asian Universities.

Remarkably, we have already achieved one of our targets already in 2012 July, which is to be among the top 100 universities in South Asia. All six universities are now among the top 55 universities in the South Asia: Colombo University is ranked 12th, with Moratuwa 14th, Peradeniya 27th, Jayawardenapura 38th and Kelaniya 48th, followed by Ruhuna in 54th position.

Our next target is to position all the selected seven universities (including Jaffna) among the top 1000 world universities and among the top 100 Asian Universities by 2015.

Globally employable graduates

Today, Sri Lanka is not an isolated Island and we are producing human capital (HC) targeting the world market. As a result, today our major export is human resources and we earn around US$6 billion annually, with potential for more.

Therefore, our HEIs should, as much as possible, produce graduates who can be employed anywhere in the world with expected K-SAM qualities.

Enterprising graduates

Thus far, our higher education system has been designed to produce mainly “job seekers” who are expecting to be employed by someone else. But there are many enterprising and entrepreneurial graduates who are entering to the universities and other HEIs, and we have not created for them a friendly environment that would identify and develop them as entrepreneurs. The author has tried and tested this concept with the undergraduate and postgraduate candidates and proved that we can produce many entrepreneurs if we have the right conducive environment in the system. There are enterprising graduates in all the faculties and we should develop programs to bring them together under a common program while they are following their respective degree programs independently.

All the undergraduates are not good at becoming entrepreneurs. It could even be only 5-10% of the total student population. But if we can cultivate them as entrepreneurs, the 10% will provide employment opportunities to a significant section of the remaining 90% of their colleagues.

Professional Graduates

Another possible alternative program is to improve the "employability of the graduates", especially the "Liberal Arts" students, is the professional graduates programs. This means while they are following their respective degree programs we can let them follow a professional program of their choice like Marketing, Human Resource Management, Supply Chain and Logistics Management, IT and Accountancy.

We could thus produce graduates with professional qualifications and better employment prospects.

Making education a foreign currency earner

Our education sector has a far greater opportunity to attract foreign students in large numbers to Sri Lanka than our need to send our students to other countries for education. Our British educational background, English language skills, high quality teachers, low cost of living, being a non-aligned nation, the international reputation of our state and non-state educational institutions have a great potential to attract foreign students to Sri Lanka. What seem to be lacking are a long-term vision, and policies and strategies to attract them and make education a major foreign currency earner. Although a very small country Singapore has 98,000 foreign students and neighbouring Malaysia has nearly 120,000 students. On that basis it can be estimated that Sri Lanka could attract at least 100,000 foreign students by year 2020 if we plan well and implement the plan properly.

Alternative paths for liberal arts graduates

To improve the employability of liberal arts graduates, the universities can introduce various new programs for the students. The programs may be IT and BPO related; and marketing, management, human resource management, accounting and finance, language teaching and subject specialist teaching, tourism and hotel management, nursing and several other non-traditional degree and non-degree conversion programs deserve to be considered.

Understanding the gap

At the same time it is high time to understand the employers' expectations in the local and global markets when they hire graduates for public or private organizations. Archer and Davison (2010:7) in their article "Graduate Employability", clearly indentify the following as the top ten skills/qualities they measure in recruitment processes.

- Communication skills 86%
- Team-working skills 85%
- Integrity 83%
- Intellectual ability 81%
- Confidence 80%
- Character/personality 79%
- Planning & organizational skills 74%
- Literacy (good writing skills) 71%
- Numeracy (good with numbers) 68%
- Analysis & decision-making skills 67%

Do we really pay attention to the above areas in our teaching and learning processes? The answer is yes and no. In the degree programs where employability is higher the administrators, professors and other related parties have really understood the importance of the above skills and qualities clearly and they have inculcated the relevant activities into their curricula, teaching and learning processes and evaluation processes. Therefore their graduates are rated as very high quality products by the job market which is waiting to recruit them.

On the other hand, there are a few degree programs which are still adhering to the old teaching and learning processes which are highly teacher-centred and producing traditional graduates with knowledge only whereas "employers" are looking for "K-SAM" graduates.

We have to clearly understand this "demand vs. supply" gap and adopt appropriate changes to our systems to urgently reduce the gap.

Conclusion

In summary, we can identify the following shifts from old paradigms to new paradigms in our higher education system.

Old Paradigm	**New Paradigm**
Not accepting responsibility	Accepting responsibility
Self oriented	Job market oriented
Locally employable graduates	Globally employable graduates
Teacher centred	Student centred
Knowledge focused	Knowledge, Skills, Attitude, and Mindset (K-SAM) focused
Producing only job seekers	Producing both entrepreneurs and job creators
Not 100% employable graduates	100% employable graduates

Do not scan the external environment	Scan the external environment and make appropriate changes
Input oriented	Results and output oriented
Not evaluating performance	Evaluate performance and use the indicators
Less focus on foreign students	High focus on foreign students

From the above summary we can clearly indentify the areas needing focusing and the urgency with which changes need to be implemented in those areas.

Today the higher education system itself demands many improvements and changes. Most of the stakeholders have communicated the demands through various channels and in various modes. It is time to work together with the parties concerned to make the necessary changes in appropriate ways and make our higher education system modern, updated, effective and efficient. That is the need of the hour.

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ROLE OF THE UGC AS A CATALYST AND FACILITATOR OF HIGHER EDUCATION

Gamini Samaranayake and Harischandra Abeygunawardena

Abstract

The need for an apex, regulatory body to plan and coordinate Sri Lanka's state universities became evident by mid-1960s. Following experimentation with two acts of legislation, the UGC was created as a buffer between the government and universities under the Universities Act No. 16 of 1978. The UGC, along with the universities/institutes, the Ministry of Higher education, and the Ministry of Finance is responsible for the overall planning of higher education in the country. It plays the role of coordinating and operates as a 'facilitator' through a consultative process, within the framework of governmental policy, available financial resources, needs of the universities, and perceived higher educational needs. This paper explains the approach of the UGC, embodied in its strategic plan (2011-2016), based on building the innate capacity of universities for governance and management, academic development and planning, and research, development and innovations, and the need to inculcate the culture of compliance with rules, regulations, and guidelines and upholding prescribed norms and standards while executing their management autonomy responsible and accountable manner. The UGC firmly believes that the current, state-dominated higher education sector needs urgent reforms and that the state should enable the emergence of alternative higher education as a key player alongside the state university system; and is committed to act to transform the existing binary system to a tripartite system within next few decades, with higher education provided in three tiers, namely the elite research universities; state & non-state universities; and vocational and technical colleges & institutions, and professional institutions, with provision for student mobility within and across tiers. The mechanisms and approach necessary to achieve the goals are discussed in the paper.

Keywords: *higher education reforms, higher education sector, strategic plan, UGC*

Introduction

Sri Lanka as any middle income, developing country is faced with the challenge of providing space for seeking higher education for increasing number of young men and women. Further, Sri Lanka is well aware of the role of intellectual and human capital and science & technology capacity in achieving the dream of becoming upper middle income country and in positioning herself in the global knowledge economy of the twenty-first century. The tertiary education sector, henceforth referred as the higher

education sector in Sri Lanka, as in most developed and developing countries, encompasses a variety of institutions or multiple actors namely public large and small universities, non-university degree awarding institutions, cross-border universities/ institutions, professional training institutions, advanced technological institutions, technical and vocational training institutions, etc. The recent WB Report (2009) has graphically presented and described the historical evolution of the higher education system globally (see Fig. 1), and stated that in most countries, the higher education system can be seen as transiting from a binary system (i.e. university higher education sector & alternative higher education sector) to a tri-partite system [i.e. consisting of 3 tiers; Tier I: elite research universities; Tier II: state & non-state universities (predominantly undergraduate universities) & degree awarding institutions; and Tier III short-cycle institutions (technical, advanced technical and professional institutions)]. Furthermore, the WB Report (2009) stressed the need in all countries for government interventions in expediting this transformation and also in promoting diversity and further specialization of the system by providing an enabling policy, a regulatory environment and financial incentives.

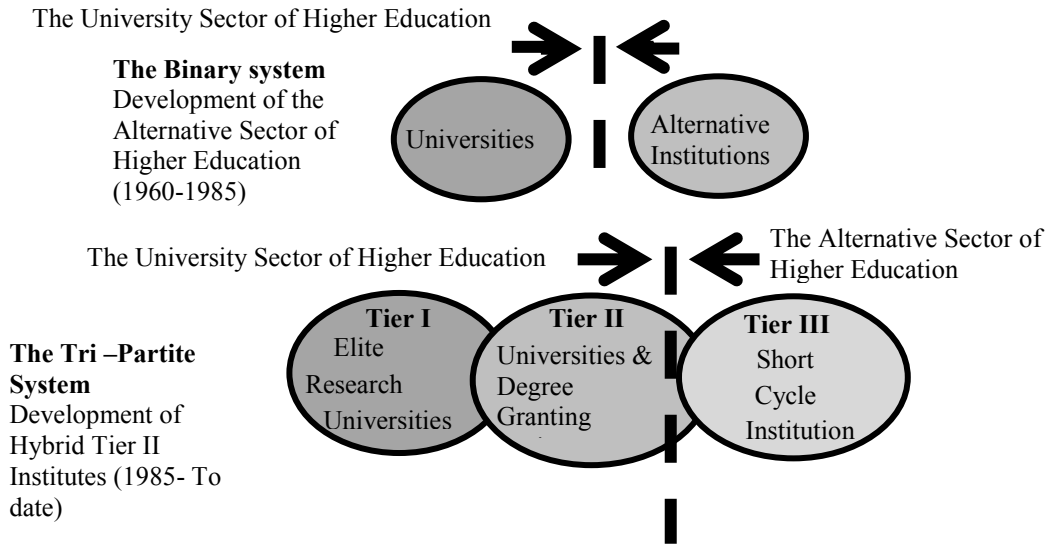

Figure 1: Typology of Higher Education Sector
Source : World Bank (2009)

The macro level picture of the higher education sector described by the WB Report (2009) is equally applicable to Sri Lanka too. Sri Lanka's higher education sector is diverse, and its differentiation is indeed visible. However, the degree of specialization, and the relative share of each player in terms of gross enrolment in higher education and social preferences for diverse degree programmes / qualifications vary very much. In Sri Lanka, most people believe that seeking higher education means only securing entry into a state university. This perception has created enormous pressure on the state university sector to provide higher educational opportunities for an ever increasing

number. The sector, in fact, has responded by increasing the intake into the system on regular basis, mostly in ad-hoc manner. The resultant massification has indeed out-stripped the government's ability to finance the sector adequately, thus leading to erosion of quality and relevance of the education provided. This was highlighted in the WB Report (2009), which stated that the economic relevance and quality of the higher education sector in Sri Lanka at present is substantially below the level required of a middle income country. The report also stressed the need for government interventions in guiding the required reforms to align the higher education sector with national development needs. The role of the government in transforming the higher education sector is universal and indispensible and indeed well recognized. World renowned economist, Joseph E Stiglitz in his Nobel Prize Lecture said "there is no prescription for how a country creates a culture [of knowledge]. …. But the government does have a role – a role in education, in encouraging the kind of creativity and risk that the scientific entrepreneurship requires, in creating the institutions that facilitate ideas being bought into fruition, and a regulatory and tax environment that rewards this kind of activity" (World Bank Report, 2002).

Thus, it is clear that Sri Lanka's higher education sector is indeed at a cross road and a critical inquiry into the past, present and the future is indeed is very timely. Therefore, the theme of the national conference is most fitting and timely. This paper will firstly review the historical evolution of the university system which will lay the foundation for discourse on the role of UGC as a catalyst and facilitator in the higher education sector. Against this background, the role of the UGC that is required to act within its mandate specified by the Universities Act No. 16 of 1978 would be emphasized and the current vision and strategic development framework of the UGC and its specific goals and strategies that are aimed at bringing incremental as well as revolutionary changes will be discussed. Finally, this paper will present the future scenarios that all key players, the government, line ministries, policy formulation and regulatory commissions and the universities and alternative higher educational institutes will have to face, and then go on to make a few suggestions worthy of consideration in designing the future course of action required for bringing desired changes.

Origin and expansion of university education in Sri Lanka

After decades of debates and discourse, Sri Lanka, in 1942, established a small, elite system of higher education by instituting the traditional Commonwealth model. The founding father of university education in the country, Sir Ivor Jennings who arrived here on the above assignment established University of Ceylon as an autonomous, unitary, residential, and elite university following the Oxford-Cambridge traditions. And this has acted as the seed for the subsequent development and expansion of university education sector ever since. The University Ordinance of 1942 provided the legal framework for establishment of University of Ceylon, initially in Colombo then relocating to Peradeniya in 1952. In the light of increasing demand for university education, the newly established university was further expanded into two campuses, one in Peradeniya and the second campus in Colombo. However, this was not enough to meet the increasing demand for higher education in the newly independent country and it became an issue in subsequent election platforms (Jennings, 2005).

Faced with continued agitation for further expansion, swabasha education at university level and also in response Buddhist renaissance, the government took steps to elevate two well established Bhikku training institutions, Vidayalankara and Vidyodaya Pirivenas to universities through the Pirivena Universities Act No. 45 of 1958. The model of governance imposed on the two new universities by the Act of 1958 too was similar to that of the model of University of Ceylon but with slight modifications to suit monastic traditions. Another development in response to further increase in demand was the introduction of the Ceylon University (Amendment) Act of 1961, which empowered the university to conduct external examinations. Along with these changes, there was so much debate on the issues faced by higher education, and several reports were synthesized through special commissions and intellectuals, but much needed reforms in higher education were not materialized until 1966 (Wiswa Warnapala, 2011).

In 1966 a new legislation, the Higher Education Act of 1966, came into effect and repealed the Ceylon Universities Ordinance of 1942 and Pirivena Education Act No. 45 of 1958. The new Act of 1966 paved the way for the establishment of a buffer body, the National Commission of Higher Education (NCHE) and introduced far reaching changes into the system. The hallmarks of university culture, autonomy and academic freedom came to be threatened and the universities were brought under the directives coming from the government through the NCHE. Nevertheless, the Higher Education Act of 1966 was seen as inevitable intervention by the government on seemingly rational grounds. It was very evident by that time that the increase in intake into universities had primarily occurred in the areas of humanities and liberal arts, and that the university output was not in alignment with the general social, economic and cultural requirements and development plans of the nation. Therefore, the need for the creation of a centralized mechanism, a functional entity to act as an intermediary between institutions of higher education and the central government and for coordinating and planning university education to align university education to the national needs had increasingly been felt. Such a body was not necessary when the system was totally unitary, but with increasing number of universities, the system became somewhat federal. Hence, an apex organization was necessary to provide advice on policy, regulation, financial apportionment and admissions (Wiswa Warnapala, 2011).

Many educationists consider the Higher Education Act of 1966 as the first turning point of university education in the country. It brought far reaching changes into the system. The buffer body, NCHE was responsible in (i) apportionment and control of expenditure on higher education, (ii) maintenance of academic standards, (iii) administration of higher educational institutes, and (iv) coordination of higher education with the needs of the nation for social, cultural and economic development. The NCHE was constituted with non-university personnel and the administrative authority of a university was in the hands of Regents, consisting of the VC and 11 other appointed by NCHE. With this innovation, the authority enjoyed by academics was effectively removed and appointment of a Vice Chancellor was to be made by the Minister of Education from list of names submitted to him by NCHE. Another innovation was the establishment of central agency for admission and, with this

measure, the universities lost control over one vitally important aspect of university administration; the intake of students. This along with other innovations which curtailed the universities autonomy and academic freedom, there was growing dissention among the academics. The students who were much influenced by Marxist ideology too began showing resistance and there was widespread unrest in all universities, and the university education gained prominence at the election platform of 1970 general election (Wiswa Warnapala, 2011).

The new government which came into power in 1970 was committed to rectify the defects in the system and there was a proposal with the government for (a) the creation of a apex body, the University Grants Commission (UGC) to act as a buffer between the government and universities, (b) to grant the privilege of participation of deans of faculties at the governing body of the university (University Council) and (c) to legitimize the role of the academic syndicate (the Senate) and the Council in the election of the vice chancellor. But the plan was abandoned immediately after the insurrection of 1971, which was an uprising of educated youth. The resulting development was the introduction of the University of Ceylon Act No. 1 of 1972. The Act brought further restrictive reforms under the theme of rationalization in higher education sector. Under it, all universities in Sri Lanka were designated as campuses and brought under a single university, University of Ceylon with the headquarters in the Senate House in Colombo. All governing authorities and institutions in the respective campuses/institutions were to function in an advisory capacity to the Vice Chancellor who is in control of the command centre in Colombo. This centralized control and resulting changes were not welcome to the academic community. Another intervention introduced was introduction of media-wise standardization of marks and admission of students on district quota basis. As a result of these changes, there was growing disillusion among the academia, and university education again became a critical issue in the subsequent general election held in 1977 (Wiswa Warnapala, 2011).

As promised, the new government which came into power at the 1977 elections introduced the Universities Act No. 16 of 1978 without much delay, thereby undoing some of the restrictions introduced by two previous Acts. This transition was hailed by many intellectuals as a "return to the traditions of university government embodies in Jennings's University of Ceylon Ordinance No. 20 of 1942". With this Act, the cardinal concepts of university autonomy (with some limitations) and academic freedom were restored and the buffer body, the University Grants Commission (UGC), with well-defined regulatory power and authority, was established (Wiswa Warnapala, 2011).

Role of University Grants Commission

The role of UGC as laid down by the Act of 1978 includes (i) planning & coordination of university education so as to conform to national policy, (ii) apportionment of higher educational Institution of the funds voted by the parliament in respect of university education and the control of expenditure by each such Higher educational Institution, (iii) maintenance of academic standards in higher educational institutions, (iv) regulation of administration of higher educational institutions, (v) regulation of admission to each higher educational institution, and (vi) the exercise, performance and

discharge of such powers, duties and functions as are conferred, imposed, or assigned to the Commission by or under Universities Act No. 16 of 1978. The Act of 1978 had indeed restored the conventional traditions that British universities enjoy and also facilitated the vast expansion of higher education sector that took place ever since.

With the mandate it has received from the Act, the UGC has undertaken the following basic functions on routine basis. It

i) formulates regulatory national standards for the recruitment, promotion and remuneration of staff;

ii) coordinates or participates in the coordination of the overall allocation of funds to higher education institutions;

iii) plays a limited, advisory role in the nomination of Vice Chancellors from among three nominees selected and recommended by the university itself, after the open advertisement of the post;

iv) appoints Directors of Institutes, from among nominees proposed by the Institutes themselves after open advertisement;

v) recruits and appoints higher categories of non-academic staff (i.e. few categories of executive staff, Senior Assistant Registrars, Assistant Registrars, Senior Assistant Bursars and Assistant Bursars);

vi) coordinates the process of determining and, from time to time, revising the cadre provisions of university staff for each institution, based on university requests and available funding resources;

vii) approves programmes and courses of studies that are proposed and approved by the Senate and Councils of the respective universities;

viii) interprets regulatory requirements and provisions of the Universities Act when called upon to do so by the universities themselves;

ix) plays a major planning, coordinatory and resource generation role in the formation of new universities;

x) retains, but rarely uses, the authority to monitor performance or investigate the functioning of a university or institute; and

xi) functions as the central admissions authority. (Bandaranayake, 2007)

It is pertinent at this stage to reiterate the conventional wisdom assumed by the UGC in discharging its duties. From the very inception, the UGC has been well aware, that it is one of four agencies or categories of agency, involved in or influencing the overall planning of higher education. Further, it has well recognized that there is a balance of division of authority between these agencies and the need of four agencies to work in

concert with each other. These four agencies are: (a) universities/institutes, (b) the UGC; (c) Ministry of Higher Education and (d) the Ministry of Policy Planning and the Treasury. In this respect, the UGC has often played and continues to play the role of coordinating rather than of decision making. Two major sets of instruments which function as consultative bodies which bring the UGC into close and regular relationship between itself and the universities are (a) the standing committees in which all universities and institutes are represented and (b) the meetings between the UGC and the Committee of Vice Chancellors. It operates therefore as a 'facilitator' more than as a 'regulator' and acts through a consultative process, within the framework of general governmental policy, available financial resources, the decisions, requirements and requests of the universities and institutes, and other perceived higher educational needs. In practice, though it is not mandatory, it also engages in assisting universities in resolving crises of various types and in some micro-management issues where universities are reluctant to make their own decisions or are in need of interpretations of policy or regulations (Bandaranayake, 2007).

Though the UGC is vested with wide ranging powers as specified by the Section 15 of the Act, its regulatory authority over universities is exercised only to cover a few functions, such as (a) its role in the recruitment of administrative and transfer among universities of non-academic staff, (b) its role as the central admissions authority, (c) its discretionary role in the selection of directors of institutes from among three nominees proposed by the institutes themselves, and (d) the appointment of members of the councils and boards of management. Nevertheless, the UGC is often called upon to make management decisions by universities, institutes, trade unions, student bodies-decisions which could be perceived as matters falling outside its policy planning, coordinatory, advisory and regulatory role (Bandaranayake, 2007).

Criticisms of the UGC

The UGC is well aware of the criticisms levelled against it for its supervisory or restraining role over universities. In fact most academics who were or are members of the UGC have had this notion before they arrived there. On arrival there, they are convinced that there exists a strong rationale for government regulation of universities, and appropriateness of having a buffer body, the UGC, comprising senior academics with wide ranging experience who could execute their duties in a fair and responsible manner. Further, its existence at this point as well as for a foreseeable future is highly justifiable as there exist a greater unevenness in the landscape of the university sector, in terms of the age of the institution, quality and capacity of academic and executive staff, and the experience and maturity that is required for good governance and management. There are only a few universities with strong traditions and experience in governance and management as opposed to the majority of the universities which are going through a building and learning phase. Institutions of the latter category require at least few more decades or so to acquire the required human resources, experience and maturity to claim greater autonomy or self-governance. Even though the existing Act has given enough autonomy to universities to manage their affairs without much supervision or approval of the UGC, the Vice Chancellors and Registrars of universities, including those from established ones are often reluctant to exercise even

the existing window of space to govern their affairs in an autonomous manner and seek UGC involvement or interpretation, thus delaying the decision making process.

Nonetheless, the UGC, in principle, strongly believes the need for greater autonomy for universities, particularly those which have acquired the required innate capacity for good governance and management. However, it is also of the firm belief that even for them, autonomy has to go in hand in hand with accountability. Therefore, the approach of the UGC, which is embodied in its strategic plan, is to build the innate capacity of universities for (a) governance and management and academic development and planning and research and development and (b) inculcate the culture of compliance with rules and regulations pertaining to administrative and financial management while executing their management autonomy responsibly and accountably. Further, it is envisaged to invest on capacity building within state-run universities for good governance and management, design and delivery of quality study programmes and for generating new knowledge and innovations. These interventions and reforms are to be fuelled by providing a programme specific funding. While these interventions and reforms are pursued, the UGC anticipates, with government intervention, that the higher education sector will go through the required structural transformation. The UGC too is committed to act within its mandate to promote this transformation from the existing binary system to tripartite system so that within next few decades, Sri Lanka's higher education landscape will consist of three tiers, namely Tier I – elite research universities (at least six); Tier II – state & non-state universities with primary emphasis on undergraduate education, and degree awarding state, non-state institutions & cross-border universities; and Tier III: Short-cycle, vocational and technical colleges and institutions, and professional institutions with adequate provision for students' mobility within and across tiers.

Strategic plan of UGC (2011-2016)

The vision, goals, objectives and strategy of the UGC in this regard are very visible in the current Strategic Plan of UGC (2010-2016). The Strategic Plan was developed on the sound principle of building capabilities of the institution not only to manage the present but also to prepare for the future. Therefore, the UGC has clearly recognized its role as a catalyst and facilitator of state university system for required transformation and the first steps in this regard is to build innate governance and management capacity of institutions to become more autonomous, capable of planning, managing and monitoring their functions while remaining responsible and accountable to the public.

For purpose of strategic planning, the UGC as the regulatory body of the State Universities is considered as a corporate body with multiple business units (i.e. UGC secretariat, Universities, and Institutes) that undertake key activities and tasks according to the mandate of the organizations and policy directives coming from the governing council of the corporate body. Thus, the Strategic Plan was developed in two stages: Stage I comprises the development of the UGC Policy and Strategic Development Framework (PSDF) and, based on the PSDF, the development of action plans by the `business units', that will include detailed activity plans for the identified strategies (Stage II). In the case of universities, the UGC recognizes their limited autonomy and

appreciates their responsibility to guide their future direction of expansion and improvement as defined in the Act, and they are advised to re-do their Corporate Plan to be in line with the UGC Policy and Strategic Development Framework while incorporating their institution specific goals and objectives.

The UGC Corporate Plan (2011-2015) was developed based on a long term vision of becoming an excellent regulatory body which guides, develops and sustains a network of `centres of excellence' in higher education that meet the national needs and aspirations and in keeping with global trends. The mission of the UGC is dictated by the Act of 1978 and aimed to establish, guide, develop and sustain through resource allocation and good governance and management, a widely acclaimed and accessible higher education system that is accountable to the public, and dedicated to achieve the highest levels of learning, research and innovations relevant to the needs of the country by fostering and facilitating partnerships with other stakeholders of higher education, the diversity, maintenance of standards and quality and their relevance. Dictated by this mission, the UGC Strategic Plan has developed 5 Goals, namely, (i) improve governance and management of UGC, the Universities and HEIs in planning, execution, monitoring, coordination and fostering of university education so as to conform to national policy, (ii) enhance efficiency of financial disbursement and accountability of the use of the funds voted by parliament as well as from other sources (foreign and earned) in respect of university education, (iii) improve relevance and quality of study programmes and research competencies of academic staff, (iv) increase access to higher education by increasing undergraduate and postgraduate educational opportunities provided by Universities & HEIs, and (v) improve the capacity of the UGC as a regulatory body in discharging powers, duties and functions as are conferred or imposed on, or assigned to, the Commission by or under the Universities Act No. 16 of 1978. .

The first goal has been designed based on the premise that the current organizational structure and governance and management procedures of university sector has not changed since the enactment of the Act in 1978 while the sector has recorded an unprecedented expansion, mostly in an unplanned manner. Thus it is highly conceivable that the UGC and universities/HEIs shall be strengthened with respect to their organizational structure, competency of human resources, and their technical capacity in order to develop the innate capacity and efficiency in governance and management. In this regard, current organizational structure and functions of divisions and units of UGC as well as the universities/HEIs must be critically reviewed and appropriate reforms, including establishment of new divisions/units/directorates to strengthen their functional capacity and efficiency must be instituted. Further, the Acts, Ordinances, Establishment Code and Rules and Regulations that are in place need to be periodically reviewed to align with changing times and grant greater autonomy or self-governance to Universities/HEIs. Moreover, in order to create the necessary platform for grating greater devolution of authority to Universities/HEIs, the financial, managerial and academic auditing capacity of the UGC and universities/HEIs needs to be strengthened.

The second goal has been developed in recognition of the need for improving the capacity of the UGC to become technically capable, efficient and effective regulatory body for financial planning, apportionment/allotment of funds to, and monitoring of

disbursement by Universities/HEIs. Further, it is also well aware the need for improving capabilities of Universities/HEIs to engage in financial planning on rational basis and to use state funds in most prudent, transparent and yet in speedy manner. Further, the financial rules and regulations governing income generation activities by the universities/HEIs are to be streamlined in order to encourage the universities/HEIs to engage in income generation and thereby reduce gradually the dependency on state funds. These are to be achieved by (i) improving the capacity of the UGC in financial planning, apportionment and monitoring; (ii) improving the capacity of Universities/HEIs in financial management with required transparency, accountability and efficiency; and (iii) reducing the resource gap by facilitating the universities/HEIs to become entrepreneurial institutions to engage in income generating activities.

The third goal is articulated based on the need for continuous improvement in the capacity of universities in carrying out their two central functions, namely teaching and research. First and foremost, the function of a university is to train young men and women to produce graduates with wisdom and knowledge and competency in a chosen field of profession, discipline or study stream along with wide array of general or soft skills required for the 'world of work'. The other key role is to function as " centres of excellence" for generating intellectual discourse on social, economic and political issues of national and global relevance and generating new knowledge and innovations required to maintain a competitive advantage in the science and technology capacity of the country. Accordingly, this goals has two aims, namely to improve the standards, quality and relevance of academic study programmes, both at undergraduate and postgraduate levels and in research and innovation outputs. The first aim is to be accomplished by bringing progressive changes and improvements in many fronts. The most important elements that are in need of improvements are (a) loyalty and allegiance of academic and non-academic staff, (b) capacity and commitment of academic and academic support staff to their core functions, (c) capacity of universities to regularly update the curricular, and (d) capacity to adopt student-centred and modern teaching, training and assessment methods. The second aim is to be achieved through developing regulatory framework and guidelines, benchmarks and recognition and reward schemes and by providing critical funding for research, fellowships and national and international cooperation and partnerships.

The fourth goal is aimed to address the long felt need of expanding the higher education sector. It is now well recognized that the state universities cannot accommodate or cater for the ever increasing demand for higher education. Therefore, it is imperative that the state, while remaining the primary provider for opportunities for higher education, must foster alternative opportunities in state and non-state alternative higher education sector. Thus the aims of this goal is, (a) to increase the annual intake into universities at the rate of 5% per annum to reach the target of 30% contribution to gross higher education enrolment through internal degree programmes by 2015, (b) to maintain enrolment into open and distance learning system of state universities (OUSL and External Degrees) at the level of 20% gross enrolment through ODL system, (c) to promote and regulate expansion of state and non-state alternative higher education sector, and (d) to improve access and quality of PG study programmes with more emphasis on research degrees. These aims are to be achieved through following strategies, namely, (i) increasing intake into existing as well as new degree programmes, (ii) improving efficiency of

admission process, (iii) strengthening the OUSL network and improving standards and quality of study programmes offered by OUSL via ODL mode, (iv) regulating and improving standards and quality of external degrees programmes and extension courses offered by the universities, and (v) designing and introducing a policy framework, a credit and qualification framework and a quality assurance system for state and non-state alternative higher education sector.

The fifth and the final goal is articulated by recognizing the need for improving the capacity of the UGC as a regulatory body in discharging powers, duties and functions as are conferred or imposed on, or assigned to, the UGC by or under the Universities Act No. 16 of 1978. The UGC has to perform multitude of functions through its secretariat. These are namely (i) selection and allocation of students into universities, (ii) apportionment of funds allocated by the treasury to universities and monitoring of disbursement of funds, (iii) regulating staff recruitment, leave and promotion, (vi) provision and promoting staff development, (vi) regulating standards of academic programmes, (vii) promoting research, development and innovations, (viii) promoting inter-institutional and international corporation, (ix) supervision and auditing of university functions, (x) soliciting funds for infrastructure development in universities from national and international sources, and (xi) promoting staff and student welfare. Further, it is functioning as the specified authority in recognizing degrees/qualifications awarded by local and international professional and higher educational institutions and also evaluating application for obtaining degree-awarding status. It is imperative that the UGC should possess a very competent secretariat in order to undertake these multitudes of functions efficiently and effectively. Further, the UGC secretariat which was established in 1978 with enactment of the Act of 1978 has not been subjected to critical review or expansion even though the magnitude of work has increased with the expansion of state university sector. Therefore, the aim is to improve functional and technical capacity and functional efficiency of the UGC secretariat and improve loyalty, allegiance and the commitment of employees of the UGC.

Some of these reforms and initiatives listed and/or identified in the Strategic Plan are already being promoted through the WB Higher Education Project (IRQUE and now by the HETC) and also through UGC funding. Few examples are as follows: (i) WB-IRQUE Competitive fund for improving relevance and quality of undergraduate program, (ii) WB-IRQUE Institutional block grants for improving common amenities, welfare and social harmony, (iii) WB-IRQUE & HETC support for QA system, (iv) HETC Quality Improvement Grants, (v) HETC-UDG grants for Improvement of English, ICT & soft skill and social and ethnic cohesion, (vi) HETC-UGC-EDP grants scheme for introducing reforms into EDPs, (vii) HETC–HRD grants for PG training & short-term training of university staff, (viii) UGC funding for improvement of Staff Development Centres, (ix) UGC Grant for improving Library system, etc., and (x) UGC Grants for ICT development.

However, the success of the implementing the Strategic Plan by the UGC and also by the universities will entirely depend on the leadership of the institutions concerned, government commitment to provide funding and stakeholder commitment to achieve the institutional objectives and national goals. Further, the transformation that we all envisaged cannot be achieved in a short period as the transformation has to overcome

the institutional rigidities, socio- political issues, political manoeuvring, etc. Further, uncertainty of availability of funds required will definitely place a severe constraint on progress towards success.

Way forward - thoughts for the future

It is imperative that the current, somewhat outdated, state- dominated higher education sector should not prevail forever and the state, the MoHE and the UGC and other national authorities have to collectively agree on the reforms required to make the future landscape of the higher education sector more appropriate to the needs of national development. It is very desirable that Sri Lanka in this regard adopts a multi-pronged approach, namely the setting up of the organizational structure that would govern the higher education sector and create an enabling environment that would expedite this transformation. This can be achieved in three complementary ways; (a) by establishing a coherent policy framework, (b) by creating an enabling regulatory environment, and (c) by offering appropriate financial incentives.

a) Establishing a coherent policy framework

A fundamental prerequisite is this regard is the formulation of a clear vision for the long-term development of a comprehensive, diversified and well-articulated tertiary education system. This has implications at three different levels:

a) deciding how the tertiary education system can most effectively contribute to national growth in the context of globally articulated knowledge based economy;

b) agreeing on the roles of different types of institutions within that system; and

c) determining the conditions under which the new technologies can be harnessed to improve effectiveness and expanding of the learning experience.

In this context, the government, through consensus, will have to decide on the size and shape of the tertiary education system, the kinds of key suppliers, and enrolment under the prevailing constraints on public finance. The country must think of expanding higher education system without sacrificing quality by encouraging a suitable variety of players – state universities, degree awarding institutions, non-state universities, professional institutions, vocational and technical colleges and institutions, open and distance learning institutions, etc. The mobility, both vertical and horizontal, must be promoted among the different sub-sectors by (a) providing uniform credit and qualification framework that will equate credit currencies used by universities, TVT sectors and other subsectors, (b) credit transfer schemes, and (c) recognition of prior professional and academic experience. This has to be further complemented with remedial measures such as the provision of remedial courses on fundamental subjects by universities and/or degree awarding institutions for those who are coming from alternative higher education institutions. The last but not least important element in placing appropriate national policy framework is the building of consensus among the

diverse constituents of the tertiary education community, to enable a high degree of tolerance in matters of controversy and disagreement. A potentially effective approach for addressing the political sensitivity of the proposed reforms is to initiate a wide consultation process concerning the need for and content of envisaged changes. This effort involves a blend of rational analysis, political manoeuvring, and psychological interplay to bring all the concerned stakeholders on board.

b) Creating an enabling regulatory environment

The higher education sector must be governed by an unambiguous regulatory environment that will enable different players to act in a competitive, yet complementary and flexible manner. The key elements that will provide an enabling regulatory environment include:

a) an organizational structure with key players/agencies with well-defined powers and authorities who will formulate the regulations and perform regulatory and auditing functions,

b) a legislative framework for governing the establishment of new institutions, specially private and virtual institutions,

c) a quality assurance mechanism for all types of institutions,

d) administrative and financial rules, which public institutions are required to conform, and

e) legislation on intellectual property rights.

The most important policy and strategic intervention in this regard is to establish an organizational structure that is most appropriate to drive and govern the higher education sector is depicted in Fig. 2: Proposed Organizational Structure of Higher Education Sector.

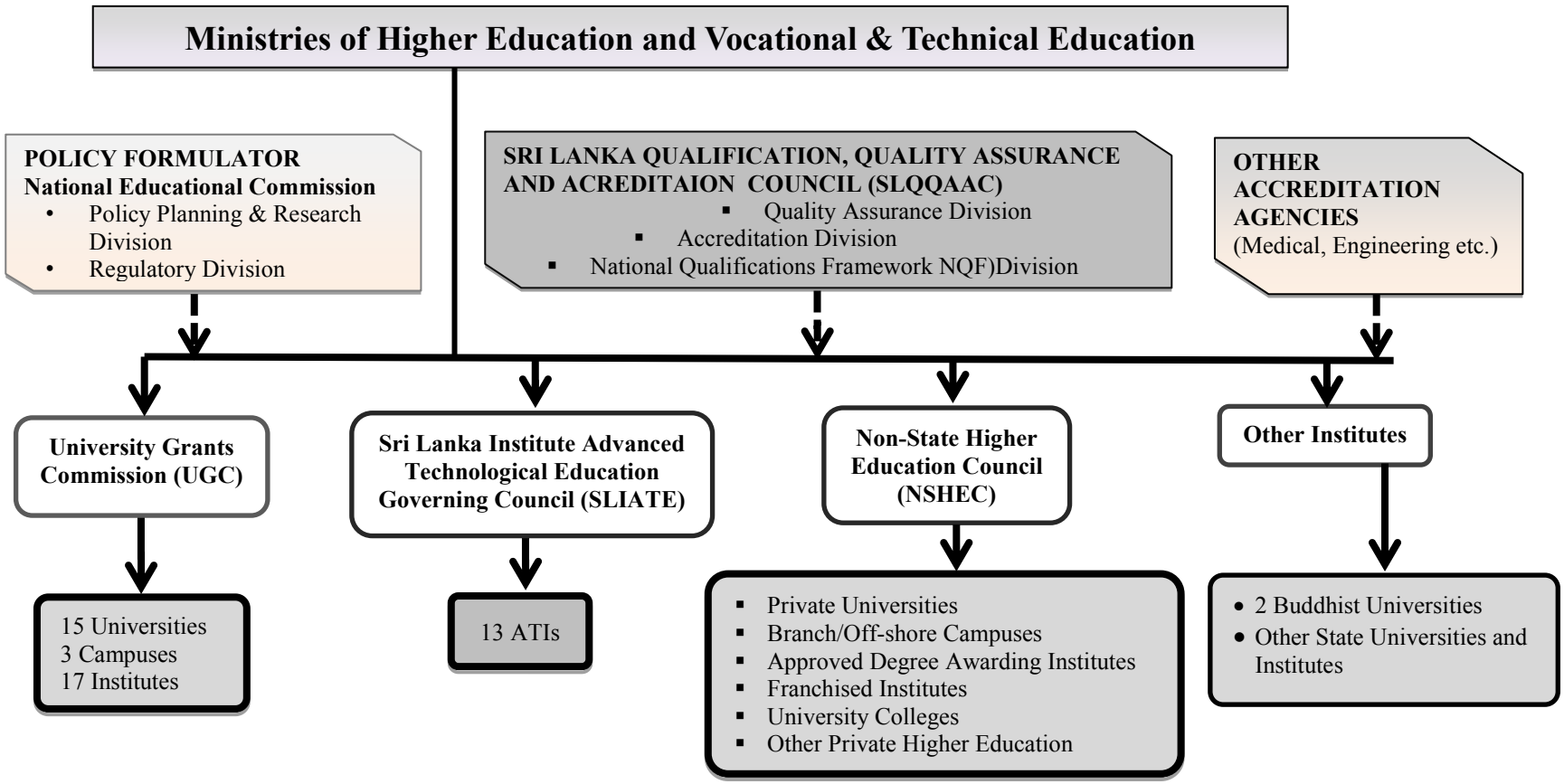

Figure 2: Proposed Organizational Structure of Higher Education Sector

These include:

i) setting up an apex cum harmonizing body to formulate national policy and regulatory framework and guidelines for all forms of education, namely primary, secondary, and tertiary education; and sectors, namely state higher education institutes (SHEIs) and non-state higher education institutes (NSHEIs);

ii) setting up a new regulatory body within the MoHE with mandate to grant approval to NSHEIs to operate in parallel with SHEIs and to regulate and monitor the operational aspects, standards and quality of study programmes offered by NSHEIs,

iii) establishing an autonomous statutory body to formulate (a) a National Qualification Framework covering higher education, advanced technical and vocation education and training, (b) Quality Assurance and Accreditation procedures and mechanisms, and (c) means to undertake and implement such procedures and standards,

iv) reforming and empowering the MoHE to act as the 'pace maker' and driving force to translate Mahinda Chintana – New Vision into action and promote and grab new opportunities and to function as catalytic and monitoring agency, and

v) transforming apex statutory bodies coming under the purview of MoHE which regulate Universities / Higher Educational institutions / Institutes and Advanced Technical Education Institutes to become more proactive, efficient and effective regulatory bodies and guiding forces.

c) Offering appropriate financial incentives

Though the government will continue to act as the dominant source of financing for tertiary institutions, the basic funding could be supplemented by creatively offering financial incentives to steer tertiary education institutions more effectively towards compliance with quality, efficiency and equity goals. Possible incentives are:

a) Diverse funding schemes as stimulus packages: Some of these interventions have already been applied and some of them have proven to be very effective in bringing required improvements. The lessons learned from WB supported IRQUE and HETC projects along with proven methods adopted by other countries may be tried in the future in this regard.

   i. **Formula-based funding**: allocation of recurrent expenditure estimated on the basis of criteria such as student number, staff number, type of training course and some additional allocation based on outcome of key performance indicators such as dropout rates, degree of satisfaction of students, graduates and employers, rate of employment, quality and

relevance of study programmes as perceived by students and employees, quality of services, etc.,

ii. **Competitive funding**: awarding of grants to institutions based on specific project proposals that are called with specific aims that are reviewed and selected by committees of peers according to transparent procedures and criteria,

iii. **Programme-based funding:** inviting institutions to submit proposals based on the objective defined by the regulatory/funding body to facilitate the introduction of reforms as prescribed by the regulatory/funding body.

iv. **Cost-sharing:** allowing the intuitions, based on demand, to mobilize additional resources through increased cost-sharing by the beneficiaries (ranging from as low as 10% to as much as 100%) depending on parental income or affordability, the sales of goods and services and donations

The above propositions need to be subjected to discourse among the key stakeholders, namely the students, parents, teachers, politicians, policy makers, planners and by general public. Such a process will undoubtedly allow consensus building for desired changes which may be in variance with popular perceived notions. It will be pertinent to conclude the article by citing what Paul Krugan, the world renowned economist, once said. He said that "public goods, quasi-public goods, and externalities are fairly common in the real world. They are common enough that it is necessary to take proposals for government intervention in the economy on a case- by- case basis. Government action can never be ruled in or ruled out on principle. Only with attention to detail and prudent judgment, based on the facts of the case can we hope to approach an optimal allocation of resources. That means the government will always have a full agenda for reform – and in some cases, as in deregulation that will mean undoing the actions of government in an earlier generation. This is not evidence of failure but of alert, active governments aware of changing circumstances" (World Bank Report, 2002). Therefore, it is time for all of us to have a wider consultation for consensus building on the reforms required without remaining in ivory towers assuming that we know what is "best for Sri Lanka".

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NEW BREED OF INSTITUTIONAL LEADERS FOR INTERNATIONALIZING SRI LANKAN UNIVERSITIES

Ranjith Senaratne and S.B.S. Abayakoon

Abstract

Traditionally, Sri Lankan universities have been developed to cater for the Sri Lankan students. Therefore, to attract foreign students and staff, there should be a step change in the higher educational institutions in Sri Lanka ranging from enhancement of the physical environment, raising academic climate and intellectual atmosphere, and revision of curricula to give an international flavour to changes in governance, management and administration in order to make them foreign-students friendly.

This situation demands an innovative and entrepreneurial approach, creative solutions and a new leadership – one that is conversant with the behaviour of complex adaptive systems and able to make effective decisions under different strategic and risk scenarios.

The procedure presently adopted in appointing Vice Chancellors is outdated and out of step with current needs. Besides, the role of the Vice Chancellor and the attributes s/he should posses in order to fulfill expected roles are not clearly defined in the light of current and emerging needs and challenges in a globalized environment. Thus, a strategic rethinking of the role of institutional leadership in our universities is an imperative. Sri Lankan universities need leaders who are vested with strong interpersonal skills, politically astute, economically savvy and business aware, and use their emotional intelligence to lead universities towards internationalization.

Moreover, universities should have unfettered operational autonomy along with accountability and the CEOs should be offered attractive remuneration and employment conditions. This is important to attract and retain top-flight leaders as Vice Chancellors who can navigate Sri Lankan universities to a new high through the complexities and intricacies of the competitive globalized higher education landscape.

Keywords: *attributes, globalization, higher education, Institutional leadership, internationalization, knowledge economy, role, Vice-Chancellor*

Challenges of an international university

There are two kinds of International University**.** The first, a university funded by the governments of several countries and thereby controlled by government officials from different countries. The second, a university that has become international because of its international reach, driven mainly by the curriculum offered, the international student body and/or the international faculty involved in teaching and research. In the

context of the recent initiatives by the Ministry of Higher Education, Sri Lankan Universities should aim to belong to the latter category.

As Sri Lankan universities have traditionally catered to the Sri Lankan students, making them foreign-students friendly and attractive to foreign students and staff is a major challenge. It demands a step change to reorient their outlook to strive to be internationally competitive, by enhancing the physical environment, the curricula, the academic climate and the intellectual atmosphere, and through putting in place new institutional structures and radical changes in governance, management and administration.

Internationalization requires compatibility with universities in different parts of the world, the most pressing demand of which is the complete transition to a semester-based course unit system by all Faculties of all Universities in Sri Lanka, within a strict time frame. This means the completion of two academic semesters within nine calendar months, quick release of results, and synchronization of starting dates of semesters with international universities as best as possible. That will help, besides student exchange programmes and credit transfer, a three month solid window in each calendar year for academics to engage in full time research. Internationalization also implies establishment of norms for work load and work quality that are compatible with international universities; establishment and strict implementation of guidelines to university personnel on activities outside the university such as consultancy, visiting appointments, and full-time or part-time administrative positions at government/private institutions; transparent performance-based criteria for extension of service, promotions and tenure; incentives for research; and attractive remuneration packages.

International ranking of Universities is a matter of debate among academic communities worldwide. Nevertheless, students entering Universities tend to give significant importance to the position of a University in one or more world ranking systems. Hence, it is important for Sri Lankan Universities to elevate their world rankings, especially since they have room for improvement in many respects, compared to even some of the very average higher education institutions of the world.

Particular attention needs to be placed on the selection of students for national universities as it will complement the government's efforts to internationalize higher education. It will be wise to work towards a fair balance in ethnic/religious/geographical/social/cultural mixes among undergraduate students of the Sri Lankan Universities. Besides, there is a more fundamental need for a complete overhaul of primary and secondary education and related government examinations, since nearly all undergraduate admissions of local children are based on examination performance at the end of school education.

Challenges of leadership

The systemic changes outlined above demand a serious reconsideration of the role of higher education and, more specifically, a thorough interrogation of the calibre and mandate of the leadership of the higher education institutions. Strategic leadership and effective management of these changes require institutional leaders with appropriate attributes– in other words a new breed of top-flight transformative leaders with the right mind-set, skills and attitude that will empower them to navigate through the complexities and interconnectedness of the knowledge society of the 21st century. Thus, a strategic rethinking of the role of institutional leadership in our universities is an imperative, including a review of the roles played by the academics in administrative positions, not merely in terms of list of duties but more in terms of actual practical implementation of their duties and responsibilities. In this regard, a dialogue should be articulated around issues of global competitiveness, knowledge utilization, the changing geopolitical landscape, and paradigm shifts in the role of the university from one of control and regulation to one of facilitation and flexibility.

At present, the role of the Vice Chancellor is not clearly defined in the light of current needs and challenges and the necessary attributes to discharge the role remain to be specified, and even the current procedure for appointing a Vice Chancellor seems outdated and out of step with current needs. These are matters that cannot be disregarded in the appointment of the right candidate as Vice Chancellor. To this end, a high-powered independent Search Committee at the national level should be appointed, with a crucial role to play in headhunting at home and abroad, with a view to encouraging high calibre senior dons with necessary attributes, capacity and proven track record to apply for positions such as Vice Chancellor. Some recent Search Committees have drawn attention to the worrying absence a sufficient pool of persons of such calibre within the university system of Sri Lanka. This may be due to weaknesses in the current recruitment and promotion criteria as well as a lack of leadership development within the existing administrative structure of the Universities. Under the conditions, accomplished senior executives from the civil service and the private sector with a deep understanding of the complexities and challenges of the higher education sector may also be encouraged to apply for the post of Vice-Chancellor.

The discussion that follows represent a realistic vision of institutional leaders with attributes that will enable them to play effectively and efficiently the role that they are assigned in a fast changing global context so that they may fulfil contemporary needs in keeping with national policy to make Sri Lanka an Education Hub in the region. It should, however, be stressed that, without adequate operational autonomy, much improvement in the performance of the universities cannot be expected, even under visionary and dynamic Vice Chancellors with the right mind-set, attributes and skills.

Origin of the post of Vice Chancellor

Originally, the Vice Chancellor was the temporary commissary or deputy of the Chancellor. For instance, until 1504, the Statutes of the Cambridge University required its Chancellor to be normally resident in Cambridge, and the Vice Chancellor was appointed as the Chancellor's deputy, to act only in his absence. Thus it was only from early 16th century that the Vice Chancellor became the chief executive officer of the University.

Thus the role of Vice Chancellor has evolved through the history of the University. The last decade has witnessed major changes in the higher education sector and these new circumstances have, both from a national and international perspective, radically changed the conditions that apply to academic governance - one of most important duties of a Vice Chancellor. Therefore we can expect the role of Vice Chancellor will continue to change in view of the challenges facing higher education, both nationally and internationally. For this reason, Vice Chancellors are treated differently from all the other heads of public agencies, as reflected for instance in the totally different procedures that apply to the appointment of Vice Chancellors as compared with other senior public administrators.

Higher education in a state of flux

Traditionally teaching and research have been the main missions of a university. This has changed gradually with the emergence of disciplines such as biotechnology, industry-sponsored academic research, increased globalization, reduced basic funding and the new perspectives of the role of university in the system of knowledge production. As knowledge becomes an increasingly important part of innovation and industrial development, the university as a knowledge-producing and disseminating institution plays an increasing role in industrial innovation. Thus, in a knowledge-based economy, the university becomes a key player in the innovation system both as a human capital provider and a seed-bed of new firms. For instance, a study conducted in 1997 revealed that if the companies founded by the graduates and staff of the MIT, USA through commercialization of knowledge formed an independent nation, their revenue would make them 24th largest economy in the world with an annual sale of US $ 233 billion, which is more than twice the GDP of Singapore

In today's global landscape of relentless change and innovation, the mission of universities has thus become multi-faceted and the university must see itself as part of the larger global enterprise of creating, imparting, applying and commercializing knowledge. Research universities around the world are increasingly embracing an entrepreneurial dimension. They emphasize the natural complimentarily between creating, imparting and applying knowledge and the subsequent creation of spin-off companies and production of licenses and patents. Therefore to stay relevant and succeed, universities in the 21st century should play three roles, deliver quality undergraduate and postgraduate education, conduct high impact research and foster entrepreneurship and industry involvement.

As scientific knowledge and commercialization of research results ("entrepreneurial science") are becoming increasingly important for innovation and new business development, universities can play an enhanced role in innovation. Hence, universities in the world that were policy makers earlier are now playing a direct role as actors in regional and national development. For instance, Oulu University in Finland through its entrepreneurial activities brought about considerable industrial growth and economic development in the region, which is now globally known as "Oulu Phenomenon".

Lessens to learn from successful universities in the world

A look at the global situation will show that some of the highly prestigious as well as rapidly developing universities in the world have broken from tradition and are bringing new perspectives and vision to universities by installing those with experience in industry and world of work as Vice Chancellors. For instance, Harvard University of the USA, a most prestigious university in the world, appointed Larry Summers, former US Secretary to the Treasury as President. Some years ago, Cambridge University inducted Alec Broers, an Australian research engineer from IBM New York as its first Vice Chancellor from outside Britain while Oxford University in 2004 appointed as Vice Chancellor John Hood, a consultant Engineer and former Vice Chancellor of Auckland University, New Zealand. In earlier times, such a decision was simply unthinkable in the two most prestigious universities in Britain with strong traditions and values peculiar to them. Thus Oxford and Cambridge are fishing and competing in the global market place for talents and ideas. They have made the watershed decision to search globally for their academic leaders.

Prof. Shih Choon Fong, the former President of the NUS had worked at General Electrical Company in USA for seven years before joining the NUS. He made the NUS a top-notch university, ranking within the top five in Asia and Australia. In Japan, an increasing number of universities now have high level administrators who have been recruited from industrial research positions. There are many more such examples in the higher education landscape of the world, which show how the universities have responded to change and recognised the importance of having a leader with a deep understanding of the complexity and challenges of higher education as well as possessing financial, commercial and entrepreneurial skills.

Even developing countries like Bangladesh, Pakistan, Vietnam, Mauritius, Rwanda and Uganda are now 'fishing in global waters' to attract the best leader to take their universities to greater heights. They advertise vacancies of high profile posts such as Vice Chancellor, Deputy Vice Chancellor, and Dean in international magazines such as the Economist, the Times Higher Education Supplement and Time to recruit institutional leaders of international calibre so as to elevate the standing and stature of their national universities.

Relevance to the Sri Lankan context

In Sri Lanka, there are 15 universities and 7 postgraduate institutes under the jurisdiction of the UGC, with at least one university located in each province. Most of these universities have well stocked libraries and well equipped laboratories with good ICT infrastructure. They have a total academic strength of over 4500, including around 500 Professors and 1750 Senior Lecturers with PhDs or equivalent qualifications and nearly another 2,000 with Masters' degrees; and there are over 60,000 undergraduates and over 4,000 post-graduate students in our universities pursuing studies in a multitude of faculties including Engineering, Medicine, Dentistry, Veterinary Science, Natural Science, Agriculture, Humanities, Social Sciences, Management, and Law. Thus an outstandingly rich and diverse intellectual and infrastructural resource base is available in the universities in Sri Lanka, which is maintained at a cost exceeding Rs 20 billion (20,000 million) annually.

The Government of Sri Lanka has placed a great deal of emphasis in improving the world ranking of its universities and making Sri Lanka an educational hub in the region. In this connection, several initiatives have been made including increased funding for six selected universities and offering of 100 scholarships to foreign students.

In many parts of the world, universities are now powerful catalysts and agents of growth and wealth creators. They mobilize and channel their intellectual and infrastructural resources for industrial growth and regional and national development. Thus great cities naturally have great universities that contribute to their intellectual, social and cultural vibrancy as well as influence their development. In a knowledge-based global economy, there is even greater synergy between development of a city and that of its universities. Stanford University in California, U.S.A., Punjab University in Punjab, India, Fudan University in Shanghai, China, Chalmers University in Gothenberg, Sweden and the NUS in Singapore are some telling examples in this regard.

Thus the government encourages the universities to contribute to regional and national development. In Sri Lanka, the universities are almost fully funded by the General Treasury. In other words, they are maintained by the sweat and toil of the people of the country of whom around 70% are still living in rural areas. But the immense intellectual and infrastructural resource base of the universities has hitherto remained almost untapped or underutilized for regional/national development. Our universities should, in line with new initiatives such as Gama Naguma, Pura Naguma, Divi Naguma etc. under the Mahinda Chintana, mobilize and channel their rich intellectual and infrastructure resources for regional/national development. Thus they could become catalysts and locomotives of regional development.

Moreover, the strategic location, salubrious climate, rich biological and ecological diversity and scenic beauty of Sri Lanka coupled with its high literacy rate and proficiency in English, the high reputation of its universities, and its relatively low cost of education and cost of living make it an attractive destination for higher education.

Nevertheless, the Sri Lankan universities have been developed to cater for the Sri Lankan students. Therefore, to attract foreign students and staff, there should be a step change in the higher educational institutions in Sri Lanka ranging from enhancement of the physical environment (i.e. landscaping and improvement of infrastructure facilities for accommodation, sports and recreation, cafeteria, e-library etc.), revision of curricula to give an international flavour and character (since much of the present curricula has only a national focus), raising the academic climate and intellectual atmosphere, establishment of an institutional structure on international affairs to changes in governance, management and administration in order to make them foreign-students friendly.

In order to strategically lead and effectively manage such systemic changes, institutional leaders of right mindset, attributes and skills are required. It is because of these reasons that as shown above, even countries like Uganda and Rwanda advertise high profile positions in universities in international journals so as to recruit leaders who can fill the bill in a highly competitive globalized environment abounding with opportunities.

New breed of institutional leaders required

The 1998 World Conference on Higher Education (WCHE) reaffirmed that institutions of higher learning, and their leadership, have an unprecedented role to play in today's society as pillars to endogenous capacity building and sustainable democracy. This reaffirmation was in recognition of the fact that institutions of higher learning are increasingly regarded, and rightly so, as the bedrock upon which nations build a better and solid future.

Dr. Kobena T. Hanson and Dr. Frannie A. Leautier of the African Capacity Building Foundation in their seminal paper titled "Enhancing Institutional Leadership in African Universities" have dealt with this subject in detail. I draw upon it here, given its relevance and value to the Sri Lankan context.

Global developments of the past decade, particularly the shift from an industrial economy to a knowledge economy, have engendered new challenges, opportunities and possibilities for the leadership of higher educational institutions (HEIs). These changes are calling for rethinking and reviewing of the role of higher education, and more specifically a thorough interrogation of the calibre and mandate of the leadership of HEIs. Leaders of HEIs are being increasingly held accountable, among others, for their support to growth and long-term success of dynamic learners (students and employees) and their ability to translate leadership competence into strategic assets**.**

Simultaneously, the marketplace for higher education is changing fast with the advent of information technologies, the growing demand for knowledge workers, and the rapid globalization of all sectors, both private and public. These developments reflect the shift in the international economy towards a global network organized around the value of knowledge, and the capacity of people and organizations to use technological developments wisely, effectively and efficiently. Therefore, as D.E. Hanna (2003) said,

universities are being compelled to transform their structures, missions, processes and programmes in order to be both flexible and responsive to today's emerging socio-economic and knowledge needs.

Thus universities no longer can afford academic insularity; they should embark upon strategic public-private partnerships and collaborative endeavours at home and abroad. Growing competition faced by universities in the areas of learning and research is compelling many to carve out niches with focus on intergenerational, cross disciplinary and societally-valuable learning and knowledge as well as to rethink their specific role in civil society to transform societies and enhance the transmission of appropriate values.

Therefore our universities must proactively take on the task of fostering institutional leadership so as to translate leadership competence into strategic assets for the development agenda of the nation. Such assets are the key to bolstering intellectual capital and strategic scanning, the capacity, that is, to recognize the behaviour of interconnected systems to make effective decisions under varying strategic and risk scenarios, and the transformation of knowledge as a lever for the achievement of specified societal objectives and goals.

The strategic rethinking of the role of institutional leadership in our universities is thus inevitable. In this regard, the dialogue should be articulated around issues of global competitiveness, knowledge utilization, the changing geopolitical landscape, and paradigm shifts in the role of the university from one of control and regulation to one of facilitation and flexibility.

Universities being dynamic institutions do not function effectively if its constituent members do not have the right combination of skills, knowledge and attitudes (competencies) and a suitably structured system is in place.

In the context of the aforesaid interactions and complexities, the tools and frameworks that institutional leaders previously used to make decisions now seem inadequate. Sri Lankan universities, therefore, need a cadre of new leaders who possess the requisite leadership skills that empower them to navigate through the complexities and interconnectedness of the knowledge society of the 21st century. The specific skills required as identified by Dr. F. Lautier, Executive Secretary of the African Capacity Building Foundation for African Universities are as follows:

a) ability to function in environments with low predictability;

b) preparedness to handle diverse potential futures;

c) capacity to generate strategic maps of pressure points and risk scenarios;

d) skills, set of values, and behaviours that guide them in making choices in challenging circumstances; and,

e) capacity to identify patterns of change (shifts), extract important relationships (interactions), and select from a variety of approaches for handling challenges

Given that the nature and complexity of problems affecting the higher education in Africa and South Asia are comparable, the above hold good for Sri Lankan universities as well.

How to recruit such leaders?

The procedure presently adopted in appointing Vice Chancellors is outdated and out of step with current needs. The advertisement presently used by the universities calling for applications for the post of Vice Chancellor does not adequately describe the type of candidate who should be sought to meet the current and emerging challenges and opportunities in the highly globalized higher education sector and the national policy of promoting innovation and entrepreneurialism, raising the world-ranking of Sri Lankan universities and making Sri Lanka an educational hub. Notably, the advertisement does not define the role and responsibilities of the Vice Chancellor and the attributes one should possess to perform the role and deliver the responsibilities effectively. Circular no. 880 of 15.08.2006 concerning the appointment of a Search Committee to identify suitable candidates is in this respect faulty and self-defeating. This is because the above circular allows the appointment the Search Committee to be done under the chairmanship of the incumbent Vice Chancellor. Therefore if someone is interested in having another term or is interested in appointing a successor of his or her choice, the point of appointing a search committee is lost: it cannot perform its proper role. All of us subscribe to the adage that "Justice should not only be done, it should also seem to be done". Therefore the appointment of the Search Committee should be made by a high-profile independent body appointed by the UGC, whose composition may be similar for all universities. This matter is currently under review by the UGC.

Presently announcements of vacancy for the post of Vice Chancellor are published only in local newspapers and the university webpage. In addition, except in newly established universities, the candidates who apply are mostly from the university where the vacancy exists, with hardly any candidates from other well established universities. For instance, if the vacancy is in the University of Peradeniya, there will be hardly any applicants from other universities. This "inbreeding tradition" is inimical to maintaining and fostering high academic standards and should be discontinued forthwith. It is always desirable to have a larger pool to select from. As pointed out earlier, even countries less developed than Sri Lanka, i.e. Bangladesh, Uganda and Rwanda, publish such announcements in international, widely read, high profile journals such as the Economist, the Times Higher Education Supplement, Time and the like in order to attract the best possible leaders. As mentioned the above, even universities such as Oxford and Cambridge are breaking with their jealously guarded traditions and are calling for application internationally and recruiting Vice Chancellors from outside the UK, something that was simply unimaginable in the past. That is how universities elsewhere are responding to change in order to be competitive or rather "surpetitive" – a word coined by Edward de Bono to mean to surpass others, to be ahead of others.

Here, the Search Committee has a crucial role to play in headhunting at home and abroad, particularly among Sri Lankan expatriates with a view to encouraging high calibre senior dons with necessary attributes, capacity and proven track record to apply for positions such as Vice Chancellor. To this end, attention may also be paid to invite accomplished senior executives from the civil service and the private sector. It is pertinent to note that, breaking away from established tradition, the first Vice Chancellor of the Uva-Wellassa University (UWU), Mr. Chandra Embuldeniya was appointed from the private sector. This university has emerged as a model with an entrepreneurial dimension under the able leadership of Mr. Embuldeniya. The ratio of academic staff to non-academic staff of this university is about 1:0.5 as opposed to 1: 2 (or even more) in other universities, thus the former does not carry excess "baggage" so that the funds thus saved have been used to enhance the academic programmes. In addition, of the 15 universities in Sri Lanka, it is the only the UWU, which has not been paying a single hour of overtime to its employees, which is truly commendable. Besides, there has been absolutely no interruption to the academic programmes due to student protests or trade union action at the UWU during his tenure as the Vice Chancellor, while academic programmes in other universities have been brought to a grinding halt on several occasions in the past few years owing to trade union action. Such interruptions do not augur well when the Government is promoting the recruitment of foreign students to Sri Lankan universities with a view to making Sri Lanka an educational hub. Therefore, future Vice Chancellors should have the necessary skills and strategies to minimize such interruption in universities so that they can attract and retain foreign students in line with government policy.

At present, the role of the Vice Chancellor is not clearly defined in the light of current needs and challenges and the attributes one should have in order to discharge the role are also not identified. These are of prime importance in selecting and recruiting the right candidate as Vice Chancellor. It should be stressed, however, that attractive remuneration and employment conditions are prerequisites to attract top-flight leaders as Vice Chancellors. At present, there is hardly any financial incentive to take on the demanding role of a Vice Chancellor. The salary differences between the institution's CEO and its other officials are often so small that they do not compensate for the added burden of work, the greater responsibilities and the "occupational hazards" entailed. In a number of cases, the Vice Chancellor is not even receiving the highest salary paid at the institution. Thus offering remuneration befitting the coveted position is important to attract outstanding CEOs for the universities.

Role and attributes of institutional leaders in a competitive globalized environment

Proposals are made below for the role to be played and the attributes to be possessed by a Vice-Chancellor should to meet the emerging challenges and the opportunities in a knowledge-based competitive globalized environment.

Proposed role:

- To provide strategic, inspirational and operational leadership to the University
- To promote an outward facing profile of the University
- To articulate a compelling and distinctive strategy for the University to elevate its profile
- To enhance student outcomes and all aspects of the student experience
- To drive forward academic excellence with an innovative and entrepreneurial spirit
- To act as a highly visible and persuasive advocate for the University in enhancing its image
- To champion and represent the interests of the University to the government, the public, the local community, funding bodies and donors
- To act as an ambassador, and promote and build trans-sector University partnerships and collaboration, regionally, nationally and internationally

Desired attributes:

- Should be able to demonstrate a strong resonance with the University's values and ethos and articulate an ambitious and strategic vision for its future development
- Must have significant leadership experience with academic credibility, intellectual standing, political acumen and a strong record of achievement and successful change management
- Should demonstrate strong commitment to excellence in teaching, research, business and industrial liaison and community services with international outlook
- Should be entrepreneurial, commercially and financially astute with a deep understanding of the complexities and challenges of the Higher Education Sector
- Should have excellent communication, networking and fundraising skills as well as sound judgment
- Should posses a genuine empathy with students

- Should have the ability to foster relationship at the highest levels with political, educational, industrial and business partners at regional, national and international levels

It should be stressed that even visionary and dynamic Vice-Chancellors with right mindset, attributes and skills are appointed, if they are not given adequate operational autonomy, much improvement in the performance of the universities cannot be expected. It is a frequent complaint of the Vice-Chancellors that they are shackled and straitjacketed owing to outdated and anachronistic administrative and financial regulations (AR & FR) and lack of adequate autonomy. This has hindered and undermined their performance. Thus Universities should also be given unfettered operational autonomy along with accountability while ensuring the appointment of right leaders. Moreover, for the operational autonomy to be meaningful and effective, it is essential to have a highly competent and independent Council that can advise and guide the university administration. These matters are due to be taken up shortly at a workshop to be conducted by the UGC jointly with the Ministry of Higher Education.

Here I wish to stress that this paper by no means makes any reference to the calibre, capacity and attributes of the present Vice-Chancellors in the Sri Lankan Universities in relation to the role that they are expected to play. The proposals only represent a realistic vision of institutional leaders with attributes that will enable them to play effectively and efficiently the role that they are likely to be assigned in a fast changing global context so that they may fulfil contemporary needs in keeping with national policy.

Concluding remarks

Sri Lanka is currently moving towards a knowledge-based society with attendant transformation of its economy from national to global. This, while opening up manifold opportunities for expanding higher education and attracting foreign students, poses numerous challenges and threats to the local universities. Therefore while tapping into emerging opportunities, it is of utmost importance to deal with the new challenges. This situation demands innovative and entrepreneurial approach, creative solutions and a new leadership - one that is conversant with the behaviour of complex adaptive systems and able to make effective decisions under different strategic and risk scenarios. To this end, Sri Lankan universities badly need leaders who are vested with strong interpersonal skills, who are politically astute, economically savvy, business aware and who use their emotional intelligence to lead universities towards internationalization.

This demands a new breed of top-flight transformative leaders with right mindset, skills and attitude to respond to change that is sweeping across the higher education landscape. Offering remunerations befitting the position is, however, a pre-requisite to attract and retain such leaders.

While ensuring the appointment of right leaders, Universities should also be given unfettered operational autonomy along with accountability. This should include complete immunity from political involvements in running the Universities. Moreover,

for operational autonomy to be meaningful and effective, it is essential to have a highly competent and independent University Council that can advise and guide the university administration. It should also be stressed that attractive remuneration and employment conditions are prerequisites to attract and retain top-flight leaders as Vice Chancellors.

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REMODELLING STATE UNIVERSITIES IN SRI LANKA FOR GLOBALIZATION

Kshanika Hirimburegama

Abstract

Sri Lankan Universities have academic staff of high calibre. Many are nationally and internationally reputed in their own field of study. Student admission is through a highly competitive examination.
All the universities in Sri Lanka have a high potential for globalization and to attract international students, with a few on par with some reputed international universities. However, changes are necessary with respect to governance, management and attitudes of both staff and students. Universities should have their own independent governance, subject to a few common policies of the UGC. However, there should be monitoring carried out by the state through the National QAA Council, along with auditing for accountability and performance, as part of the Strategic Plan.
Also, all universities have their comparative advantages. Individual universities need to make use of their respective advantages to develop 'Knowledge centres of excellence" in specific subjects. The annual allocation of state funds and self revenue should be utilized to achieve the goals and objectives identified in the Strategic Plan.
Unless universities are made individual corporate entities like many international universities as well as some in the region, it will be hard to achieve the targets in the Strategic Plan and to compete with highly reputed global universities.

Keywords: *autonomy of universities, internationalization, remodeling*

Introduction

Education is the foundation for life skills and competency development; and tertiary education further empowers a person with knowledge and multidisciplinary skills with correct values for the society.

Knowledge gained through education gives strength to a person and to society, to face the globalized challenges of the modern world with confidence. Correctly guided higher education will promote deep analytical thinking, positive attitudes, skills, confidence and gathering of information for problem solving and finally produce a human being who can make a positive change in society. Therefore, education is for one's own benefit and also for the benefit of the nation. Values such as respect for individual opinion, trust and team spirit are inculcated into a person through education. A person with a good education can understand the society and the world, and is always prepared to stand up for truth and reality. He/she will also be capable of facing competition with ethical understanding. The mind, now devoid of evil thought and ready to face healthy

competition, is free to undertake innovations and creations. Education should also add qualities such as patience, tolerance, mind control, sympathy and compassion. In employment, education should enable one to contribute in an effective, efficient, honest and genuine manner and not with monetary benefits and power as main targets, so that the mind is at ease for innovation.

"Mahinda Chinthanaya - Vision for the Future", the State Vision, is that every citizen has the right to be educated under the theme "Education for all". Opportunities for higher education are to be expanded to achieve this for Sri Lanka to become the "Knowledge Hub" of Asia.

Since independence in 1948, Sri Lanka has sustained "free education", where education up to graduation is free of charge. Also, attending school is mandatory for every child in the country and no child under the age of fourteen could be employed. This resulted in a literacy rate of 96-98% in the country. Although the rate of school attendance up to Grade 8 is very high, the situation thereafter changes with dropping-out of school starting at Grade 9 and rising with Grade in school. Nevertheless, people in employment tend to take up further education a later stage in life, to be involved in a knowledge-based career. The advantage that Sri Lanka has is that a majority of its people are keen to learn and to pursue higher education so that, in every sector of employment, higher education is pursued by many employees, in late afternoons and during week-ends.

State universities in the country are at different levels of development, and thus differ vastly in many respects, including the quality of the degree & postgraduate programs, the standard of the staff and students, and infrastructural development. The Universities of Colombo and Peradeniya are the oldest and most established universities with their origin in the University College set up in 1921, followed by the University of Ceylon established in 1942.

The University system in Sri Lanka is governed by circulars issued by the University Grants Commission (UGC), of which a few relate to Public Administration while most relate to university affairs. University admission for degree programs is also governed by the UGC, with individual universities having a minimal role on the subject except in determining the number of students admitted.

A SWOT analysis was carried out with the main objective of highlighting the changes that are needed to internationalize the universities of the country and to develop them to be on par with universities of global repute. Recommendations for remodelling exist, and the author's personal experience in developing courses, conducting research and transferring research findings to the end user and as an academic administrator of the University of Colombo, have helped in identifying the shortcomings referred to in the paper. Studies have also been conducted to compare the university systems in the region and elsewhere in the world with that in Sri Lanka for the purpose, alongside information collected through personal communications with national and international academia and administrators, and from the websites of reputed universities. The contents of the paper are the views of the author and not of the affiliated University.

Present context of the university system

State University education is limited to a maximum of 25,000 students per year. But there are vocational education, technical education and professional education, making 57% of the total pursuing further and higher education in the country.

As said earlier, university admission is through the UGC and the number admitted to each university is determined by the University Council, the governing body of the university. University admission is highly competitive, with about 200,000 students sitting the GCE A-Level examination (the qualifying examination for university admission) to fill an available maximum of 25,000 seats. Degree programs with the highest demand, namely Medicine, Engineering, Law and Business Administration have become particularly competitive, as there is besides a district quota system.

Even families with marginalized education of parents want to invest in the education of their children either nationally or internationally. This is where non-state universities could play a useful role by providing the opportunity for students to pursue higher education within the country in a field of their interest, based to their merit. Non-state universities monitored by a National Quality Assurance & Accreditation Council are being developed and are expected to be established within the next few years.

Lifelong learning also plays a significant role in Sri Lanka. As Sri Lankans like to learn, gain knowledge and get involved in a knowledge based career – a blessing for the country – opportunities to pursue further and higher education in the country have also expanded. Institutes for Human Resource Advancement, Professional Institutes and a variety of local and international institutes have proliferated during the past decade. Although several are of high quality, there are a few that need to improve their standards. Therefore, Quality Assurance and Accreditation has become a national requirement. English and IT have gained prominence with 600 ICT centres developed across the country. Borderless education, a world phenomenon, too is inevitable in Sri Lanka, and the country should prepare for it with an appropriate quality assurance system.

It is also interesting to note a shift from student-centred teaching to learner-centred education. Traditional face to face teaching is yielding to multi-mode delivery systems and blended-mode delivery systems such as online e-learning, video learning, and m-based learning. This allows students to learn during their leisure while being involved in career during the day (Östlund, 2011). Therefore, the blended mode is gaining popularity across all age groups and deserves to be promoted (Carr, 2000). Sri Lanka was the first to introduce an online e-learning agro-technology course to the farming community. Farmers can access the courses during their leisure to pursue higher education. This has been very successful in terms of student satisfaction with the learning system and the application of knowledge to their cultivation activities has increased farmer income tenfold. Sri Lankan universities were also the first to introduce the m-platform (mobile platform) in higher education. Owing to advancements in IT, globally as well as in Sri Lanka, there is 24-hour access to courses globally and in any

part of the country, and education through multi-mode delivery systems is continuously increasing in demand (Davison *et.al.*, 2005).

After 30 years of terrorism, the country is developing rapidly to become the "Wonder of Asia" through the five hubs, one being the "Knowledge Hub". Considering the potential that the university system has, it is possible to develop the "Knowledge Hub". However, the current university system needs dramatic changes with respect to governance, management, and the attitudes of both staff and students.

The current university system in Sri Lanka

Academics advance their knowledge by acquiring the latest information through surveys and research. ICT is a key tool in this endeavour. The course content in universities is continuously upgraded with the help of such information. Good researchers possess newly created knowledge and are happy to disseminate the knowledge generated by them to undergraduates, postgraduates, and to the community in general. That is the joy that academics seek. Unfortunately there are some with a negative attitude and a tendency to put self interest before public interest, perhaps due to lack of self-confidence and worldly knowledge and craving for monetary benefits.

No one with a broad mind, wisdom and far sight, and genuine love for the country and understanding of the society would be negative about the situation in the country. The poorest of poor in the North are living peacefully with their dear families without fear. It is now the social responsibility of the educated people of the country to make every effort to sustain mother Lanka united and develop it into a knowledge-based economy. The benefits will be for all the Sri Lankans, especially the younger generation. Thus, academics need to be actively involved in research in their own fields and be specialists both nationally and internationally. They would then be strong enough to face challenges through knowledge. Innovations, new technology, information gathering *etc.* constitute the intellectual characteristic of an academic, and give satisfaction to an academic. A country needs intellectuals for its development, and competition is necessary for innovations that would improve the quality of life.

The current situation in the state university system is not conducive to foreign students. Major factors that place the universities at a disadvantage to attract foreign students and thereby hamper globalization of universities in Sri Lanka are listed below. It should be noted that lapses in individual commitment, accountability, responsibility etc. have been collectively included under "governance".

- Inability to maintain the academic calendar owing to continuous disruption by various sectors (a major factor),
- Infrastructure being not up to international standards (a rectifiable factor),
- Lack of means and resources for extracurricular activities, recreational facilities, and entertainment,

- Lack of a host family system (making foreign students feel isolated),
- Absence of appropriate scholarship schemes, summer school systems etc.,
- Absence of an efficient international student mobility system,
- Absence of loan systems to local students for international mobility.

In the current situation, members of the university staff work in an environment with little autonomy for governance even in matters such as recruitment and promotion of staff (academic, administrative and others), but are required to produce results. A common complaint at academic forums is that common governing procedures implemented through UGC circulars in a university system comprising universities vastly differing in many respects, and it has had an adverse effect on the development of all universities. A system that binds all state universities by common circulars is undesirable for internationalization. Such a situation does not exist in any country in the region or outside. Elsewhere, each university has its own governing procedures, subject, however, to monitoring of performance, accountability and responsibility by a body such as the National Quality Assurance & Accreditation Council, and to financial auditing by the State accompanied by a punishment scheme for wrong deeds. Highly reputed international Universities have independent governing bodies but with greater accountability and key performance indicators (KPIs). Failure in the latter would affect the continuity in service of the persons responsible.

Re-positioning of the university system for internationalization

The economy of a country becomes a "Knowledge Economy" when the sustained use of new knowledge and advancement of knowledge are at the centre of national development. Information and Communication Technology (ICT) Systems are essential for the acquisition and dissemination of new knowledge.

As mentioned earlier, tertiary education in the world is now trading into multimode delivery system. Tertiary education could be provided to all by learning through *e* and *m* platforms of delivery. This will open up fresh opportunities for people of all ages in Sri Lanka and elsewhere to pursue higher education, and also addresses the present limitations in tertiary education in the country.

New knowledge and innovations through competition have played a crucial role in human civilization. The technological revolution in the past few decades has made "knowledge" the key driver of economic development. The central role of knowledge for innovation in economic growth is widely acknowledged in developed countries. Countries with knowledge based economies have benefitted from the new opportunities offered, to achieve a high growth rate and productivity performances owing to their ready access to new knowledge. Human resource giants such as US, China and India now benefit immensely from knowledge economy mainly due to their human resource advancement enabled by knowledge gained through competitive higher educational

systems. With the dawn of peace in Sri Lanka, human capital advancement with new compatible knowledge has been prioritized in the national plan of "Mahinda Chinthanaya Vision for the Future". Education leading to tertiary education for providing knowledge and skills and thereby empowering the rural sector would also be the best step for reconciliation and national development.

It is important to realize that developing countries must move rapidly to join the fast moving knowledge-based global economy while protecting their own cultures, which are essential environmental factors that give expression to their inherited genetic abilities, especially intelligence and health. Successful transition to a knowledge economy depends on the key contribution from universities where knowledge-based skilled work force is produced to the nation. The role of universities as knowledge creation and dissemination centres is significant in guiding the nation towards a knowledge economy. Since universities are involved in generating and gathering up to date information essential to acquire modern knowledge, continuous production of such work force would sustain the knowledge economy (Hirimburegama, 2012).

After nearly three decades of terrorism, the people can now live in peace and move towards national development. Reconciliation, development of trust and empowerment with economy play key roles that could be addressed with education and knowledge based economy. Sri Lanka has a rich intellectual capacity. Intellectual capacity and high literacy levels combined with natural resources could develop our country and strengthen our position in Asia. Sri Lanka, with her rich cultures, ancient technologies, natural flora and fauna and blending with new knowledge gained through higher education, our country could become the "Knowledge Hub" in Asia.

Remodelling for internationalization

In general, the state universities in the country have their comparative advantages that could contribute to their development to become "knowledge centre of excellence" in identified study areas. Having considered the significant nature of differences in individual state universities and the unique advantages of each, the following are suggested for remodelling and re-positioning the universities of Sri Lanka.

1. Universities to have an independent management governed by the Council.
   (International universities have independence and are not governed by common set of UGC regulations).
   A few specific suggestions are listed below.

   - Universities to select their staff for their own requirements on merit (At present administrative recruitments and non-academic promotions of universities are by the UGC).

   - Courses to be introduced with the approval of University Senate and Council and subjected to monitoring by the National QAA Council under the UGC.

- Every university to have a "Grievance Committee" to look into staff and student grievances, and the recommendations are approved by the Council.

- University to (similar to international universities) have the right to determine the salaries of staff, subjected to UGC guidelines.

- Admission and administration of foreign student to be handled by the university.

- Scholarships, accommodation and other facilities for foreign students to be decided by the university Council.

- Entertainment & recreational facilities to be organized.

- Attending international education fairs to be facilitated.

- Development of attractive, informative and reliable websites.

The above changes would create healthy competition among local universities to attract high quality staff and foreign students. It is a myth that the metropolitan university will attract the best staff and students, as the best attraction depends on the remuneration and incentives with recognition.

2. University administration, governance, accountability and performance to be monitored by the State by National QAA and audits etc. Continuity of officers to be according to their performance.

3. Each university to identify its comparative advantages and develop courses, collaborative research etc. to establish "knowledge centres of excellence" in identified major specialty/specialties".

4. University societies to be organized to involve foreign students.

5. A host family system to be established by the university to attend to the needs of foreign students on an honorary basis.

6. The UGC to play a role at policy level in matters relating to the recognition of foreign qualifications, and to be supportive of the autonomy of universities and assist on the matter, especially of the newly established universities.

7. Staff and student discipline to be handled by university and implementation of decisions to be with the approval of the Council. Unruly conduct of staff/ students to be inquired by a university committee and the final decision to be taken by the university Council. Inter-university affiliations are only on academic collaboration.

8. Appointment of Council members to be in consultation with the Ministry of Higher Education and the UGC, but appointment shall be by the University.

9. University to have their own societies, unions etc. under the governance of Council and State.

10. Recruitment and removal of staff to be by the University Council, subject to appeal against an unfair decision to the USAB and the Court of Law.

11. Requirements and demands of students and staff to be reviewed by a "Grievance Committee" of the Council, which shall act promptly and make its recommendations to the Council.

12. Concepts of rights and responsibilities with duties and accountability to be inculcated in the staff and students, supported by signed agreements with the university.

13. Scholarships to be offered to foreign students to attract them.

14. Foreign student enrolment to begin with postgraduate programs.

15. Courses on multi-mode delivery system to be introduced: online, *e* and *m* platforms to attract foreign students who could offer them while being in their own countries.

A few of the above suggestions have already been put into practice in the Sri Lankan university system. It is important to motivate the academic staff through performance-based recognition. The academic staff may, for example, be motivated to take up research grants by allowing a percentage of the grant (say 2% per year) for their use (for purposes such as attending international conferences). "Performance-based incentives" to all staff will also motivate them. With less time for involvement in conflict and in union activities (something witnessed in international universities). A bonus system to the staff, based on performance will also motivate the staff.

Recommendations

In general, it is recommended that the State to provide an annual fund allocation and that the university should manage with its generated funds under existing rules and regulations. Annual monitoring by National QAA and Audit is recommended.

The universities in the country should be given full independence to develop, subject to monitoring by the National Quality Assurance and Accreditation Council and auditing of finances and Key Performance Indicators (KPIs). The UGC could play an independent role by accrediting both local and foreign universities. A limited monitoring role may also be played by the UGC by having some common policies for higher education in the country based on the State Vision for higher education.

Quality assurance is an essential component in higher education and can be implemented in several ways. The primary means of quality assurance is an internal quality assurance unit. Monitoring of the courses by the National QAA Council would ensure quality of academics and the courses. "Standards and Performance Indicators for Quality Assurance of Higher Education for Distance Education", which is now available, could be used for the purpose.

In conclusion it could be said with confidence that Sri Lankan Universities have a high potential for globalization and to attract international students. A few of them are already on par with some reputed international universities. However, changes are necessary with respect to governance, management and attitudes of both staff and students. Universities should have their own independent governance with a few common policy guidelines determined by the UGC. However, monitoring should be by the State through the National QAA Council, along with auditing for accountability and performance, as part of the Strategic Plan.

Also, since all universities have their comparative advantages, individual universities need to make use of their advantages to develop 'knowledge centres of excellence" in specific subjects. The annual allocation of state funds and self revenue should be utilized to achieve the goals and objectives identified in the Strategic Plan.

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ELEMENTS OF INNOVATION AND ENTREPRENEURIALISM AT UVA WELLASSA UNIVERSITY

Chandra J. Embuldeniya

Abstract

Uva Wellassa (UWU), one but the youngest of the national universities has proven its mettle as a fast developing Entrepreneurial University with a strong Innovation Culture. The external QA team described the University as 'nothing short of a miracle'. The miracle is in the organization's culture which is favourable to promoting entrepreneurship and innovation that the university developed among the students and all staff members both academic and non academic. This paper highlights the elements that laid a firm foundation for this ever growing social fabric within the university.

The university evolved around a robust strategy. The entire strategy was enveloped in a vision-driven singular theme 'to be the centre of excellence for value addition to the national resources base'. The resource base included agricultural, mineral, aquatic, tourism, ICT and management resources. Of course, at the centre human resources exist and value addition is into HR building Human Capital. Students and new lecturers learn the Strategy adopted here step by step. It provides the motivation for innovations through value addition.

The Strategy could best be explained with the analytical framework provided by the Balanced Scorecard principles introduced by Professors Norton and Kaplan of Harvard.

The UWU Culture is marked by its absence of radical posters, student unions, ragging, demonstrations and hooliganism. Finally, the success of the Strategy resulted in producing a vibrant entrepreneurial university culture with a high level of student innovations and entrepreneurial skills.

Preamble

Uva Wellassa (UWU[1]), one but the youngest of the national universities has proven its mettle as a fast developing Entrepreneurial University with a strong Innovation Culture. This Culture started to grow during the start-up years with Embuldeniya[2] heading it as

[1] UWU – Uva Wellassa University of Sri Lanka (the 14th to start as a national University funded by the Government on 1 June 2006)

[2] Chandra Embuldeniya was invited by the University Grants Commission under the Chairmanship of Prof. B.R.R.N. Mendis in Sep 2004 to set up Uva Wellassa University. He served as Coordinator from Sep 2004 to July 2005, appointed its First Vice Chancellor in July 2005 and served two terms of three years each as Vice Chancellor until July 2011.

Vice Chancellor, and is now growing in its eighth year at UWU and appears to be a strong intangible asset that has a high institutional value. The External Quality Assurance (QA) Team described the University as 'nothing short of a miracle'. The miracle is in the organization culture favourable to promoting the entrepreneurship and innovation that the university developed among the students and all staff members, both academic and non academic. The 'miracle' culture is marked by the absence of student agitations, ragging, posters, and student indiscipline on the one side and on the other by high employability, entrepreneurial skills, high innovations and focus on continuous learning experience. It is well known that the higher education system in the country is tarnished by a deplorable culture stigmatized by the behavioural patterns of some students, and in some instances staff members. The elements of a positive culture referred to as a miracle are elucidated by the founder of UWU in this paper. It highlights the elements that laid a firm foundation for this ever growing social fabric within the university.

Strategy

The university evolved around a robust strategy, which was enveloped in a vision-driven singular theme 'to be the renowned centre of knowledge and expertise for value addition to the national resource base' and subsequently modified 'to be the centre of excellence for value addition to the national resource base'. The magnetism in such a theme when Sri Lanka was yearning for nationalism by most of the leading pro and opposing national polities was significant. It also had the effect of neutralizing counter strategies adopted by radical polities aiming to destabilize the universities, and provided the space required for developing a positive culture. The motive and effect of this theme was felt by the entire country when the students started propagating technology for value addition to the primary level resource base of our country. This resource base included agricultural, mineral, aquatic, tourism, Information Communications Technology (ICT) and management. Of course, at the centre, human resources exist and value addition is into Human Resources (HR) to develop Human Capital. The strategy provides motivation for innovation through value addition, and students and new lecturers learn the strategy adopted step by step.

Balanced scorecard perspectives

The Strategy could best be explained with the analytical framework provided by the Balanced Scorecard Principles relating to the Fiduciary Perspective[3], Stakeholder Perspective[4], Internal Process Perspective[5] and the Learning and Growth Perspective.

[3] Responsibility to the principal funding source, the government, where good governance, accountability and increasing access to students with greater value contribution to the economy are important

[4] Stakeholders are students, parents, academia, employees, employers, government and society

Highlighted here are the aspects relevant to the Entrepreneurial and Innovation Culture, the subject of this paper. Stakeholder Value[6] is delivered from the Internal Processes and the Learning and Growth elements.

Value Proposition[7]

Every university delivers knowledge intensely and, to a less extent, some skills to the students. The UWU strategy differentiated itself from other universities by giving a high level of importance to both interdisciplinary knowledge and essential skills as the first aspect of its Value Proposition and thus help to drive Entrepreneurship and Innovations. The second aspect was that the students and staff members endeavoured to cultivate Relationships[8] to give a highly memorable experience to employers and stakeholders as a whole. Thirdly, the students, academia and employees took it upon themselves to share responsibility for the protection and growth of Image of the University. Each understood his/her commitment to the image building process. They pursued this collectively as well as individually. The image of UWU is an intangible asset that kept growing as a perceived value and each one directly engaged with UWU perceived that he/she should not tarnish it. There was also peer pressure on each one whenever people tended to go at a tangent. The students and the academia learned from their mistakes and, because of the growing faith in the strategy, everyone was ready and willing to accept and correct his/her mistakes.

Learning and growth

Leadership played a phenomenal role in motivating and driving the teams of academics and students on track to deliver the three aspects of the Value Proposition. There is no substitute for astute leadership without which the entire strategy will collapse. The Learning and Growing Perspective raises three key elements – the Human Capital, Information Capital and Organization Capital. Undoubtedly, human resources have to be selected with proper screening and trained to perform the functions of the entire value chain in delivering the value proposition and fulfilling the fiduciary responsibility. Thus it is important to recognize competence in addition to qualifications at the HR selections.

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[5] There are three innovative Internal Processes operating at UWU to deliver the Value Proposition - the Academic, Research (& Innovation) and Admin. The details of these processes are outside the scope of this abstract.

[6] Stakeholders are Students, Employers, Parents, Government, Society, Employees

7 Value Proposition defines the Stakeholder value delivered through the Internal Processes and the learning and growing elements.

[8] Perceptions of outstanding experience acquired associating, interacting or serving

The information capital comprised largely the IT system that integrated the Organization Strategy at all levels with interfaces to external visitors to find information rapidly. The IT system plays several roles, particularly as a Knowledge Base (KB), an Management Information System (MIS) and a University Resource Planning instrument. The KB is fundamental to the role of the university since the organization grows by retaining experiences and the knowledge so developed. It is equally important in all knowledge forms, and it is therefore strongly advisable to retain experiential knowledge technologically mined for reference. Frequent retrieval of recorded experience becomes necessary as the organization grows and only an apt data mining system can perform such an onerous job.

The third and the best intangible asset in the Learning and Growth Perspective is the Organization Capital where Organization Culture, Leadership and Team play become crucial. Organization Culture is the social fabric that keeps developing incessantly, driven by the leadership. Embuldeniya introduced a unique innovation here by appointing a young Senior Academic as a 'Culture Thermometer'[9] to pick up harrowing signals and take prompt remedial measures. In any organization, this device would serve as a performance driver.

Student integration

The student's integration with the university begins with the articulation of the Vision and the overarching theme of the entire university from day one during the 'Integration Program' [10] and is assisted by getting parents and guardians on board to share responsibility for the student conduct. The entire parent guardian population gains confidence at an interactive session addressed by the Vice Chancellor and a few Senior Academics on day one. Thereafter for about ten days the sessions are divided into giving students the value of Uva Wellassa heritage, programs, discipline, 'dos and don'ts', talent shows, team building, law enforcement, governance etc., while taking the students through a powerful Integration Program. This is managed and conducted by the University with the help of some senior students. The 'open access' policy gives students and parents the opportunity to contact the Vice Chancellor (VC) at any time of the day directly on a mobile phone number and has helped to solve many problems instantly. Embuldeniya enabled any student, parent or employee to meet him or contact him by mobile phone any time in the day or night. This policy minimized recurrent complaints significantly and developed transparency, confidence and healthy relationship, besides helping to fight small fires before they become wild fires. Significantly, his social network on Facebook has a substantial section of the population

[9] A 'Culture Thermometer' is a person sensitive to the desirable aspects of the organization culture and actions that promotes and demotes the culture. While the thermometer picks the signals rapidly it also activates to neutralize the negative facets.

[10] The first welcoming interactive program students go through is labelled the 'Integration Program' and conducted for about ten days. The sessions are divided into giving students the value of Uva Wellassa heritage, programs, discipline, 'dos and don'ts', talent shows, team building, law, governance, etc.

of students, graduates and lecturers. He still networks with a number of active Facebook groups such as UWU Family, UWU Pioneers, UWU Alumni and Entrepreneurial Professionals. These social networks have given a great opportunity to align with the UWU Strategy.

Overarching theme

'Value Addition to the National Resource Base' has been the theme that has conquered the hearts and minds of students and new lecturers in the process of learning step by step the strategy adopted. It provides the motivation for innovation through value addition. Indeed to be able to articulate the Vision there should be a leader with such capacity. The leader should also have developed the Strategy free of loose ends for the University. Embuldeniya as a leader developed the Strategy during the initial stages of concept planning and throughout his term of office took every opportunity to articulate this Strategy.

UWU family

The University binder is the UWU Family, which gives a strong sense of belonging. This concept is joyfully embraced by all newcomers. Sense of belonging to a caring family serves as a relief measure where the perceptions are feared ragging and harassment at the hands of senior students. The new students soon realized that they had nothing to fear. The sense of relief and freedom in some first year students still new to the Culture at UWU is so vast that sometimes they let go in innocent yet harmful acts, which had to be monitored and corrected by their mentors.

Student owners

Another strong mechanism favourable to a positive culture development is the practice of student 'ownership' by lecturers. Lecturers are assigned around 7-10 students each for mentoring as well as counselling, when they are faced with financial, personal and academic problems. The responsibility of the lecturer is to ensure that each student is counselled for his/her difficulties and necessary remedial action is found for them without harming the identity. Records of consultative meetings are confidential to the lecturer and the student and the lecturer is responsible for the all round wellness of the student.

Entrepreneurial skills

A significant differentiating factor at UWU is the 'interdisciplinary' nature of the academic programs. The interdisciplinary programs break through the silo-based entrapment within departments and faculties. It thus enables the students a rich interdisciplinary learning experience, which leads them to understand real world

problems and find practical solutions. Thus, the interdisciplinary programs are a great enhancing feature for Entrepreneurship and Innovation.

Each degree program has 'Essential Skills' (ES) and 'Broad General Education' (BGE) in the core curriculum. The philosophy is that ES provides the set of skills needed to illuminate the personality and BGE fills up the knowledge gap that specialized technology and scientific programs do not provide. ES is made up of Communication Skills, Quantitative Reasoning, English, Computing and Sinhala for Tamil students and Tamil for Sinhala students. BGE for a student entering from the scientific stream is filled with Arts, Humanities, Social Sciences and Commerce as appropriate and for a student entering from an Arts stream Science, Technology and Commerce. Students entering via a Commerce stream are given BGE in Science and Arts subjects that will be sufficient to make their awareness of the real life situation complete. As a result all students gain a complementary Education with broad knowledge such as economics, fine arts and engineering to fill up the repertoire of strengths needed in a competitive market. Beside the ES and BGE, all students go through courses in Entrepreneurship while each course provides students with the examples of entrepreneurial opportunities. This experience is gained by mixing learning with field visits. These are arranged by lecturers conducting the programs to visit certain production factories and sites. The students at the end are skilled enough to become entrepreneurs or become good "intrapreneurial" employees through the core activities. The fourth year 'student research' engages them on value addition research with outcomes of innovative lab scale prototypes. The 'industrial placement' period gives them industrial training and the opportunity to test their innovative skills and bring out Innovations in lab scale prototypes. Finally, 95% students had found jobs before the convocation.

Student evaluation

Student evaluation at the University places greater emphasis on the continuous development of students and it has been a powerful tool contributing to the UWU Culture. All assignments are compulsory and the field visits, oral presentations, reports, research, spot tests are part of the continuous day-to-day development activities. It is mandatory for students to pass them. Attendance at the classroom sessions have to be maintained above 80% and if less, the student will not be permitted to sit the semester examinations. Stringent adherence to 80% rule and disregard of medical certificates issued by unrecognized practitioners are keeping students during the vulnerable time of their development intact with the university Strategy. The culmination of their dedication to the continuous development process is resulting in the university giving 60% weight to the continuous assessments. The end semester tests carry 40% weight. This process is very strenuous for the lecturers but the benefit to the students is well worth the extra effort, making it a clear differentiating factor from other universities.

Research on value addition

The students are motivated from day one to think 'value addition' to the national resources. This in turn has the effect on them to think through their learning areas for opportunities to find research projects that provides such opportunity. The lecturers too have a responsibility built into their performance in this aspect. The lecturers are evaluated on the UWU 'Three Pillars of Service'. These Three Pillars are Knowledge, Skills and Mentoring; Research on Value Addition; and Social Responsibility. The second pillar of service is Research on Value Addition and they are required to have at least one project on going at all times. This gives the lecturer the opportunity to drive students to do such research. Students conduct research independently, write a paper, and defend it at a presentation where evaluation is done by a panel of internal and external resource persons. The publications are compiled into a book and published by the University and released at the Annual Research Symposium. The UWU phenomenon at the symposium is the exhibition of the innovative research of students. The number of innovative work done by students comes out in lab scale prototypes and their numbers are encouraging. These prototypes are of a high standard and deserve further investment to scale up to commercial levels. However the author did not have the resources during his term of office to implement this end of value addition. He was, nevertheless, able to find commercial establishments willing to link with the students, without retaining intellectual property value. Students are encouraged to apply for technology grants such as those provided by the National Science Foundation for commercializing Innovations.

Conclusion

The UWU Miracle is found in its unique Culture that developed as part of the overall Strategy of the University. The UWU Culture is marked by its absence of radical posters, student unions, ragging, demonstrations and hooliganism. The key elements of the miracle are summed up below.

1) A clear Vision-driven Strategy being the centre of excellence for value addition and an overarching theme that encompassed the whole university on value addition to the national resource base.

2) Astute leadership role in articulating the Vision and Strategy are of paramount importance.

3) The right Value Proposition to galvanize the stakeholders to put the students on the desired track

    a) Developing knowledge and skills through the core curriculum interdisciplinary program activity as the first component of the Value Proposition.

    b) Developing outstanding relationships with the external world as the second and

c) Sharing responsibility with all concerned on developing a great institutional image as the third component.

4) Setting up innovative Internal Processes to deliver the Value Proposition and the Fiduciary Responsibility and make every one understand these processes.

5) Learning and Growth being at the grassroots level of the organization.

   a) To ensure selection of the right human resources and develop Human Capital with competence

   b) To develop the Information Capital with a Knowledge Base (KB) to retain the experiences, University Resource Plan (URP) and MIS and make the external world have ready access to the University

   c) To sustain Organization Culture as the most intangible asset of the Organization Capital, whose indispensable elements are UWU Family, Team Play, Shared Responsibility, Integration Program, Student Ownership, Open Access and Culture Thermometer

Finally, the success of the Strategy resulted in producing a vibrant entrepreneurial university with a high level of student Innovations and Entrepreneurial Skills that enable students to start up businesses and rapidly gain employment.

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PROMOTING ENTREPRENEURSHIP AND INNOVATION IN UNIVERSITIES

Ananda K.W. Jayawardane

Abstract

The need for increasing access to higher education, attracting international students, making graduates innovative and entrepreneurial, and for universities to become centres of economic development, agents for innovation and incubators for entrepreneurship has already been identified. Universities need to promote innovation and entrepreneurialism for two distinct purposes: (a) provision of their products and services, (b) enhancing innovative and enterprising characteristics of graduates to be knowledge workers. The objective of this paper is to discuss strategies to promote innovation and entrepreneurialism in national universities, constraints for their implementation and recommendations to overcome them.

Among the strategies are: leveraging international ranking; local and international accreditation; graduate attributes based outcome based education; flexible delivery of academic programmes; variety of possible partnerships with universities and industry; leveraging many modalities of open and distance education, and fund generation through cost recovery activities. However, the implementation of these strategies is hampered by several constraints such as lack of mechanisms for credit transfer; illegality of having university incubators: delays in getting approvals for courses; lack of modern equipment; lack of autonomy for commercial ventures; procurement constraints for R&D work; lack of funding opportunities for international training/conferences; partnering with private sector HE providers for academic assistance; under-developed research for commercialisation; and many regulatory impediments for recruitment, income generation and payments for services. Recommendations are made to overcome such constraints.

Keywords: *entrepreneurialism, entrepreneurship, innovation, Sri Lanka, universities*

Introduction

His Excellency the President of Sri Lanka in his "Mahinda Chinthana: Vision for the Future" declares that "Sri Lanka needs a higher education system that can produce skilled, hardworking and enterprising graduates. Also the county needs a research and innovation capacity capable of promoting dynamic economic development". Its policy direction states that "higher education policy will focus on (a) increasing access by enabling more choices in courses, modes of learning and alternate institutions within a regulatory framework for all prospective students, (b) enhancing quality and upgrading standards with emphasis on employability and ability to cope with national development needs and global competitiveness, (c) fostering a culture of research and

innovation, and (d) ensuring accountability, sound performance and financial sustainability. Universities are encouraged to become centres of economic development, agents of innovation and incubators of entrepreneurship". It is the responsibility of higher education providers to be aligned to this national policy direction.

Making Sri Lankan Universities innovative and entrepreneurial has become an essential strategy in Sri Lanka's march to become a knowledge hub and to contribute meaningfully for rapid economic development through knowledge economy. This challenge is compounded by the fact that higher education is emerging as a key global industry in the context of globalisation, liberalisation and global excess capacity, and by other nations becoming increasingly competitive, innovative and entrepreneurial, not only in the provision of higher education but also in other industries.

In this context Sri Lankan Universities have to fully embrace innovation and entrepreneurialism not only to be aligned with the national goals but also to produce value added, highly employable graduates and to be recognised as internationally ranked, globally competitive higher education providers. From the universities' point of view, the following can be considered as the reasons for the universities to be innovative and entrepreneurial.

- Producing graduates in demand – for employment & higher studies
- To be a university in demand – both locally and internationally
- To be less dependent on state funding – generate more money
- To develop desired graduates' attributes in many ways
- Being a provider of solutions to intellectual/technical needs of the industry
- Being a driver/trend setter to industry directions
- Being a significant contributor to national policy making/economic development
- Making graduates innovative and entrepreneurial
- To be a best fit to national innovation eco system

This paper discusses how to promote innovation and entrepreneurialism in national universities and is presented in four sections: (a) the scope for innovation and entrepreneurship, (b) possible strategies, (c) issues and challenges, and (d) conclusions and recommendations.

The scope for innovation and entrepreneurism in universities

In the present context, the universities need to promote innovation and entrepreneurism in two distinct approaches. Firstly, the universities themselves need to adopt innovative and entrepreneurial approaches in the provision of their products and services. This is required to deviate from the ways of doing business as usual to more innovative and enterprising solutions. It includes changing the mechanisms and formulae for enrolling students, commencing innovative new courses, changing the role of universities from knowledge dissemination focussed to include other services such as knowledge creation, technology development and technology transfer. It also includes the use of innovative ways for recruiting and retaining staff and to be a national and global player well connected with and aligned to national goals so that the universities are direct players of economic development. New ways of attracting the best students, being amongst globally ranked universities, and generating and managing funding without completely depending on government funding are further aspects. Simply speaking, it is the formula and recipe for going global and world class.

Secondly, the graduates the universities produce need to be innovative and enterprising to be knowledge workers who can be the leaders in the economic development game and to be knowledge workers who can compete with any graduate produced in the world's best universities. This can be addressed in several perspectives as follows.

(a) The graduates need to be inventors and innovators where they come out with new technologies, new products, value addition to existing products, and services through innovative application of what they learn.

(b) They need to be entrepreneurial for at least some of them to become "job creators" than "job seekers". University graduates are in the best position to be entrepreneurs as they are intellectuals with necessary subject knowledge at their disposal. An innovative graduate will be in the best position to be a value added entrepreneur.

(c) They also need to be 'intrapreneurs' where they have entrepreneurial mind set even if they are employees in an organisation so that they are part of the strategic team rather than just employees.

The University of Moratuwa (UOM), to a great extent has identified this need which is amply demonstrated by its Vision – "To be the most globally recognized Knowledge Enterprise in Asia" and its Mission - To be the leading Knowledge Enterprise for technological and related disciplines in Asia by:

- Providing transformative education that nurtures the inquiring mind and develops skills for a diversity of challenges;

- Carrying out nationally relevant and high-impact research to expand the boundaries of knowledge;

- Promoting entrepreneurship and facilitating technology transfer;
- Providing expert services to the State, Industry and the Society as an Internationally positioned National University; and
- Contributing to sustainable, scientific, technological, social and economic development of Sri Lanka.

Possible strategies for promoting innovation and entrepreneurship

Among many strategies that can be adopted for the universities to become innovative and entrepreneurial under both the above approaches, the following can be identified as appropriate in the present context.

International ranking

One of the most powerful tools to promote innovation and entrepreneurialism is to implant the need to position the university amongst the best internationally ranked universities. This will compel the universities to work towards raising their global university ranking through many innovative and entrepreneurial initiatives and leverage the position to further enhance their visibility and recognition.

This has now become a global tool to market universities among students and attract resources. It is increasingly becoming important and many systems are evolving. It is a subject of many international conferences and seminars at present – in both its positive and negative aspects.

Different ways of ranking are available albeit they do not cover the full extent of the university activity. Currently the three most influential World Rankings are: ARWU (Shanghai Ranking), QS World University Ranking, and Times Higher Education World University Ranking (Chandrakeerthy, 2012). Of several mechanisms, the universities usually choose ranking mechanisms that are more advantages to them. Prof. Chandrakeerthy in his Convocation Address (Chandrakeerthy, 2012) proposed as a suitable mechanism for the University of Moratuwa, the Times Higher Education World University Ranking system which uses the following criteria for evaluation: (a) Teaching – Learning environment (30%); (b) Research – Volume, income, reputation (30%); (c) Citations – Research influence (30%); (d) Industry Income – Inventions (2.5%); and (e) International Outlook – Staff, students, research (7.5%). Currently, the Ministry of Higher Education in Sri Lanka uses the Webometrics Ranking – which only considers the internet visibility of the university.

These rankings will become essential to state universities when non-state universities are a threat to them, and in the course of transforming themselves to world class international universities. However, the importance of working upwards in the

international ranking has not been seriously felt by SL universities but for the innovative and entrepreneurial universities.

Local and international accreditation

One might think that obtaining local and international accreditation is just a quality assurance strategy for practice of a profession as professional courses need to obtain accreditation from their respective professional bodies or from national accreditation bodies (when such professional bodies are not available). However, innovative and entrepreneurial universities will seek accreditation from not just one local body but from several other international bodies to be on par with international standards for many other strategic uses.

Where courses are not accredited by such professional bodies, a national accreditation board should take over the role. Actions have already been taken to introduce such a system in Sri Lanka under the National Quality Assurance and Accreditation Framework. Such efforts will inevitably drive the universities towards innovation and entrepreneurship. It is important for the universities to realise that local accreditation is not sufficient and international accreditation is becoming increasingly important. For example, many courses in both the Faculties of Engineering and Architecture in the UOM are accredited by international professional bodies. Some course by several such bodies, for example, B.Sc. in Quantity Surveying is accredited by IQS, UK, Australia and Dubai thus making those graduates truly world class. These efforts therefore compel the universities and programs to be world class.

Graduate attributes based outcome based education

Everybody in the education sector is now aware of the need to transform education from a teacher cantered to student centred approach. In line with this there is a world trend today that all professional courses need to transform from input based to outcome based education. This means that it is necessary to do away with the system of first designing the curriculum, then the syllabus, adopt a teaching methodology, and ensure that the graduate coming out has the required knowledge, skills and competencies. This approach is now not accepted. It is now necessary to first define the quality of the graduate who comes out of the system in terms of the graduate attributes and then develop programme outcomes and deliver the courses to meet those programme outcomes. For example, the Institution of Engineers Sri Lanka (IESL) accreditation system now needs the following attributes for engineers passing out of the universities.

- **Engineering Knowledge:** Apply knowledge of mathematics, science, engineering fundamentals of engineering specialization to the solution of complex engineering problems.

- **Problem Analysis:** Identify, formulate, research literature and analyse complex engineering problems reaching substantiated conclusions using first principles of mathematics, natural sciences and engineering sciences.

- **Design/ development of solutions:** Design solutions for complex engineering problems and design systems, components or processes that meet specified needs with appropriate consideration for public health and safety, cultural, societal, and environmental considerations.

- **Investigation:** Conduct investigations of complex problems using research-based knowledge and research methods including design of experiments, analysis and interpretation of data, and synthesis of information to provide valid conclusions.

- **Modern Tool Usage:** Create, select and apply appropriate techniques, resources, and modern engineering and IT tools, including prediction and modelling, to complex engineering activities, with an understanding of the limitations.

- **The Engineer and Society:** Apply reasoning informed by contextual knowledge to assess societal, health, safety, legal and cultural issues and the consequent responsibilities relevant to professional engineering practice.

- **Environment and Sustainability:** Understand the impact of professional engineering solutions in societal and environmental contexts and demonstrate knowledge of and need for sustainable development.

- **Ethics:** Apply ethical principles and commit to professional ethics and responsibilities and norms of engineering practice.

- **Individual and Team work:** Function effectively as an individual, and as a member or leader in diverse teams and in multi-disciplinary settings.

- **Communication:** Communicate effectively on complex engineering activities with the engineering community and with society at large, such as being able to comprehend and write effective reports and design documentation, make effective presentations, and give and receive clear instructions.

- **Project Management and Finance:** Demonstrate knowledge and understanding of engineering and management principles and apply these to one's own work, as a member and leader in a team, to manage projects and in multidisciplinary environments..

- **Lifelong learning:** Recognize the need for, and have the preparation and ability to engage in independent and life-long learning in the broadest context of technological change.

These attributes have been developed based on graduates attribute exemplars of the Washington Accord which can be considered as the most widely adopted benchmark for engineering education. Further details are given in the IESL Accreditation Manual (IESL, 2012).

This means that every subject, every examination, every assignment has to be designed in line with the programme outcome. There needs to be a complete mapping of those individual assignments and subject outcomes to programme outcomes and the educational providers need to prove that the intended outcomes are achieved and the intended graduate attributes are developed.

In order to produce employable graduates, this approach has to be adopted whatever the programme, irrespective of whether they are professional or general degree programmes. For example, if this approach is adopted for Arts degree programmes, the un-employability of arts graduates could have been greatly reduced. It is only through innovative and enterprising approaches that this transformation can be facilitated. Thus, making this transformation mandatory will indirectly compel the universities to adopt innovative and enterprising approaches in developing and delivering their educational programmes.

Flexible delivery of academic programmes

In order to facilitate local and international exchange of students through mutual recognition of entry level qualifications and credit transfer, it is necessary that every course is designed and conducted within an internationally accepted qualification framework. This type of framework is currently available and implemented in Tertiary and Vocational Education (ADB, 2011) but a national framework developed according to international guidelines at degree level is yet to be accepted and implemented. This type of qualification framework is essential to facilitate innovative offering of academic programmes.

Innovative approaches are needed to accommodate flexibility in designing the degree programmes. Firstly, there is a need to cover the essential subject matter and to provide opportunities for the students to specialise in subject areas within a main discipline. This facilitates students to develop their expertise in a focus area they like and also meet the industry needs of minor specialisation. For example, a Civil Engineering student could specialise in structural engineering, geotechnical engineering, traffic and transportation engineering, irrigation, highways or construction management.

Programmes designed under such a framework with flexibility of subject selection will help the universities to deliver programmes innovatively where student exchanges and credit transfer can be facilitated. It also provides opportunities for the universities to offer programmes facilitating students to obtain joint degrees and dual degrees.

National and international partnerships with other universities

Partnership with other universities is one of the most innovative and effective strategies for going global and becoming international. It has now become the most widely adopted outreaching mechanism by many national and international universities. These partnerships provide many innovative opportunities as follows.

- Exchange of students for part completion of courses (such as selected subjects, industry project, industrial training, research project etc.) or credit transfer, offering joint degrees with mutual recognition of course components, offering dual degrees by two universities.

- Exchange of staff for teaching of subject modules in a semester, specialised consultancies, development of course materials etc.

- Research collaboration of national and international interest.

- Joint application for international research and development grants and many other types of collaborations.

There are many requests from very reputed international universities for such collaborations with innovative models and proposals. There are also many such collaborative agreements and MOUs signed between the university of Moratuwa and top class international universities throughout the world, for example, the credit transfer agreement between the UOM and La Trobe University in Australia for a postgraduate course, research collaboration with Saitama University Japan, technology transfer collaboration with Toyohashi University, Japan; institution partnerships with international focussed research areas, teaching collaboration with University of Arts London and Telemart University, Norway and collaboration for mobile technology application innovation with the MIT in Boston, USA.

Partnerships with industry

Partnerships with industry have become indispensible for many strategic and innovative initiatives. It has been amply proven that closer university – industry collaboration is essential for producing highly employable and marketable graduates and also to carry out development oriented research which has immediate application in the industry. Many innovative approaches are possible for a win-win situation. Some such models/mechanisms adopted in the UOM are described below.

Specialised R&D laboratories for development research

- Dialog–UOM Mobile Communications Laboratory for development of mobile technology applications established in the Department of Electronic & Telecommunications Engineering. This is a tripartite agreement between Dialog Axiata, UOM and Uni Consultancy Services (UNIC). UOM provides

space & expertise, Dialog provides equipment, salaries and research funds, UNIC carries out Fund management and HRM.

- Zone 24x7 Laboratory in the Electronic & Telecommunications Engineering. Zone 24x7 is an USA based company with a SL branch. This dedicated research laboratory aims to develop middleware technologies in electronics sector.

- UOM–DSI Laboratory in the Department of Chemical & Process Engineering to develop product and process technologies for rubber and leather products.

- Cargills Laboratory for Food Processing Technologies in the Department of Chemical and Process Engineering. Cargills provides equipment & research funds, industry needs for new products. Whereas UOM provides space, expertise, process technology and product technology.

- Diesel and Motor Engineering–UOM for Road Safety Research to carry out state of the art road safety research and to develop a more scientific driver testing facility.

- Premium International–UOM for Bio Medical Technologies. Premium International a major importer of Bio Medical equipment has just established a dedicated research laboratory to develop imaging equipment for the hospital industry and for export. The UOM provides technological expertise and Premium provides equipment and funding.

- Microsoft Laboratory in the Department of Computer Science and Engineering for MS application development.

There are success stories of technology development and transfer through these laboratories, some of which have received local and international awards.

Technology service facilities for the industry

Another innovative approach to support national economic development is to support the industry by providing specialised technological services which the individual industry players cannot provide. For example, the UOM has established the first ever Rapid Prototyping facility to support prototyping needs of the industry with funding (Rs. 40M) from the Ministry of Industrial Development and National Science Foundation – a service previously obtained internationally. This facility has now been expanded with further funding.

The largest and most modern Die and Mould facility has been set up at the UOM to provide die and mould services to the industry in a tri-partite arrangement between the UOM, Die & Mould Manufacturers' Association and the Ministry of Industries. Rs.

100M funding from Ministry of Industries, lab space and expertise and maintenance from the UOM and advice/effective use by the Association and industry and the Board of Management consisting of all three parties provide mutually rewarding initiative.

The Engineering Design Centre is another facility to promote importance of engineering design education, carry out engineering designs for the industry, trouble shooting, and technology development and transfer. This is a self-managed initiative headed by a Director. This also has an Innovation Incubator for electrical engineering and electronic engineering applications with Rs. 10M funding to be used to transform inventions to products with commercial potential.

Industry Consultative Boards

Regular meetings with industry representatives provide opportunities for many things to share for mutual benefit. These include among others, input for curriculum revision, feedback on graduate performance, placements for industrial training, services from visiting lecturers and identification of research and consultancy needs. For example, the UOM has institutionalised a system of Department Industry Consultative Boards (DICB) where each department is expected to meet industry representatives once in about 3-6 months and the Faculty Industry Consultative Board where each Faculty is expected to meet the industry once in about 6-9 months. These mechanisms have many spill-over effects for even closer collaboration with the industry.

Student mentoring and career guidance

Another innovative initiative for soft skills development of the students is student mentoring by industry experts either from the same profession or from the corporate HRD sector depending on the specific requirements. The UOM conducts this by many departments as an extra-curricular activity where about 5-10 students are handed over to an industry mentor to groom them to the corporate world requirements in their own offices. This is conducted as one session every week over a semester. Students are exposed to ice breaking, personal grooming, communication, leadership and self development under a semi-structured program. In addition, expertise in subject areas of leadership, personal etiquette, positive attitude building etc. is provided during another semester by industry experts in the area. The closing ceremony is usually held in a 5-star hotel which again is a new experience to most students.

This programme has received lot of commendations from various accreditation teams, both national and international, and students themselves, which is very encouraging. This is just a one model. There can be many models designed and implemented to achieve the same objective. All these can be considered as innovative initiatives to develop missing graduate attributes.

Career guidance service to students which is considered very important can be provided in many innovative ways from the first year of studies onwards. Possibilities include enhancing student awareness of various disciplines at appropriate times, continuous

individual academic advisory service during studies at the university and group advisory services. In addition, many career guidance programmes are possible just before passing out students to develop their soft skills and employment securing skills. At the UOM this is achieved by the "Are You Ready" Flag ship career guidance programme and the week-long "Careers Week" where industry employers come to the University for skills enhancement of students as well as recruitment. This is organised by the Career Guidance Unit of the UOM together with the Rotaract Club of the University.

Need - seed matching projects

Meeting the requirement of the industry (needs) with the expertise of the Universities (seeds) is another innovative initiative where the needs and seeds can be systematically matched for mutual benefit. This is aimed at enhanced and formalized university-industry interaction. The Need-Seed initiative was a project between the UOM and Toyohashi University of Technology, Japan funded by Japan as a pilot project.

This focussed and structured initiative can go a long way in technology development and transfer to the industry. It will propel many other related innovative activities such as creation of industry needs database for the university, expertise database to the industry, focus and development oriented R&D, and a very strong university industry collaboration.

Endowed chairs

Another innovative and enterprising initiative is to facilitate creation of Endowed Chairs in the University with very specific focus like in many universities in developed countries. The objective of such a chair is to create a new culture or a paradigm shift in a specific subject/research area. The UOM, for example, has created such a policy for creation of endowed chairs fully sponsored by the industry where the endowment is three times the salary of a professor from which one third can be used as research expenses and two-thirds as remuneration.

This way, the UOM has created the "NDB Bank Endowed Professor/Fellow in Entrepreneurship", the first such chair in the university system with financial support from the National Development Bank with a commitment for three years.

Industry outreaching mechanisms

There are many other mechanisms possible for closer industry interaction which will have many spill-over opportunities. They include carrying out industry-required research for undergraduate and postgraduate projects with funding from the industry ensuring development oriented research, research symposia to disseminate university research for possible industry benefit, incubators where innovations can be further

supported, by ways such as assistance to inventors, technical clinics in the university for supporting SMEs, consultancy opportunities, and encouraging staff members to be on Boards of Management of strategic public and private sector organisations.

In order to provide an efficient service to the industry and other stakeholders the universities should be easily accessed. One possibility to provide this easy access is to establish University Industry Interaction Cell in the University where all the interactions are channelled through one coordinating body. In addition, the UOM has established a limited liability association called 'UniConsultancy Services (UNIC) outside the framework of government procedures to provide a faster service to industry requirements. These mechanisms have resulted in provision of expert, teaching and consultancy services even to other countries.

Innovative projects for creating entrepreneurial students

There can be many initiatives to enhance the innovative and entrepreneurial skills of students either as curricular or extra-curricular activities. The following are some of the models that can be applied.

Student companies while studying at the university

This is an initiative which facilitates the university students to create their own business ventures by following the same procedure of creating, running and liquidating a true to life company in a simulated environment while the students are following their usual studies. This programme is now facilitated by the Young Entrepreneurs Sri Lanka (YESL) (www.youngentrepreneurssl.org) a non-profit making company with franchise rights to use materials of Young Achievers in the USA. At the UOM this programme was an initiative under the NDB Bank Endowed professor in entrepreneurship. Currently there are nine companies successfully created under this initiative at the UOM (see Table 1). This scheme is now facilitated in all the other universities by the Ministry of Higher Education (MOHE).

Table 1: Student companies under the YESL entrepreneurship programme

Company Name	No. of Students/ Share Holders	Initial Product /Service
LeeF	30	LED technology
Flame	27	Leather products
ARC	28	Educational Magazine
EXiMiUS	34	Apparel product
Vaut	27	Online advertising
Nirmana	37	Multi-purpose bag
Ydeas	36	To be finalized
Zeal	31	Fashion product
Hi-Tech	12	All engineering solutions
Total student number	**262**	

Entrepreneurship as a part of curriculum

A more acceptable and sustainable mechanism to introduce entrepreneurship education is to include it as a part of the curriculum in the usual educational programmes. This may be challenging in situations where there are more priority areas depending on the type of educational programme such a medical degree. However, in most academic programmes entrepreneurship subjects can be incorporated as a part of the curriculum as optional or elective course units or to enable the students to obtain a minor specialisation in entrepreneurship. For example, the UOM B.Sc. Engineering curriculum has a basket of subjects (see Table 2) which can be taken by students to obtain a minor specialisation on entrepreneurship.

Table 2: Credit requirement for entrepreneurship minor

Subject Title	Category	Lectures (hours)	Lab/Assignt (hours)	Credit Load	Credits Required	
					GPA	NGPA
Entrepreneurship Skill Development (delivered over 2 semesters)	C	15	45	2.0	-	2.0
Entrepreneurial Leadership	C	22	22	2.0	2.0	–
Multidisciplinary Design, Innovation and Venture Creation	C	22	22	2.0	2.0	–
Entrepreneurship Business Basics	C	30	45	3.0	3.0	–
Business Plan Development	C	22	22	2.0	2.0	–
Engineering Economics	E	30	-	2.0		–
Technology Management	E	30	-	2.0		–
Production and Operations Management	E	30	-	2.0	2.0	–
Strategic Enterprise Management	E	22	22	2.0		–
Global Entrepreneurship	E	22	22	2.0		–
Total Credits	**11.0**	**2.0**				

MIT mobile technologies incubation and entrepreneurship programme

This programme is identified as Massachusetts Institute of Technology – Accelerating Information Technology Innovation (MIT-AITI) Mobile Technologies Incubation and Entrepreneurship Programme tested and implemented successfully in Africa for over 10 years.

The objective of the programme is the infusion of entrepreneurial attitudes and skills among undergraduates through innovations in mobile technologies. The programme is delivered over a period of six weeks as a full time intensive course by three MIT assigned experts in mobile entrepreneurship at the University of Moratuwa.

During the six week course, students (both from Engineering and Information Technology Faculties), undergo intensive training to build real start-ups – from ideation

all the way through to initial launch. The course culminates in a Demo Day in which potential start-ups pitch their ventures to potential investors. Details of those start-ups of the first programmes launched in 2011 are presented in Table 3.

It is expected that many of these start-ups will attract a round of funding, become profitable businesses, and contribute to a sustainable ecosystem for mobile entrepreneurship in Sri Lanka. This programme was financially supported by Google and MITST (MIT Science and Technology Initiative), who continue to be generous patrons of AITI.

Table 3: Details of MIT-AITI Potential start ups

Company	CEO	Product	Description
tinyTECHIES	Ruwan Dissanayaka	AroundU	A mobile application that brings local maps to any MMS-capable phone
Favatars	Ramindu Deshapriya	Favatars	A fun and interactive social networking application for Andropid phones that helps people to maintain a healthy lifestyle.
iCommute	Thiruchittampalam Ragavan	iCommute	A mobile-based real time traffic map plus notification system which helps users to cope with traffic congestion in city areas.
teleRIDE	Rajith Karunaratne	teleRIDE	Enables anyone with a mobile phone to find the nearest taxi.
Thena Hari	Dhanika Perera	Thena Hari	A mobile application that generates an alarm when a user of a public transportation system approaches his/her desired destination.
MAATHAA	Dumindu Harsha	MAATHAA	An SMS-based solution aimed at improving prenatal and neonatal health.

The course consists of brainstorming sessions for idea generation and fine-tuning, technical knowledge transfer and establishing the necessary networks and contacts for the participants to launch their innovation as a service. The resource persons for the course are drawn, in addition to the team from MIT-AITI, from local industry and entrepreneurs as guest speakers, mobile communication service providers, mentors and investors.

IPR and commercialisation policy

An essential feature of an innovative and enterprising university is the number of inventions, innovations and commercialisations carried out. The universities should have their own IRP policy and commercialization policy and facilitate, obtaining patents, technology transfer, technology licensing and many related activities in a multi-disciplinary setting. The UOM is proud to be the first university to have institutionalised IPR and commercialisation policies creating an innovating environment in the universities.

Innovative open and distance learning

Mechanisms for Open and Distance Education is still evolving in conventional universities in Sri Lanka although external degrees are a common phenomenon. The conventional external degree model has many drawbacks as evident with large number of unsuccessful candidates and inferior quality education. With the evolution of ICT tools there can be many methods in delivering those courses in the open and distance modes, for example, by provision of education through accredited partners with regular monitoring and with learning materials provided by the University. There can be many opportunities for this mode of provision of education and it is becoming a very important tool for expansion in situations where space and other resource limitations exist.

Other opportunities for promoting innovation and entrepreneurship

There are many other opportunities and strategies that can be adopted or leveraged to promote innovation and entrepreneurship. Some of them are:

(a) Leveraging 300% tax concession given in the 2011 budget for private sector investment in Research and Development.

(b) Competing purposefully for donor funding such as IRQUE and HETC which compels academic programmes to develop innovative initiatives.

(c) Partnering with national research and development projects with funding from the relevant ministries.

(d) Obtaining industry adjunct staff to overcome staff shortage of some universities.

(e) Exploiting the many international funding offers.

(f) Obtaining the services of international faculty on sabbatical and short term.

(g) Leveraging the government 100 scholarship scheme to attract international students both on scholarship and fee levying basis

(h) Leveraging Finance Circular 380 for innovative ways of utilising and investing the generated income.

(i) Creating a conductive environment in the university by improving facilities including teaching, learning, accommodation, food, entertainment, sports and leisure to meet acceptable international standards through collaborative initiatives.

(j) Establishing mechanisms for global marketing and visibility through many promotional strategies.

(k) Using graduate employability, number of patents, number of commercialisations, number of student start-ups as performance indicators in addition to graduate and research outputs

(l) Broad-basing programmes to cover new trends and knowledge areas such as nanotechnology, biomedical engineering, advanced materials and many other strategic areas specific to Sri Lanka such as indigenous medicine, marine resources, extracting industries, green technologies.

Issues and challenges inhibiting innovation and entrepreneurship

Despite many possibilities for promoting innovation and entrepreneurialism in the universities, there are many issues and challenges to overcome, some of which are outlined below.

(i) **Lack of mechanisms for credit transfer:** Currently, there is no readily available mechanism for assessing prior leaning for exemptions, credit transfer from other institutions, awarding joint degrees or dual degrees for a win-win collaboration for both partnering institutions.

(ii) **University research is not ready for commercialisation:** The objective of university research is usually to find something new that is publishable or, occasionally, to obtain a patent. However, commercialization requires: Proof of concept, Prototype, Business Plan, Venture Capital/Angel Fund. This requires establishment of university research incubators.

(iii) **Universities do not have true incubators:** Incubators in the Universities are not legally permitted because they cannot take a loss. Incubation requires seed funds and support without a guarantee of success, and a legal mechanism for ownership. Only the Sri Lanka Inventors Commission can take risks.

(iv) **Delays in approving courses:** Currently, there are significant delays in approving new courses by the University Grants Commission (UGC), especially for postgraduate courses. This disappoints universities. The process of scrutiny should be significantly shortened to limit only to the critical concerns to ensure whether the new courses are within the scope of the university/faculty, whether they already have or have the potential to provide adequate human and physical resources, and the preliminary scrutiny of the course structure. With these, the UGC should be able to provide provisional approval to go ahead. Other aspects such as the contents of the course, subject syllabuses etc. can follow as suggestions for improvements.

(v) **Lack of modern equipment:** The universities, especially where courses require laboratory training, require modern equipment and instrumentation. The capital grants received for universities are hardly sufficient to equip laboratories with modern equipment. This shortcoming has even been identified by international accreditation teams and it has become a challenge to retain or obtain international accreditation which is an essential requirement towards becoming a world class university.

(vi) **Lack of autonomy for commercial ventures:** Currently, the universities cannot be partners to business ventures in terms of becoming a shareholder for its own commercialised technologies. What is possible is only to obtain a royalty for such discoveries or the outright sale of technologies.

(vii) **Procurement constraints for R&D work:** Universities are encouraged to carry out R&D work especially development oriented R&D work. There are many requests for such target oriented R&D solutions for industry problems. However, very often the universities are criticised for delays and sometimes such projects are not given to universities owing to difficulties in delivering in time. One of the reasons is the need to follow the time consuming government procurement process. Research procurement cannot be planned well in advance and hence the need for fast procurement. Violation of the usual guidelines could lead to numerous audit queries and even penalties. Many countries have special routes for procurement for R&D work.

(viii) **Lack of funding opportunities for international training/ conferences:** International exposure to staff provides many benefits and networking opportunities. Currently, only Rs. 100,000 once in five years is allowed for a staff member for international training and only Rs. 40,000 once in five years to present a paper internationally. To facilitate going global, these allowances must be increased.

(ix) Lack of incentives for industry staff to work in universities

(x) Lack of incentives for academic staff to work in industry

(xi) Lack of incentives for academic staff to obtain professional qualifications

(xii) Partnering with private sector HE providers for academic assistance, Quality issues, Social issues

Conclusions and recommendations

Numerous strategies are possible for promoting innovation and entrepreneurialism in the universities both in the provision of their services and in producing innovative and enterprising graduates.

Among possible strategies to promote innovation and entrepreneurialism are: leveraging international ranking; local and international accreditation; graduate attributes based outcome based education; flexible delivery of academic programmes; national and international partnerships with universities; industry partnerships of variety of forms; implementation of many types of innovative projects; leveraging many modalities of open and distance education, and innovative fund raising. The implementation of these strategies is, however, hampered by several constraints. The critical ones include: lack of mechanisms for credit transfer; university research being not ready for commercialisation; universities not having true incubators; delays in approving courses; lack of modern equipment: lack of autonomy for commercial ventures; procurement constraints for R&D work; lack of funding opportunities for international training/conferences; and lack of provisions for partnering with private sector HE providers for academic assistance; and other regulatory constraints.

Implementation of the following recommendations could help to circumvent the aforementioned constraints.

1. Provide flexibility and encouragement to universities to commence degree programmes in collaboration with national and international universities, with mutual recognition of prior learning, credit transfer, awarding joint degrees or dual degrees.

2. Facilitate university research to have more development and commercialisation potential and extend support for proof of concept, building prototype, developing business plan, and raising venture capital/angel fund through establishment of university research incubators and other mechanisms.

3. Legalise creation of incubators within the universities, allowing them to take reasonable risks in R&D investment – since incubation requires seed funds and support without a guarantee of success – and provide a legal mechanism for ownership.

4. Provide autonomy for commencement of academic courses in the universities, with prior scrutiny, if any, only for absolute requirements at the approving stage.

5. Invest more funds for significant improvement of modern laboratory equipment for teaching and research in the universities.

6. Provide autonomy for creation of commercial ventures by universities such as becoming a partner to business ventures in terms of becoming a shareholder for its own commercialised technologies.

7. Introduce a speedy procurement route for R&D procurement in the universities and, as appropriate, in other government R&D institutions.

8. Provide enhanced opportunities for international training, participation in international conferences and curtail prior approval procedure for foreign travel by staff for defined purposes.

9. Provide incentives for industrial staff to work in universities and for academic staff to work in industry, and encourage academic staff to obtain professional qualifications.

10. Introduce a guiding/regulatory mechanism for state universities to provide academic assistance to non-state universities.

11. Introduce a national qualification framework and a national accreditation instrument (in collaboration with professional bodies when relevant).

12. Consider introducing mechanism for performance based remuneration and special professional allowance in professional fields as a strategy to attract and retain qualified staff.

13. De-regulate, at least for established universities, the need for obtaining re-approval for filling non-academic vacancies where cadre approval already exists, in order to avoid delays in filling important positions.

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THE ROLE OF PRIVATE HIGHER EDUCATION IN REFORMING THE HIGHER EDUCATION SYSTEM IN SRI LANKA

Athula Pitigala-Arachchi

Abstract

This paper concerns the potential of private higher education in Sri Lanka to expand and strengthen the university education system in the country and enhance the contribution of higher education to economic development. It discusses the global trends in private higher education, its potential development in Sri Lanka, and policy options relating to its promotion and regulation.

In the last few decades, private higher education has witnessed rapid expansion globally, with Asia as a region that has seen the fastest growth. Sri Lanka has not benefitted fully from this global phenomenon mainly due to a restrictive legal environment. However, the times are changing and, presently, there seems to be a clear political will to support the expansion of private higher education in the country. Also, public attitude towards higher education, in particular the expectation that higher education has to be provided free by the state, seems to be changing surely, albeit slowly.

In spite of the constraints, the private higher education sector appears to have gained a lasting foothold in the higher education system in Sri Lanka. Its extensive diversity and global outlook belies its small capacity. It is a dynamic segment characterised by international links, adoption of new technologies and innovation. It is undoubtedly a force to reckon with in achieving the government vision of making Sri Lanka a knowledge hub.

Policy and regulatory interventions to promote the growth of private higher education are long overdue. The interventions required are two-fold, namely the removal of existing barriers and active support. It should be nurtured within a robust regulatory framework to realise its full potential with a view to supplementing the public higher education sector and contributing to national development.

Keywords: *higher education policy and regulation, not-for-profit and for-profit higher education, private higher education in Sri Lanka,*

What is private higher education?

The main distinction between public and private higher education is in funding. While in public higher education, the cost of education is borne by the public through the tax system, in private higher education, the cost is borne by the individual receiving the

education; in Sri Lanka, it is often the parents who pay for their children's education. Similar to the role of government in channelling public funds into higher education, private investors are only facilitators and wish to recoup their investments sooner or later.

Weather the society as a whole should pay for higher education of individuals or if this is the responsibility of the individuals receiving higher education has been debated extensively (Barr, 2004; Johnstone, 2006; Marginson, 2007). Some argue that education is a public good and therefore a public responsibility. Others feel that there are private benefits to education and consequently the recipients of education should bear at least part of the cost. Presently, the general consensus appears to treat primary and secondary education as a public good, providing largely societal benefits, and higher education as a private good, providing largely private benefits. Not surprisingly, many governments across the world, while assuming full responsibility for primary and secondary education, tend to encourage the private sector to play a significant role in higher education.

Public versus private: a false dichotomy?

Interestingly, it is not always easy to draw a clear line between the public sector and the private sector in higher education as funding for both comes from public and private sources. Public universities in many developed countries charge increasingly higher fees while private higher education providers are more and more supported with public funds.

With increasing internationalisation and public-private partnerships, the distinction is getting blurred day by day. The public universities of developed countries operate overseas branch campuses as private entities (Lane and Kinser, 2008). Similarly, public universities collaborate with private higher education institutions to offer their programmes for profit, thus manifesting a private face behind a public facade.

Ironically, the public universities in the US and the UK charge fees that are often higher than the fees charged by private providers. In the UK, some private providers offer degrees of public universities at much lower fees than the fees charged by the awarding university for the same degrees on home campus. With diminishing government grants and increasing student fees, are not the public universities in the US and the UK becoming, for all practical purposes, private institutions?

On the other hand, the management ethos of public universities in the US and the UK are private. Both for-profit institutions in the private sector and not-for-profit institutions in the public sector and the private sector are keen to ensure that their operational income is higher than their expenses. For-profit institutions call this excess of income over expenditure 'profit', while the not-for-profit institutions opt to use the term 'surplus'. Either way, making a profit/surplus is vital for survival. It is this profit/surplus that is channelled for expansion, improvement of facilities, payment of better salaries, and to cover the cost of capital such as interest payments on bank loans and dividend payments to shareholders.

In the US, some not-for-profit institutions charge higher fees than for-profit institutions and the surpluses that not-for-profits generate are greater than the profits generated by the for-profits (Kinser, 2010).

On the other hand, what is the status of fee levying institutions established with public funds and therefore owned by the state? Postgraduate institutes in Sri Lanka charge fees and are expected to be self-financing. Are these public or private? Does simply charging fees to recover the cost of operation make an institution private?

It is therefore increasingly untenable to base the distinction between public and private higher education on funding mechanisms. There appears to be a convergence of all types of higher education institutions from a financing point of view. It will be only a matter of time before the current hotly-debated divisions between 'public and private' and 'for-profit and not-for-profit' become redundant.

One may reason that this is inevitable and in conformity with the underlying economic reality. Since higher education confers private benefits to the individual and public benefits to the society, its cost should ideally be borne by both the individual and the society. In other words, there is a clear case for charging fees by public higher education institutions and public support for private higher education institutions.

However, for the present, we need to adopt a definition of private higher education that is most appropriate for Sri Lanka so that policies may be formulated for its promotion and regulation. It is recommended that private higher education be defined as that comprising institutions owned by individuals and/or corporate entities excluding institutions owned by the state.

Global trends in private higher education

Growth of private higher education is a global phenomenon (Altbach and Levy, 2005). Its growth has been significant in the Eastern European countries and China. Throughout the world, the number of students in private institutions is growing faster than in publicly-owned ones. It has been estimated that worldwide at least 30% of student enrolments in higher education are in the private sector. Latin America and Asia can boast the highest growth with about 47% and 36%, respectively, of total student enrolments in the private sector (PROPHE, 2011). These are the regions that have witnessed the highest growth in higher education with private providers stepping in to absorb the increasing demand. In some countries such as Japan, South Korea, Philippines and Taiwan, the private sector has provided the bulk of higher education for many years enrolling as many as 80% of all students (Altbach and Levy, 2005; Levy, 2009).

The reasons for the rapid growth of private higher education appear to be universal. In large part, it is a response to meet the shortfalls in the public provision listed below:

1. Governments cannot pay for the expansion of public higher education to meet the increasing demand.

2. Public institutions do not cater adequately to niche segments like the education needs of the employed and adults.

3. There is a mismatch between the training provided through public higher education and the skills demanded by the industry and commerce.

4. Public higher education does not change and innovate fast to suit the dynamics of the market place.

An overview of arguments for private participation in higher education

In Sri Lanka, a poorly and inappropriately trained workforce has become a hindrance to economic development. In particular, the country suffers from a dearth of tertiary-qualified personnel in science and technology. Efforts over the years to meet the increasing demand for higher education have been largely misdirected resulting in expansion of low cost arts and humanities streams and low quality external degree programmes. There has to be a greater focus on expanding higher education in Science and Technology and improving the relevance, quality and standards of education.

We are witnessing a 'massification' of higher education globally (Guri-Rosenblit, Sebkova and Teichler, 2007). Sri Lanka too needs a massive expansion of its higher education system. Presently, less than 3% of our students enter university whereas in most developed countries the gross enrolment ratio in higher education exceeds 50%. The abysmally low participation in higher education, in spite of a crying need, speaks volumes for the neglect of the sector over the years. Generations of our youth have been growing old without the opportunity to develop their full potential and contribute meaningfully to national development. This is a national crisis that has no parallel.

Today, knowledge has become the most important factor of production. Technological advances drive global economies. A well-trained workforce equipped with skills demanded by the industry and commerce is an essential prerequisite for sustained economic development. The government alone cannot undertake this gigantic task given the manifold demands on its resources. A properly regulated, self-funded higher education sector is vital to expand and modernise the higher education system and meet the challenge of developing our human resources adequately and appropriately.

The private sector can also play a key role in promoting Sri Lanka as an education hub. The foreign degree programmes of reputable universities available in the country could be attractive to many foreign students. Private providers also tend to have highly professional and well-developed marketing functions. Their promotional activities could easily reach far and wide and be effective in attracting a wider pool of international students.

The various arguments for private participation in higher education can be summed up as follows:

1. To mobilize private funds to expand higher education opportunities
2. To lessen the burden on the government and the public of funding higher education through the tax system
3. To widen and increase access to higher education and meet the unmet demand
4. To facilitate foreign universities to enter the local market in the form of branch campuses and partnerships with local institutions
5. To promote innovation in higher education
6. To add flexibility and dynamism to higher education
7. To be able to respond faster to changing market demands and needs
8. To promote competition and thus continuously improve quality and standards
9. To increase diversity of education institutions and programmes providing a greater choice for the customers and meeting the diverse manpower needs
10. To promote efficient and effective management of resources in higher education

A critique of arguments against private participation in higher education

The arguments put forward against private participation in higher education appear to be more emotional and ideological rather than rational or realistic. A few can easily be linked to some form of envy or a feeling of being threatened. Where the concerns expressed are genuine, these could effectively be addressed with appropriate policy and regulatory interventions.

The premise that private higher education is elitist and caters to the rich is one such argument. Examination of social profile of students in countries where private higher education is established indicates that the private sector caters to all segments of the market (Levy, 2008). It is also claimed that private institutions may pursue short-term financial gains at the expense of quality education. While this is a possibility when the sector is unregulated, a comprehensive regulatory framework can safeguard public interest and ensure that students receive quality education and value for money.

The fear that the graduates of private institutions will compete for the limited employment opportunities and edge out the state sector graduates is unwarranted and not supported by facts. In countries where there is a well-developed higher education system, graduates of public institutions compete well with graduates of private

institutions. In Sri Lanka, whilst large numbers of graduates of public universities are unemployable in the corporate sector and are absorbed in their thousands to government service out of expediency, there is a huge dearth of skilled workers required in many growing sectors of the economy. For example, the National ICT Workforce Survey (ICTA, 2010) indicates that the graduate output in ICT is far below the numbers required by the Industry.

Another argument against private higher education is that it operates only in profitable areas. In Sri Lanka, private higher education is currently focused on disciplines such as computing, business, law and engineering. This is not surprising as the private higher education responds to market demands. Whilst in the public sector the universities decide what programmes to offer (supplier driven), in private higher education, it is the customer who decides what programmes to patronise and thus sustain (demand driven). This fundamental feature of private higher education that it evolves in response to market demands needs to be appreciated.

It is therefore clear that private higher education cannot replace public higher education. The argument that the development of the private sector will lead to privatisation of public universities and diminution of the public sector is misplaced. A robust and vibrant public higher education is a must for any country. The private sector can only supplement the public sector and help make the higher education system nationally relevant and globally competitive.

Private higher education in Sri Lanka

- Emergence and growth

The post-secondary education covers a wide variety of qualifications and trainings. The private sector in Sri Lanka plays a significant role in this wider tertiary education sector particularly in relation to the provision of training for professional and vocational qualifications. The present paper though focuses on degree-level higher education providers and provision.

The private higher education sector in Sri Lanka emerged in the 1980s following the adoption of free market policies. Private higher education's emergence in the country was late due to the closed economic policies adopted by successive governments since independence. Its growth in the last three decades has been slow unlike in many other Asian countries; this could be attributed to a restrictive environment and absence of political patronage.

The growth of the private higher education is driven by market demands. Consequently, there is a greater diversity of institutions and programmes in the private higher education sector; changes to the size and shape of institutions and the number and structure of study programmes are not infrequent. Flexibility and innovation are essential features for the survival of private providers.

However, no precise data are available as there is no obligation to provide statistics to a central authority and a formal study has not been undertaken. However, according to a survey conducted by LIRNEasia (2012), there appears to be around 46 institutions offering more than 200 degrees in Sri Lanka in partnership with foreign higher education institutions. While some are fairly established, having graduated hundreds of students, some others are new entrants to the market with no graduate output. Only a few seem to enjoy full-fledged partnerships with reputable universities offering validated/ franchised programmes. Most are small operations and only about 5 seem to have an enrolment of around 1,000 students. The graduate output appears to be close to 3,000 students per year which is, though small, not insignificant.

There are several types of provision in the Sri Lankan private higher education sector. A few institutes provide the full degree programmes from the partner universities that can be completed in Sri Lanka. Several provide top-up degrees to be taken on completion of a diploma or a higher diploma. Still others provide tuition support for external or online programmes offered by foreign and local universities. There are a few institutions that primarily focus on transfer programmes where students study for one or two years in Sri Lanka and then transfer to a foreign university to complete the degree.

- The strengths

Private higher education in Sri Lanka, though much smaller than the public sector, has acquired a greater global outlook. It is much more internationalised, offering foreign degree programmes, attracting foreign students and staff and establishing credit transfer arrangements with multiple foreign universities. The collaborative partnerships have also resulted in transfer of technology and international best practices helping some institutions to maintain international standards in academic provision.

Some of the unique features of private higher education in Sri Lanka include competition amongst each other to attract students and staff, flexible pathways for academic progression, a greater student centred approach to teaching, use of latest technologies in teaching and learning, focus on employability of graduates, industry orientation, and efficiency in the use of resources. These are attributes that the public universities would do well to emulate.

In spite of being small in capacity, the extensive diversity of the private higher education sector in terms of size and shape of institutions and type and number of programmes offered is overwhelming. This is a clear sign of its potential to grow and contribute to expanding and diversifying the higher education system in Sri Lanka.

- Some drawbacks

There are drawbacks too to private higher education as it operates today. Private institutions do not have adequate resources for extracurricular activities and consequently student experience is narrow and limited to academic work. Research activity at private institutions is low key at best and rarely goes beyond supervision of

student projects/dissertations. Several private providers depend on visiting lecturers for delivery of academic programmes; the availability of visiting staff for student support outside lecture hours and their commitment to student success is questionable.

With regard to quality and standards of education, several local institutes work with reputable foreign universities and these partner universities have set in place comprehensive quality assurance regimes. However, this cannot be said of all private providers and some may lack adequate resources and qualified personnel to maintain academic standards. There is no guarantee that some may not stoop to offering questionable qualifications. At least one long-established provider was found to offer fraudulent qualifications leading many students astray; this provider has since closed down but not before tarnishing the image of private higher education.

Further, the public sector, with its free education, seems to attract the brightest students on the basis of the Z-score at the GCE A/L examination. On the other hand, the private sector, with 'ability to pay fees' being an additional entry criterion, has to focus on a wider catchment ranging from some bright students missing university entrance due to limited capacity and/or district quota system to those barely eligible for university entrance. Teaching such a highly heterogeneous group of students sitting in a class would be a challenging task indeed. Not surprisingly, private institutions grapple with a high dropout rate and a low completion rate.

- Present constraints

Because of the legal restrictions to establish private universities and offer local degrees, the development of the private sector has been dependent to a large extent on international partnerships. Private higher education institutions are compelled to collaborate with foreign universities and offer their programmes in full or in part in the country. On the one hand, it is not easy to establish collaborative partnerships with reputable universities; on the other, international partnerships with attendant validation and quality assurance costs are expensive operations in the Sri Lankan context driving up the fees beyond the reach of the many. Consequently, the private higher education sector is small.

Apart from affordability, another constraint on the expansion of private higher education appears to be lack of public confidence. Many cast aspersions on quality and standards of education in the private sector and motives of the private providers. Some are quick to make sweeping statements without any empirical evidence to support such remarks.

Some of the concerns expressed are not unwarranted though. At present, private higher education in Sri Lanka is unregulated and there is room for unscrupulous operators to engage in unethical practices. There could well be institutions that dish out bogus qualifications or training programmes of poor quality and standard. The students and their parents are left with the task of separating the wheat from the chaff.

Policy interventions to promote growth and safeguard public interest

A number initiative can contribute to the credible, sustainable and robust growth of the private higher education sector in Sri Lanka. These interventions are two-fold: firstly, the removal of current legal and other restrictions and creating an environment conducive to private investment in higher education alone can boost the growth of private higher education substantially. Understandably, such liberalisation has to be undertaken with appropriate checks and balances to protect the interests of the students. Secondly, there can be active governmental support and nurturing of the private higher education sector through multiple incentives and concessions.

- Private universities act

Presently, the private higher education sector operates in a vacuum. Private institutions are registered with the Registrar of Companies and some are BOI enterprises. The private higher education sector needs a legal basis to command respect and recognition and to support its growth and development.

One of the biggest impediments to the rapid growth of private higher education is its inability to offer local degrees at affordable fees. Although, there is a provision to approve degree granting status to private institutions for specific degrees under the present Universities Act, this is woefully inadequate to facilitate the expansion of the private sector. More importantly, there is no provision to establish private universities. A comprehensive Act to provide for the establishment and regulation of private universities and private higher education institutes is long overdue.

- Quality assurance and accreditation mechanism

Public trust is an essential factor for rapid expansion of private higher education. Winning public confidence requires an independent mechanism to accredit private higher education institutions and assure quality and standards of academic provision. Therefore, the establishment of an effective quality assurance regime is of utmost urgency and importance.

However, quality assurance and accreditation must not force the private providers to mirror the public universities thereby coercing the private sector to adopt public sector practices. While the focus should be on maintaining standards, standardisation must be avoided at all costs. There should be ample freedom for innovation – innovation that challenges present thinking; and for diversity – diversity of both programmes and institutions.

The quality assurance and accreditation agency must be an independent body. It should be free of political and other interference both in the appointment of members to serve on the board and technical committees, and in its operation. Independence is mandatory to provide confidence to all stakeholders.

In Sri Lanka, unfortunately, regulation is often misunderstood as suppression. It is important for the regulators to appreciate that their task is not to control and contain but to facilitate and promote within a regulatory framework.

- Public disclosure of minimum information

Private sector operates in a highly competitive environment and all providers may not adhere to ethical practices in their advertising and promotion activities. There is evidence that at least a few make exaggerated claims in relation to resource availability, programme details, enrolment numbers, completion rates, student achievement, graduate employability, ranking of partner universities, etc. This confuses and misleads prospective students and their parents undermining their ability to take informed decisions.

To protect public interest, private higher education institutes must, as part of the regulatory framework, be required to publish periodically accurate statistics in relation to key aspects of their operation. These may relate to inputs that impact on standard of education and quality of student learning such as qualifications and experience of the academic staff, student to staff ratio, details of laboratory and library resources, and arrangements for student support. Disclosure of information should also extend to outputs that reflect on the effectiveness of the teaching/learning process such as student achievement and graduate employability.

Such public disclosure of key information will make the operation of private higher education institutions transparent, enhance public confidence in private higher education and help prospective students make choices in their best interest.

- Financial incentives and other concessions

Although the number of students qualifying for university entrance exceeds 100,000 every year, this level of demand exists only when education is provided free of charge. The market for private higher education is only a segment of this population and comprises those students who can afford the fees in the private sector. Therefore, expansion of private higher education naturally follows economic development and increase in disposable incomes.

At any given time, when the cost of education increases, the demand drops rapidly (Figure 1). Financial assistance and concessions by the government can help maintain the cost of education at affordable levels and help expand the private higher education market. Furthermore, as discussed above, in view of the social benefits of higher education, a public contribution to private higher education can be justified.

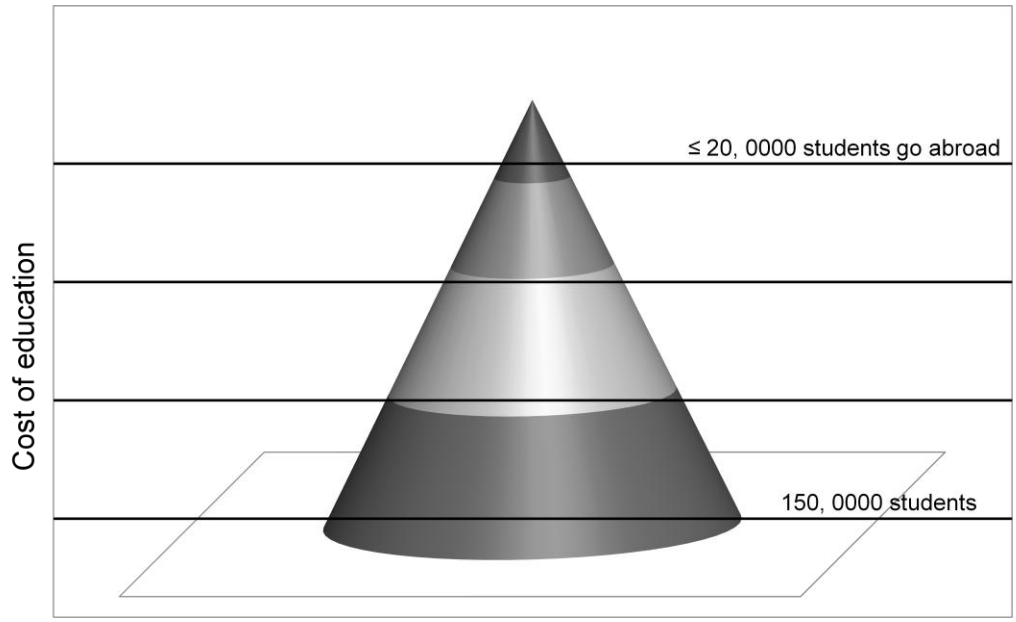

Figure 1: The market for private higher education contracts as the cost of education increases

Government concessions to the private sector can take two forms, namely subsidies given to private providers and financial assistance to students. State subsidies to private providers may take the form of soft loans for capital investment, land on long-term lease, tax holidays and low tax regimes. These measures will reduce the operational costs thereby helping to maintain fees at an affordable level. On the other hand, students may be supported to study in the private sector with government scholarships, subsidized loans and other grants. Further, education expenses incurred by parents/guardians may be exempted from tax thereby encouraging household investment in education.

- For-profit or not-for-profit: a policy dilemma

There are two types of providers in private higher education: the not-for-profit institutions and for-profit institutions. In the USA, the not-for-profit segment dominates in private higher education whilst in developing countries, the for-profit segment is predominant. On the surface, this may sound ironical. However, a closer examination reveals the economic forces behind this development.

The private not-for-profit universities are the outcome of generous donations by rich philanthropists and alumni over decades. This level of philanthropy is unlikely to be witnessed in developing countries. Let's take, as an example, the establishment and subsequent development of Stanford University in the USA. Leland Stanford was a Republican governor and senator in the late nineteenth century, who made a fortune from the railroads. After his only child, Leland, Jr., died of typhoid fever at fifteen,

Stanford and his wife bequeathed more than eight thousand acres of farmland to found the university in their son's name. It is estimated that the total Stanford contribution to establish the university was nearly US $40 million (The Evening Review, 1905). In today's value, this is more than Rs. 100 billion. Buildings named after Gates, Hewlett and Packard are evidence of subsequent philanthropy.

This is a scenario unlikely to be played out in Sri Lanka to any significant extent. Therefore, like in other developing countries, development of private higher education is likely to be driven by private investment rather than private philanthropy. Accordingly, private higher education will be mostly for-profit and the focus should be on promoting private investment.

Higher education institutions, whether for-profit or not-for-profit, should focus on value creation. The amount of value creation in education depends on the extent to which quality and standards are maintained. Higher education costs money whether paid for by individuals or the public through the tax system and there should be a clear return on that investment. In other words, the benefits of education should exceed the costs of education.

There appears to be a misconception that generating profits is not compatible with quality education. In the for-profit segment, value created can be shared between the student (customer value) and the provider (business value); this creates a win-win situation where students receive value for money - in fact more value than fees paid, and the provider receives a profit (Figure 2). The profits are channelled for further expansion of education provision amongst other things. It is only fair and right that part of the profits are distributed to investors as dividends as the investors risk their money and make education service possible.

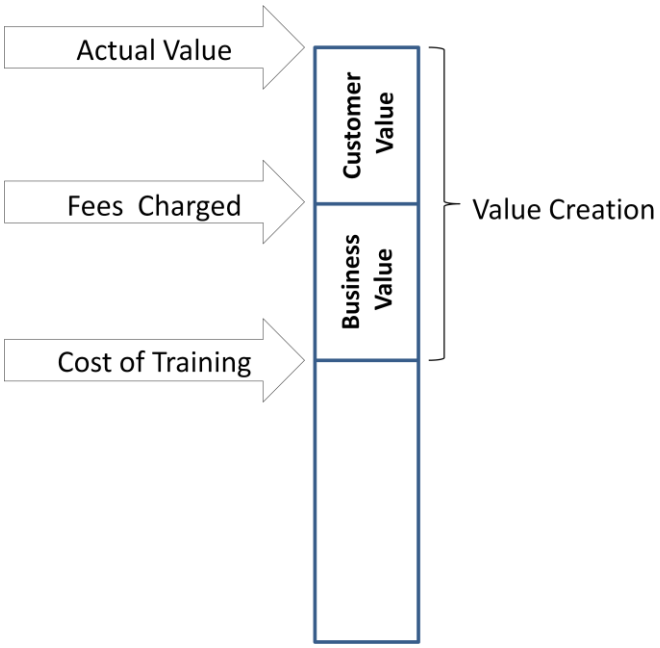

Figure 2: Concept of value creation and value sharing in for-profit education

The distinction between for-profits and not-for-profits is of no significance if the quality and standards of education are maintained and students receive value for money.

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QUALITY ASSURANCE AND ACCREDITATION OF UNDERGRADUATE AND POSTGRADUATE DEGREE PROGRAMMES

Uma Coomaraswamy and Harischandra Abeygunawardena

Abstract

A new paradigm of higher education has emerged, giving a premium for quality and relevance, particularly in response to demand coming from an advancing economy which embraces modern technological advancement, growing knowledge economy, competiveness, and accelerating globalization. It has brought with it new challenges and concerns for assuring and maintaining quality in the higher education provision. The paper focuses on how the Sri Lankan universities can produce innovative and entrepreneurial graduates and how the economic relevance and quality of higher education be raised to achieve the new vision of making Sri Lanka a knowledge economy and an education hub in the Asia. The paper reviews the current status of national initiatives for quality assurance and observes that the current quality enhancement mechanisms and controls are inadequate to meet current and future challenges and stresses the need for more forceful and explicit quality assurance and accreditation mechanisms and procedures and the urgent need of covering the entire higher education sector, including state, non-state and cross-border institutions in order to achieve the nation's vision. A further challenge is that accreditation and the recognition of qualifications are issues that are growing in complexity as the higher education become increasingly cross border in character. It calls for new approaches to quality assurance and accreditation. The paper concludes with some suggestions for ways that government and universities might hasten the pace of change.

Keywords: *cross border education, quality, quality assurance, quality control, accreditation*

Introduction

It is universally recognized that the higher education in any country has to be built on three pillars– access, equity and quality. As demanded, successive governments since independence had given high priority for increasing access to higher education while ensuring equity and this massification was indeed achieved at the expense of quality and relevance. A new paradigm of higher education with the dawn of twentieth century has emerged, giving a premium for quality and relevance, particularly in response to demand coming from an advancing economy which embraces modern technological advancement, growing knowledge economy, competiveness, and accelerating globalization. The quality has never been assigned importance in the discourse on higher education up until mid-1990s. It was in 1996 that a constructive dialogue was

initiated among policy makers and stakeholders with a view to preparing a National Policy on Higher Education by the National Education Commission, an apex organization appointed by the President of Sri Lanka to formulate education policy on an on-going basis. Two documents came to be prepared: National Policy on University Education and Reforms in University Education. It was on the basis of these two documents that the government undertook a review of the tertiary education sector in the country, and the fundamental objective of this reform strategy was to re-orient and improve the tertiary education sector with a view to making it more supportive of the process of social and economic development in the country. In the six areas identified for the purpose, the improvement of quality and relevance became most important (Wiswa Warnapala, 2011).

The issue of enhancement of quality and relevance was rightly taken up by the UGC in late 1990s and the UGC-CVCD jointly initiated a programme to introduce a suitable quality assurance system into the country. This initiative has been further extended and strengthened through the World Bank / Improving Relevance and Quality of University Education Project (WB-IRQUE Project/2005 -2010) which is now being continued under the WB-Higher Education for Twenty First Century (WB-HETC/2011-2015). Due to these initiatives, the culture of quality in higher education has already been institutionalized to a sufficient degree in our universities.

While Sri Lankan universities are progressing in the right direction in this regard, the Government of Sri Lanka has also declared its intention of making Sri Lanka one of the most cost-effective and quality higher education hubs in Asia. In this context, it is crucial that higher educational institutions reorient their structures, retool their functions, remain accountable, focus on international competitiveness of the national system and develop skills, competencies and knowledge of the new order to meet the fiercely competitive global environment. Recognizing the quality of education provision is a fundamental aspect of gaining and maintaining credibility for programmes, and the national systems of higher education and institutions must be supported through internationally valid quality assurance and accreditation mechanisms.

An attempt is made in this paper firstly to portray the landscape of higher education sector, the global trends impacting quality, the conceptual framework and key elements of quality higher education, and strategies that universities need to ensure delivery of quality higher education. Against this platform, the paper will proceed to review the beginning, progression and current status of the quality assurance approaches of higher education in Sri Lanka, and briefly indicate the challenges faced in quality assurance in the context of emerging global trends in higher education, driven by their manifestations and by globalization. The paper also identifies certain pointers for way forward.

Current Landscape of Higher Education Sector in Sri Lanka

The higher education sector in Sri Lanka is in transition from a binary system (*i.e. state universities and alternative higher education institutions*) to a tripartite system (*i.e. consisting of 3 tiers; Tier I: Elite, Research Universities, Tier II: State & Non-state Undergraduate Universities, Tier: III: Alternative Higher Education Institutions which offer short-cycle, technical, vocational and professional training courses*). The state sector that includes both universities and technical and vocational training institutions is the major player and comprises of 15 universities including the Open University of Sri Lanka under the purview of the University Grants Commission, three other universities coming under two ministries, several institutes affiliated to the universities, and advanced technical institutes of the Sri Lanka Institute of Advanced Technical Education (SLIATE) and technical and vocational training institution coming under the preview of Technical and Vocation Education Commission. This sector accounts for 88% of the estimated gross enrolment. The non-state sector comprising private degree awarding institutions, private higher education institutions, and professional institutes accounts for 12% enrolment. A significant number of students, estimated at over 10,000 annually travel overseas for higher education, both for undergraduate and postgraduate programmes (WB Report, 2009).

This transition is further accelerated with the recent government initiatives. The government policy document, Mahinda Chinthana : Vision for a new Sri Lanka, identifies opening higher education to private sector participation as one of the key needs of the higher education sector and states that quality assurance and accreditation of private higher education sector could be an important policy measure to promote private sector participation in higher education (Govt. of Sri Lanka, 2007). The government recently has launched a programme to promote enrolment of foreign students by offering scholarships and it is estimated that well over 150 foreign students have enrolled in local universities in 2011. The government has also launched a special programme to support seven selected universities to improve their programmes to become research universities with major emphasis on postgraduate training and become acclaimed universities with world ranking and also to push them to produce globally employable graduates (Nawaratne, 2012).

Global trends impacting on quality of higher education

Several significant trends have contributed to growing government interest worldwide, in establishing policy and regulatory mechanisms to ensure quality and accountability at a national level in higher education and also to fulfil a major function for cross border mobility from an international perspective (UNESCO, 2009). These trends include:

- Phenomenon of massification of higher education ;
- Rise of ‘knowledge society’ and the heightened expectations of higher education’s contribution to economic growth ;

- Increased globalization and international trade agreements;
- Demand driven education system that focuses on lifelong learning ;
- Growth of private entrepreneurial sector of higher education;
- Increased internationalization of higher education ;
- International market for quality assurance services and the need for protection from bogus providers 'degree mills' and 'accreditation mills (Knight, 2006).

These factors have prompted institutions and nations to become more proactive in the area of reviewing and strengthening their quality assurance systems.

Conceptual Framework, Elements of Quality & Quality Assurance System

Academic quality, referred as 'fitness for the learning pursuits' describes how well the learning opportunities available to students enable them to achieve their scholastic aspirations in pursuance of knowledge, wisdom and skills. It is to be achieved by ensuring that appropriate and effective curricula are in place, appropriate and effective teaching, support, assessment and learning opportunities are provided to them. The environment in which effective use of the above provisions requires commitment and action at three levels, namely,(i) government, (ii) regulatory bodies, and (iii) universities/institutions. These key players must give attention to number of elements, namely; (i) National Education Standards, i.e. relevant rules and regulations, guidelines, codes of good practices, etc., (ii) relevant curricula, (iii) skilled and experienced staff, (iv) effective and blended learning and teaching methods, (v) continuous and summative assessment methods, (vi) ICT tools, equipment and library resources, (vii) appropriate facilities and infrastructure on campus, and (viii) internal quality assurance (IQA) and external quality assurance procedures. The challenge of policy makers, national agencies/regulatory bodies, higher educational institutions, managers, academic teachers, students, etc. is to ensure that all the elements that make quality learning possible are in place, and that barriers to learning are minimized and available facilities are put into good use.

The regulatory bodies and institutions must ensure, that all that is required and appropriate linkages and feedback loops are in place . The link between the National Education Standards, Internal Quality Assurance (IQA) and External Quality Assurance (EQA) is given in Fig. 1 and **r**elationship between IQA and EQA is illustrated in Fig. 2.

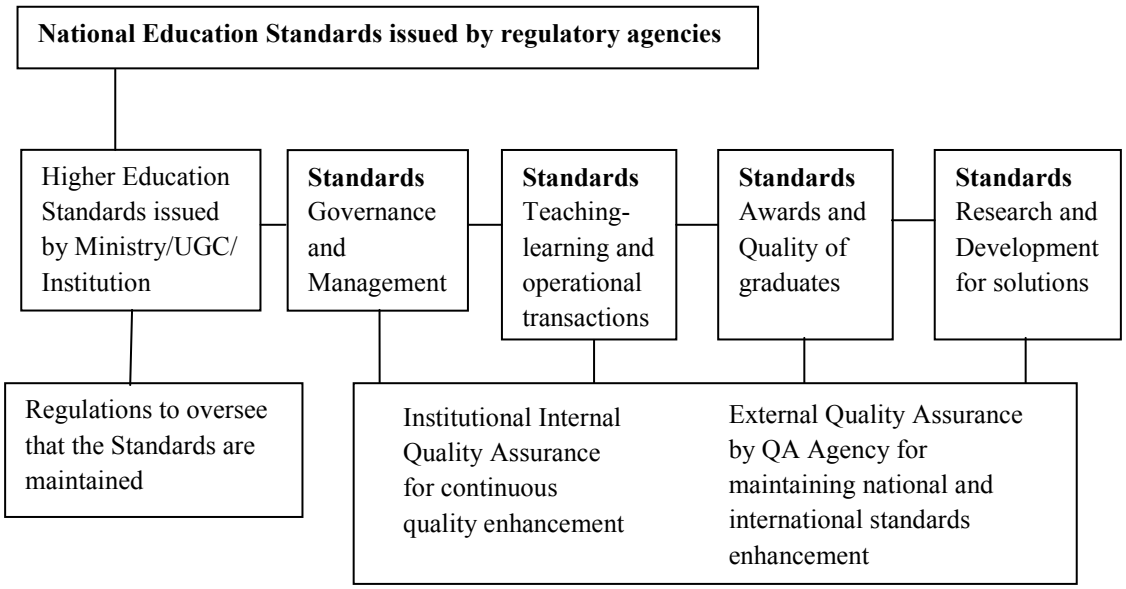

Figure 1: The Relationships between Education standards, Relevant Regulations, and the Quality Assurance System

Source: Coomaraswamy, et. al. (2012)

As depicted in the diagram, one of the prerequisites for the national quality enhancement system to operate is the setting up of national educational standards and this has to be done by the government, and the policy and regulatory bodies (such as NEC and UGC). Once these are developed and issued to state and non-state institutions, those institutions have to make committed attempt to institutionalize those rules, regulations and perfect the good practices and aim to achieve the high standards. The institutions themselves must establish their internal quality assurance system and these internal checks and balances must be reviewed and validated by an outside agency, such as National Quality Assurance and Accreditation Council. The relationship between IQA and EQA is depicted in Fig. 2. As indicated, the shortcomings and deficiencies highlighted by the IQA as well as by EQA must be addressed by the institutions and the institutional leaders must make a deliberate attempt to implement the suggestions and recommendations made in such reviews. Moreover, the government must ensure that where institutions require investment to address the shortcomings and deficiencies, the resources are provided to them in a timely manner.

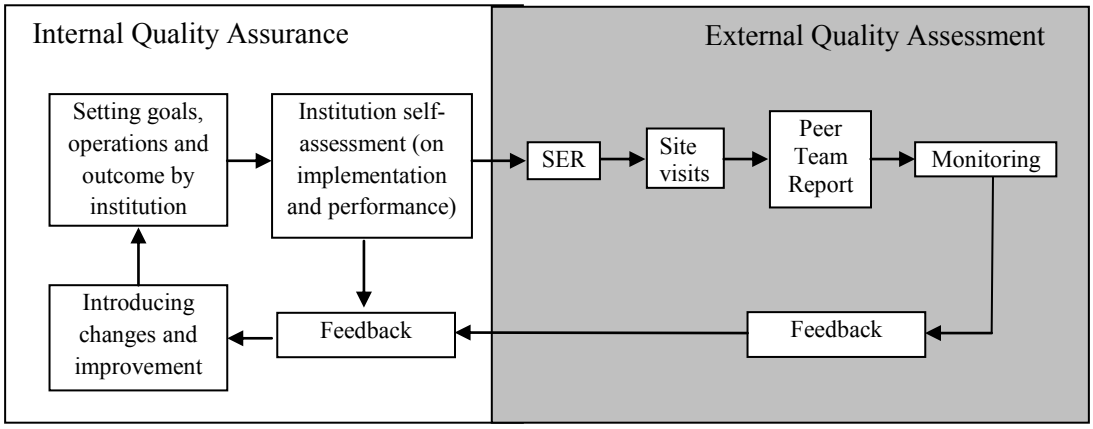

Figure 2: The Relationship between the Internal Quality Assurance and the External Quality Assessment

Source: Coomaraswamy, et. al. (2012)

In order for the system to operate in full, the state must provide the required financial resources, and the regulatory and national quality assurance councils must provide rules and regulations and technical inputs, through training and developing and issuing manuals, training of reviewers and periodically conducting external reviews.

Strategies for Improving Quality of Higher Education

In the globalizing knowledge economy there is a new premium on the need to innovate, improve productivity and adapt to a changing environment. Consequently 'relevant' and 'quality' higher education has come to mean an emphasis on a higher educational system focusing on 'learning' rather than 'teaching', creating an enabling environment that promotes creativity, equipping the graduates with meta-skills that are relevant to economic growth, improving the quality of higher education and provides opportunities for lifelong learning. These changes challenge both the providers of higher education and the students.

World Bank Report (2009) notes that economic relevance and the quality of the higher educational sector in Sri Lanka at present, is substantially below the level required of a middle-income country. Sri Lanka's ability to create a demand driven education system that focuses on lifelong learning will determine the country's capacity to embrace the benefits of knowledge economy. To truly capture the benefits of the knowledge economy, it will need to improve the quality of higher education.

In this regard, the policy framework and strategies that the National Education Commission (NEC) has already developed and issued would provide the direction for developing comprehensive action plan for achieving high quality teaching and learning

in national higher educational institutions (NEC, 2008).The key factors and underpinning strategies to achieve high quality learning are described in this section.

Curriculum

Curriculum should be made multidisciplinary, focusing on providing broad knowledge, range of competencies, new skills inculcating capability for innovations, competitiveness and entrepreneurship so as to facilitate the graduates to enter into a more complex and interdependent world. Further, provisions must be made for flexibility in programme options and educational transactions. Teachers should adopt a blended form of teaching and learning, particularly the use of new forms of educational delivery that are based on information and communication technologies. Provision must also be provided to allow students to acquire credit for prior certificated or un-certificated learning amongst others to meet the needs of diversity of students and lifelong learning context.

Courses should be well researched in terms of format, content, structure and delivery and developed in line with external reference points such as Subject Benchmarks Statements (SBS), Codes of Practice, Credit and Qualifications Framework and relevant professional requirements. It should also be designed to be inspiring, challenging and student centred. Moreover, it should incorporate rigorous assessment strategies which is appropriate to the level of subject and measures achievements of the intended learning outcomes (ILO) reflected in the SBS and designed to optimize student learning and motivation and encourage students to develop responsibility for their own learning and employability in a fiercely competitive job market.

Curricular Transaction

Curricular transaction is the core function of higher educational institutions. It is a multi-factorial transaction between teaching staff, students, learning resources, training centre, institutional inks and academic management and other relevant elements. Even with the best curriculum design, unless curricular transactions are effective and facilitative, the learning outcome of any programme will not be at desired level.

a) Teaching staff

For effective curricular transaction and for successful quality strategy, suitably qualified and skilled academic staff is a key pre-requisite. Academia are expected to contribute to quality strategy through designing and delivering high quality and relevant educational experiences that motivate and enthuse their students and engage them in their subject by: critically reflecting on the student experience and achievement and how it can be achieved, gathering and responding to student feedback on learning, teaching and assessment activities specifically and the student experience generally, ensuring students receive prompt and constructive feedback on performance and personal development, identifying , sharing and embedding good practices.

They should also contribute to quality strategy by demonstrating academic leadership as lecturers, course module leaders, programme leaders, etc., adhering to quality

procedures set out in Codes of Practice and Quality Framework. They should actively participate in relevant staff development opportunities for continuing professional development and in developing a capacity for academic research and scholarship which informs that content and quality of modules and programmes and the way in which they are delivered and engaging with and contributing to the wider higher education agenda. This will facilitate students to take on an increasingly proactive and responsible role for their own learning including engaging in activities that enhance their employability.

b) Pedagogical strategies

Introduction of new pedagogical approaches supported by alternative delivery mechanisms is revolutionizing teaching learning in higher education. To create a more active and integrative learning environment faculty must have a clear vision as to the purpose of the new technology and the most effective way of integrating them into programme design and delivery. They must then educate themselves in the use of new pedagogical methods and support. With the proper integration of appropriate technology in the curriculum teachers can move away from the customary role of as one way instructors towards becoming facilitators of learning.

c) Teaching

Emerging trend focuses on outcome-based approach to teaching learning with a need for more inspiring, challenging, flexible and student-centred approach than the traditional knowledge-centred approach. Teaching including course design and curriculum development based on student learning identifying pedagogy that will produce the desirable and pre-defined intended learning outcomes represents a crucial shift in teaching-away from 'declarative knowledge'(knowledge declared in text books or lectures) to 'functional knowledge'(knowledge how to apply theory to practical solutions). Culturally appropriate approaches that maximize the acquisition of the ILOs should be developed and ways to provide appropriate resources should be found on a university-wide basis rather than departmentally or individually.

d) Assessment

Another important element of curricular transaction relates to the evaluation of student performance. It is of critical importance in understanding what students take away from higher education experience, what and how well they learn and how the skills and knowledge they acquire can serve their individual interests as well as a broader set of societal objectives. Demands of accountability oblige universities to demonstrate that learning is taking place during teaching. Well designed evaluation is essential not only as feedback on the effectiveness of teaching, but also measuring the achieved learning outcomes (ALO) of students knowledge acquired, understanding developed, and skills gained (Biggs, 2003). Assessment is also linked to maintenance and enhancement of academic standards. There should be clearly articulated assessment strategies which are explicitly mapped into learning outcomes and are designed to optimize student learning and motivation. Assessment strategies should be appropriate to the level and subject and assessment instrument should be appropriate to measure achievement of the ILOs.

e) Capacity building

Another critical factor is continuous capacity building of academics in academic skills and abilities and new pedagogic techniques, evaluation of student performance, effective curricular transaction. A systematically planned, professional training of academics is crucial.

Institutional infrastructure and resources

Effective curricular transaction also depends on the extent and quality of institutional infrastructure, learning resources like laboratories, library and access to computer facilities. Appropriate resources and effective support mechanisms are critical in order to put in place an effective and efficient learning environment for students and enhance student success.

Funding

Higher education sector across all its dimensions such as access, coverage, relevance, governance and quality will require for its development substantial amount of resources. Resource availability will ultimately determine which options for development is feasible. Development, sustainability and quality of higher education critically depend upon the quantum of funds made available to institutions as the institutions need to devote more of their financial resources towards quality inputs such as incorporating IT into higher education and raise the quality of teaching. Funding also reflects the priority government accords to higher education. Inadequate funding would seriously affect the quality of education Sri Lanka and the immediate effect of any crunch on financing is a state of austerity which leads to loss in the quality of teaching, learning and research.

International validation and ranking

Consumers of education are demanding some kind of certification of institution and qualification they award. Some countries rank programmes and institutions as part of the accreditation process. Despite methodological problems more and more countries are becoming interested in ranks as a mechanism for establishing international comparability for their national higher education system.

In the international scene the two most comprehensive international ranking allowing for broad benchmark comparisons of institutions across national borders are those prepared by the Times Higher Education Supplement (THES), and Shanghai's Ja Tong University (SJTU).To compare the international status of institutions these league tables are constructed by using data obtained from universities and /or from the public domain. These rankings are controversial but when a university is high in the ranking it is often interpreted as a measure of its quality by the larger public (UNESCO, 2009).

Quality assurances and accreditation - Current status, challenges and the way forward

The understanding of the term 'quality, its conceptualization and operationalisation have obvious implications in any attempt to assure it. It is context and need specific. There is no general consensus on the exact meaning of each of the terms used in discussion. Definitions of terms associated with quality are given in Quality Assurance Toolkit for Distance Higher Education (Kondapalli and Coomaraswamy 2009).

Quality Strategy

The success of any quality assurance (QA) initiative is greatly dependent on the top management. It is essential that the top management be totally committed to the concept , be able to visualize future actions in their totality and design appropriate procedures .The benefits of quality process can accrue only when a quality culture is developed within institutions. Universities should be committed to apply a total quality management approach by focusing on the following quality perspectives:

- an assurance perspective whereby QA is designed to prove the quality of an institution, methods, educational products and outcomes and includes defined standards of achievement, documented procedures of all identified processes, established ways of responding to issues and clear accountability for outcomes;

- an enhancement perspective to be realized through a culture of critical self-evaluation leading to continuous process of quality improvement;

- a customer care perspective where students' voice is listened to and responded and systems are in place to obtain feedback from students on issues relating to the quality of their learning experience and timely responses

Quality assurance processes

Quality assurance processes cover a narrow sector of Sri Lankan state universities under the purview of the UGC. Quality assurance framework has been developed for the university system in general, for distance higher education and for external degree programmes. The responsibility of maintaining standards in different professional programmes rests with different professional bodies. The process now needs to be expanded to cover other sectors such as alternate higher education and private higher education providers including cross-border education. Due to the absence of an effective national quality assurance system consumers lack a reliable basis for choosing different/providers/programmes available and the government has no mechanism of holding these providers accountable for quality in their programmes. This needs to be addressed urgently.

a) State university system

As stated elsewhere, the UGC together with the Committee of Vice-Chancellors and Directors (CVCD) established a formal and comprehensive Quality Assurance Framework in 2001 and this was further extended and strengthened through the World Bank/ Improving Relevance and Quality of University Education (WB-IRQUE) Project (2005 – 2010) and continued at present under the World Bank/Higher Education for Twenty First Century (WB-HETC) Project (2011-2015).

Activities initiated by the CVCD/UGC are at present coordinated by the Quality Assurance and Accreditation Council of UGC (QAAC-UGC) established in 2005. Outputs of a decade of formalizing QA include:

- A comprehensive Quality Assurance Framework for Sri Lankan universities was developed and published as the 'Quality Assurance Handbook for Sri Lankan Universities' (CVCD-UGC, 2002). It provides detailed guidance for the external quality assurance mechanism (EQA) for Institutional and Subject/ Programme reviews. It applies equally to conventional and ODL provisions.

- Academic Procedures Handbook (CVCD-UGC, 2003) which is a compilation of six Codes of Practice on :

    i) Assessment of students
    ii) Career guidance
    iii) External assessors
    iv) Postgraduate research programme
    v) Programme approval, monitoring and review
    vi) Student support and guidance

  These Codes provide an external reference point for all universities covering the main aspects of academic standards and the quality of higher education.

- Development of Subject Benchmark Statements (SBS) commenced in 2003 (CVCD-UGC, 2004 a) and provide a framework for articulating the intended learning outcomes of programmes in a particular subject area. They describe the nature of the subject areas, the expected attributes and capabilities of the award holder and minimum standards for the award of the degree.

- Sri Lanka Credit and Qualification Framework (SLCQF) which was initiated by the UGC-CVCD initiative (CVCD-UGC, 2004 b) is now being finalized under the WB-HETC project. It shows how a particular university's award/ qualification and the level and volume of credits relate to a national qualification and credit 'standards', whilst the coverage and content of a particular programme of study leading to that qualification can be matched

with the relevant subject benchmark statements. The SLCQF has been designed to support and facilitate student mobility within and between universities and recognition of pre-university learning. It combines descriptors of qualifications at each level with credit measures that indicate the level and volume of learning that a student is expected to achieve for each type of qualification. It provides paths for progression to facilitate lifelong learning and maximize opportunities for credit transfer.

- A significant number of awareness workshops and Reviewers' training programmes to create a national pool of over 600 academics and professionals to carry out the uphill task of Institutional and Subject reviews in all universities.

- Proven process for undertaking Institutional Reviews and Subject/Programme Reviews through EQA process that is based on nationally agreed criteria. Institutional review is concerned with university –wide processes which support sound quality management and university planning to maintain an appropriate environment to teaching and learning while Subject / Programme review is focused on the quality of student learning experiences and on student achievement (CVCD-UGC, 2002).

In line with the international trend EQA has the following stages (QAAC website):

i) A self study, sometimes called self-evaluation conducted by the university;

ii) The appointment of a peer group;

iii) Study visit conducted by a team of peers selected by the quality assurance agency;

iv) Examination by the quality assurance agency of the evaluation and recommendations of the peer team.

The Report on the EQA process gives an overall judgment on the reviewers' level of confidence, as Confidence/Limited Confidence/ No Confidence. It is very much in line with the objective of improvement. It does not lead to ranking or accreditation.

- Completion of first cycle of institutional and subject reviews in all universities.

- The QAAC has networked successfully in the Asia Pacific region and is a member of the Asia Pacific Quality Network.

- QA Roadmap has laid down the following activities for the period 2010 -2015 (Abeygunawardena, 2011):

i) Introducing QA system for postgraduate study programmes

ii) Revision and updating of existing standards, criteria, procedure and manual for internal quality assurance, external quality assurance

iii) Commencement of second cycle of external reviews under new guidelines

iv) Introduction of accreditation process (pilot), and for 2015- 2025 as, total quality improvement system with :

i) fully functional IQA system in all universities

ii) full implementation of SLQF

iii) implementation of credits transfer system

iv) ranking/scoring system for universities

v) accreditation of all study programmes and institutions.

- Internal Quality Assurance (IQA)
  There is a increased concern of institutions to design and implement IQA systems to support the external process of evaluation so that they can meet the criteria and indicators which are fundamental for accountability purposes(Huet, et al, 2011).While external reviews are relevant and necessary, it is also essential for each institution to evolve internal processes, within each institution, for self- analysis and assessment and enable self monitoring all aspects of the functioning of the institution for quality enhancement.

  To facilitate internal review process to ensure that the high quality of academic provisions is maintained or improved and that any problems are identified and addressed quickly, an Internal QA Cell (IQAC) has been established in each university. It should lead quality initiatives at an operational level, continually analyze systems, processes and procedures at an operational level and devise strategies to improve current practices. It should also encourage academic reviews independent of EQA and accreditation. This is an excellent way to foster a culture of quality. However, the functioning of IQAC in Sri Lanka is not being monitored by QAAC-UGC, It is very essential that IQACs are strengthened and monitored with respect to facilitation of institutionalization of all the good practices in the institution and internalization of quality culture.

- Accreditation
  Initiatives are being taken to develop accreditation standards. Accreditation is essential to ensure quality of higher education. It is useful for student mobility and in maintaining accountability. Quality assurance and accreditation are important pre-conditions for international recognition of a country's qualifications .The field of international credential evaluation depends on reliable information about a country's quality assurance and accreditation mechanisms.

b) Open and distance learning system

The National QA framework for the university system (CVCD-UGC, 2002) applies equally to conventional universities and OUSL. The Open University is subject to reviews both institutional and subject under QAAC-UGC. In response to the serious concern raised by the Council, Senate and Faculty Boards of OUSL regarding the inappropriateness of the instruments used for external reviews in line with the strong arguments that ODL challenges conventional quality assurance systems because of organizational, methodological and pedagogical features which characterize ODL (Van Dirke, 2002), the OUSL developed a QA framework for ODL in 2006 (OUSL 2006a; 2006 b) in collaboration with Commonwealth of Learning (COL) by customization of the generic guidelines in QA framework for distance education institutions published by the Asian Association of Open Universities (AAOU-COL, 2002).

To safeguard the sustainability and credibility of new and emerging ODL systems promoted through the Distance Education Modernization Project (DEMP, 2003-2009), appropriate QA system for higher education through ODL has been developed at a national level facilitated by DEMP (ADB, 2003).
Outputs include:

- National Quality Assurance Framework for higher education through distance education in all sectors.
- Accreditation standards for accrediting distance education institutions and programmes of both the public and private sectors.
- Performance indicators for institution-wide and subject-wide reflective self evaluation with a view to monitor the processes for continuous learning and ongoing improvement.(Coomaraswamy, *et. al*. 2010)
- National evaluation process and procedure for external review and accreditation of institutions and programmes.
- Internationalised performance indicators for use across member states of the Commonwealth in collaboration with COL and UNESCO (Coomaraswamy, *et. al.* 2008).
- "Quality Assurance Toolkit for Distance Higher Education Institutions and Programmes" a compilation of international accreditation standards and performance indicators for distance higher education institutions and programmes together with sources of evidence and score guide, case studies of best practices which may serve as exemplars for intuitions developing their quality assurance systems and glossary and published by COL (Kondapalli, *et.al*. 2009).

c) External Degree Programmes (EDP)

In response to the introduction of recent reforms brought by the UGC into EDP system operated by conventional universities and the proposal to develop the necessary tools and implementation procedure for QA of EDPs and ECs (UGC, 2010) a framework for QA of EDPs has been developed in collaboration with Higher Education for the Twentieth Century Project (HETC).

Outputs include:

1. A comprehensive "Manual for Quality Assurance of External Degree Programmes and Extension Courses" was developed to provide guidance to conventional universities offering EDPs in establishing and operating quality systems (Coomaraswamy, *et.al*. 2012).

The manual is composed of:

- Criteria and standards for quality assessment and accreditation of EDPs with sources of evidence for each standard, and a score guide with descriptors against each standards in order to facilitate an objective assessment during peer review;
- Guidelines for quality assessment/ accreditation and performance for use of standards for assessment/accreditation.
- Guidelines for the establishment and operation of Internal QA Cell in the Centres for EDPs in Universities
- Guidelines and format for the preparation of self –evaluation report for EQA
- Sample instruments for obtaining feedback from stakeholders
- Glossary of terms relating to QA in ODL.

2. Quality assurance process is both by IQA and EQA, the process being identical to that described in the corresponding sections under QA in the university system.

3. Awareness workshops for all concerned in the design development and delivery of EDPs and Reviews training programmes will commence in August 2012.

4. Pilot reviews/ accreditation have been scheduled for 2014

Emerging trends that need be aligned to QA system in Sri Lanka

External quality assurance

- Move away from the reliance on the intuitive experience of reviewers to an approval based on explicit standard of the key requirements to enhance objectivity in peer assessment.

- Switch from inputs to an outcome based approach to student learning and attention to complex interplay between curriculum, innovation and approaches to teaching learning and assessment. It is perceived that use ILOs for assessing learning are not adequate and outcome measures should relate to ALOs which are what individuals have achieved in relation to the ILOs of the learning unit.(OECD, 2008).

Quality enhancement

A switch is desirable in emphasis from quality assurance for accountability to quality assurance for enhancement. Accountability is concerned with the institutions or programme being able to demonstrate that it is operating at or above the basic minimum standard, justify its rights to receive public funding or other rights such as accreditation decision, while quality enhancement is concerned with continuous process of quality improvements.

Quality enhancement should aim to value it as an integral component of effective learning and teaching recognizing that the expertise and commitment to all staff is critical to realizing the strategy; to create and maintain internal structures for the effective development , delivery and evaluation of high quality learning and ensuring the responsibility for decision taking is located at the most effective and efficient point; make use of relevant internal and external points of reference to inform and support approaches to quality enhancement; to improve the flow of quality related information into and within the university ensuring dissemination of good practices and to respond to new challenges and promote greater collaboration and cooperation across and between institutions.

Activities will focus on assessing the effectiveness of current practice and structures and ensuring that quality process and procedures are effective, appropriate and adhered to; promoting quality enhancement and assurance at the subject level by encouraging critical reflection on practice at all levels; evaluating all activities and standards against external points of reference such as the SBS, CQF, Codes of Practice, professional bodies; ensuring that programmes and courses continue to meet their stated aims and learning outcomes; identifying, promoting and sharing good practice across institution and ensuring that student feedback has been acted on and that feedback loops are closed.

Quality culture

Developing and achieving a culture of quality takes time and requires leadership. The centralization of key services and the integration of core systems are critical to the development of a culture of quality. It is essential that higher education institutions develop an internal quality culture to ensure and monitor enhancement of their activities and services in a way that is congruent to core academic values. It is the proactive, conscientious and well trained workforce of different cadres working together willingly and purposefully for a common goal that establishes a culture of quality. The universities should become more proactive in this area.

Addressing a growing variety of higher education delivery mechanisms

Review procedures developed for conventional settings are not appropriate and are inadequate for the alternate delivery vehicles (distance learning, e-learning, cross-border education) growing in numbers, importance and reach. In these greater numbers of partners have to be monitored, greater variety of learning sites, variety of modes of teaching, some only virtual sites. The crucial evaluation measure may be to focus on what remains central 'student learning'.

Making national QA schemes and frameworks more comparable

By 2004 nearly every country had created an agency charged with the oversight of QA for higher education sector. However, there are considerable differences in the ways in which the model is applied. These systems vary enormously in focus, reach, objective and impact. Over the last decade greater attention has been focused on 'convergence' or making different national quality assurance schemes and frameworks more comparable or complementary to one another. Increasingly nations are relying on QA schemes used in other nations as guarantees of quality both to validate the domestic higher education system it in its own rights and to support all kinds of cross border activity.

Sri Lankan QA scheme should be designed to reflect internationally recognized standards and benchmarks necessary to guide the comparison and evaluation of academic and professional guidelines.

Evaluating qualifications

In evaluating qualifications increasingly attention is being paid to competencies developed in the course of study than the content or period covered. National Qualification Framework (NQF) which is being developed by the UGC in collaboration with HETC defines qualifications in terms of the depth of knowledge, skills and competencies they represent.

Conclusion and recommendations

The theme of this paper focuses on how the economic relevance and quality of the higher education sector in Sri Lanka be raised to achieve the government's new vision of higher education , " To be the most cost-effective and quality higher education hub in Asia". It examines the current status and presents prospects for the future, some of which to be addressed by the institution and others by the state. Although some of the trends are not new, implications must now be confronted without loss of time.

With the growing emphasis of higher education systems focusing on 'learning' a wide range of academic guidance on quality issues in educational provision have been outlined which will promote a holistic approach to enhancing the student learning experience leading towards the production of world class graduates.

The quality movement in the university system initiated a decade ago established instruments and methodology for quality judgment of the university sector under the auspices of QAAC of the UGC and undertook reviews of all universities. QA process has to now concentrate on deeper issues and complexities such as (i) objectivity in peer assessment, (ii) implementation of accreditation system, (iii) creating methods to evaluate teaching learning conditions, outcome oriented quality evaluation, (iv) national QA scheme to be designed to reflect internationally recognized standards and benchmarks necessary to guide comparison and evaluation of academic programmes of cross border models, all forms of learning to be recognized and (v) QA, accreditation standards , benchmarks and procedures be adapted to address the growing variety of delivery mechanisms.

Although many of the key steps that improve quality rest with the Universities, the State has to be the major factor in the process of promoting and sustaining quality in higher education. Establishment of a quality assurance and accreditation system to cover the entire higher education sector is an urgent need. Accreditation of all higher education providers in the country is necessary to harmonise recognition and equivalence of awards among higher education institutions including private providers whose establishment and development are currently uncoordinated and unregulated.

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CREDIT TRANSFER IN HIGHER EDUCATION: QUEST FOR A SYSTEM FOR SOUTH ASIA

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Abstract

Credit has an increasingly important role to play in recording student achievement and providing support for students and their progression into and within higher education. In absence of a unique Credit Accumulation & Transfer System (CATS) for higher education institutes in South Asia, this article provides an insight and lays a foundation for developing such a system for the region enabling potential candidates in any of the South Asian countries to benefit from transferring his/her credits earned in one country to another to complete his/her studies, thus catering to their needs and encouraging their engagement in further studies in any country in the region. The concept of credit transfer and the well accepted guidelines and principles of CATS in use in different regions/countries is discussed and an overview of the Sri Lankan Qualification Framework (SLQF) introduced recently is provided. The key features of some selected CATS in the world, including those in the Europe (ECTS), Australian Group of Eight Universities, Scotland (SCTS), United Kingdom, ASEAN University Network, and Asia (ACTS) are appraised. Finally, the importance of speedy implementation of SLQF in Sri Lanka, application of good practices in higher education and streamlining all courses/modules at different levels from various institutions of higher education in keeping with intended learning outcomes is emphasized.

Keywords: *credit transfer, higher education, qualification framework*

Introduction

Higher education is becoming increasingly important for Sri Lankan students. It is no longer only the higher echelons of society that are sending their children to study abroad. There is an emerging middle class, which is striving to give their children an educational advantage. Therefore, demand for international education and qualifications continue. In 2010, over 9500 Sri Lankans went to study in other countries. An increasing number of foreign institutions see Sri Lanka as a significant market as they seek to diversify. They are also establishing more courses run jointly with Sri Lankan institutions in the country and/or promoting distance or open learning methods. While the situation remains, parents and students will opt for whatever alternative they can afford. In the mean time, the Sri Lankan Higher Education sector is inviting campuses of foreign institutions to be established in Sri Lanka and open doors of Sri Lankan universities and other higher education institutes to foreign students.

Further, Sri Lanka has become a significant source of supply of students to the foreign universities and has been spending more than Rs. 75 billion annually for overseas educational purposes, which is about 12% of the trade deficit of the country (Central Bank of Sri Lanka, 2010). It was revealed that nearly Rs. 30 billion had been sent overseas in the previous year through commercial banks alone by Sri Lankans for educational purposes. This does not include the Sri Lankan foreign exchange diverted to foreign educational institutions by non-banking means such as ATM transactions. Thus, assuming that about Rs. 60 billion of the total is used for higher education purposes, compared with the state expenditure on university education of nearly Rs. 20 billion on average, we may question how a country like Sri Lanka can justify such a staggering difference between local state expenditure and private expenditure abroad.

Concept of credit transfer

Credit plays an increasingly important role in recording student achievement and providing support for students and their progression both into and within higher education. It is a key tool for promoting lifelong learning and student mobility. Credit can serve a number of different functions. It is fundamentally a tool for describing the comparability of learning achieved in terms of its volume and intellectual demand. It can help higher education providers to design modules and/or programs of similar volume and intellectual demand in different disciplines and contexts. It also provides a basis for recognizing learning achieved in other institutions or elsewhere. Credit values give information about the amount of learning and academic demands of that learning.

Transfer credit, credit transfer or advanced standing is a term used by colleges and universities for granting credit to a student for educational experience or courses undertaken at another institution. It is a mechanism that allows the credit awarded by a higher education provider to be recognized, quantified and included in the credit requirements for a program delivered by another higher education provider and/or between programs offered by a higher education provider. Each higher educational degree awarding body determines what credit it will accept for purposes of accumulation or transfer in relation to its individual programs.

Credit accumulation and transfer systems enable learners to accumulate credit, and facilitate the transfer of that credit within and between education providers. When a student who is transferring applies for enrolment, the higher education providers usually issue an academic transcript(s) listing the courses followed, grades and other attributes obtained from each institution attended. Each transcript and the listed courses are tentatively evaluated to see if any of the courses followed satisfy the requirements of the receiving institution.

Historically, credit transfer has mostly been administered on an ad-hoc basis by higher education institutions, but it has now become an important area of national and transnational education policy, particularly in relation to mobility between countries and educational sectors. Credit transfer and articulation arrangements increase opportunities for students with prior experience and qualifications to access higher education by facilitating student mobility between institutions and sectors. Potential

students need reasonable assurance that they will be able to take education pathways which recognize previous work and study outcomes and give appropriate credit where they relate to further studies. Effective credit transfer and articulation is a key component in making lifelong learning a reality. It can also mean efficiency in both time and money for students, institutions, and governments.

Students and potential students should be able to access information enabling them to make well-informed choices about where and what they should study. The information principles should embody good practice and aim to set a standard that a growing number of institutions will be able to meet over time. The information principles should not impinge upon or replace the academic integrity of courses and programs and the responsibility of individual institutions for setting academic standards related to admission, prerequisites for study and the amount of credit conferred.

In light of the above, this article aims to provide insights and lay a foundation for developing a "*Credit Transfer System for South Asia*" so that a potential candidate in any of the South Asian countries can benefit from transferring credits earned in one country to another to complete his/her studies and to engage in further studies. First, it provides a brief discussion of the concept of credit transfer and the guidelines and principles of such a system. Where necessary, information has been extracted from already existing reputed systems in the world. Next, it provides a summary of Sri Lankan Qualification Framework introduced recently by the Quality Assurance and Accreditation Council of the University Grants Commission of Sri Lanka. To it are added the key features of selected Credit Transfer Systems in the world, including the European Credit Transfer and Accumulation System, Australian Group of Eight Universities Credit Transfer Agreement, Scottish Credit and Qualifications Framework, Credit Accumulation and Transfer Scheme in the United Kingdom, Credit Transfer System in India and ASEAN University Network Credit Transfer System so that we can compare and contrast the key features of which in the process of developing a system for South Asia.

Guidelines and principles for developing a credit transfer system

The focus of credit transfer and articulation arrangements is, therefore, on establishing the equivalence of learning outcomes and assisting arrival at these equivalence decisions, regardless of the similarities and differences between the education processes involved (including processes of delivery, teaching methodology and assessment) or whether the provider is a Registered Training Organization or an Accredited Higher Education provider, or of entry levels to previous qualifications.

All individual institutions and providers should offer formal vertical and lateral pathways for credit and articulation, both in the design of new courses and programs of study and in the upgrading of existing courses and programs of study, and widely publicize these pathways to existing students and potential applicants. Decisions to grant applications of credit or articulation between higher education institutions should possess general applicability for all eligible students, but not necessarily guarantee

automatic admission to specific courses or programs of study, especially where demand exceeds the numbers of student places available.

Rules, Regulations and any Register of Precedents which inform, influence or govern decisions taken in respect to the granting of credit or advanced standing should be transparent and publicly accessible to intending students prior to submissions for enrolment and include applications for credit in an easily accessible format. This should include transparent information related to fees where they are charged. Arrangements for articulation and credit transfer, when applied, should not unfairly advantage or disadvantage either the students entering courses and programs of study with credit transfer or articulation or the students who enter directly.

Arrangements for credit transfer and articulation should take account of existing and continuing arrangements and procedures which support improved credit and articulation agreements at industry-wide, state-wide, regional or institutional levels. Institutions should employ agreed measures to evaluate the effectiveness of their credit transfer and articulation arrangements in improving over time the mobility of students from one institution to another. Individual institutions and providers are expected to demonstrate through their regular internal and external quality audits that their policies and practices for all types of credit transfer and articulation support the agreed principles. The principles may, amongst others, include:

- *Student Recruitment* – General information on credit and articulation pathways should be provided to prospective students so that they are made aware of the opportunity and application process. This should cover means of obtaining further information to enable informed comparison of consequences of enrolment in different courses.

- *Enrolment of Students* – Enrolling students should be able to access detailed information on credit transfer and articulation where they wish to apply for credit. Key information, including the date at which the information is current, should be made available in a single source/site, with links to more detailed information in other documents or sites as appropriate.

- *Explanation of Terms* – Across the institution, terms should be explained in "simple" language and using standardized terminology. Key terms used by the institution should be defined and illustrated where appropriate with examples, both to reinforce understanding of the approach used by the institution and to encourage students to consider seeking credit transfer. Where possible these terms should be consistent with nationally agreed terminology, e.g. the Sri Lankan Qualifications Framework (SLQF).

- *Limits of Credit* – Academic rules, regulations and any results which set precedents that govern credit decisions should be "transparent". These should be accessible to potential applicants and clearly explained so that applicants know in advance where they stand.

- *Contact Officers* – Information for students should include a list of contact officers with appropriate expertise and resources to advice on the process and likely outcomes of applications in individual programs.

- *Credit Application Form* – Students should be able to access the relevant credit application form on-line or as hard copy, including instructions for completing it. Students should not have to search separately for additional information to understand the terms used in the instructions. The evidence required to be submitted in support of the application should be spelt out along with a brief explanation of the rationale, e.g. to assure academic integrity.

- *Similarity of Requirements for Evidence* – Requirements for supporting evidence should be similar across faculties, unless variations are approved by the institution.

- *Onus of Proof* – In general the onus of proof in making a case for credit transfer and articulation rests with the applicant. Where formal arrangements exist between universities and/or other higher education institutions, information relevant to an individual's application should be verified through institutional systems where possible.

- *Ease of Lodgement* – Students should be able to lodge applications on-line where possible. Supporting documents may be required to be provided separately.

- *Timing of Lodgement and Processing* – Appropriate and reasonable time frames for the lodgement and processing of applications should be advertised to students.

- *Follow-up during Processing* – Applicants should be able to seek information about the processing of their application and to obtain information on any alternatives where the application is rejected.

- *Avenues of Appeal* – Grounds for appeal and procedures for appeal should be specified and be explained clearly to students. Appeal procedures should be consistent across the institution.

Credit qualification frameworks at work

The purpose of developing a Credit Framework in higher education may be to: (1) acknowledge, codify and provide clarity about the relative demand and level of diverse higher education and professional development qualifications; (2) provide a 'route map' showing progression routes to enable students to navigate personal learning pathways more easily; (3) facilitate the accreditation of small amounts of measurable learning which can build confidence and encourage further learning; (4) enable students to interrupt their studies and/or transfer more easily between and within institutions, while

maintaining a verified record of achievements (credit transcript) to date; (5) provide a common language supporting curriculum development within and between higher education institutes; (6) support the achievement of consistent student workload across programs within different disciplines; (7) encourage and facilitate partnerships between institutions, and (8) facilitate students' entry to an international education arena where national credit frameworks can be recognized as a passport to mobility.

Sri Lanka Qualification Framework (SLQF)

This is a new framework aimed at improving quality of higher education and training through recognizing and accrediting qualifications offered by different institutions. It identifies the different levels to which qualifications are offered in the entire higher education sector in Sri Lanka. It helps to interpret qualifications and judge the relative value of a qualification, thus enabling the learners to make informed decisions about the qualifications they intend to acquire. All higher educational qualifications offered in Sri Lanka are specified in the SLQF. The SLQF indicates the designators, qualifiers and minimum credit requirements for a particular qualification as well as the minimum entry requirements. SLQF also promotes national and international recognition of qualifications offered in Sri Lanka and helps in evaluating qualifications obtained from overseas institutions. SLQF also contributes significantly towards strengthening quality assurance mechanisms of the entire higher education sector in Sri Lanka.

Under the SLQF, one credit is equivalent to 15 hours of lectures or 30-45 hours of laboratory work or 45 hours of field work/clinical work/ or a minimum of 90 hours of industrial training. For every hour of lectures, a student is expected to carry out at least two additional hours of independent learning. For every two hours of laboratory work, a student is expected to carry out at least one additional hour of studies. Therefore for one credit in lectures, laboratory work, field work and clinical work, the minimum number of notional learning hours is 45-50, which also includes the time allocated for assessments. For industrial training, a minimum of 90 notional learning hours including time allocated for assessments are equivalent to 1 credit (See, Annex 1). The University Grants Commission through the Division of Quality assurance and Accreditation Council will initiate the process of program accreditation from year 2011 onwards. Therefore, accreditation of prior learning could be put into practice. A number of different credit transfer schemes and systems are in effect in different parts of the world. Some key systems from which we can learn and adopt to develop a system of own are presented below.

European Credit Transfer and Accumulation System (ECTS)

This is a standard for comparing the study attainment and performance of students of higher education across the European Union and other collaborating European countries. This is considered to be the most widely recognized and cited credit transfer system used in developing subsequent schemes in other countries/regions, and the definitions used therein are mostly compatible with those used in the higher education sector in Sri Lanka.

ECTS credits are awarded for successfully completed studies. One academic year corresponds to 60 ECTS-credits, which are equivalent to 1500–1800 hours of study in all countries irrespective of the standard or type of qualification. The ECTS is used to facilitate transfer and progression throughout the European Union. The ECTS also includes a standard ECTS grading scale, intended to be shown in addition to local (i.e. national) standard grades. ECTS credits are a value allocated to course units to describe the student workload required to complete them. They reflect the quantity of work each course requires in relation to the total quantity of work required to complete a full year of academic study at the institution, that is, lectures, practical work, seminars, private work — in the laboratory, library or at home — and examinations or other assessment activities.

In the ECTS, 60 credits represent one year of study (in terms of workload); normally 30 credits are given for six months (a semester) and 20 credits for a term (a trimester). ECTS credits are also allocated to practical placements and to thesis preparation when these activities form part of the regular program of study at both the home and host institutions. ECTS credits are allocated to courses and are awarded to students who successfully complete the courses by passing the examinations and/or other assessments. Examination and assessment results are usually expressed in grades. There are many different grading systems in Europe. The ECTS grading scale has been developed to help institutions translate the grades awarded by host institutions to ECTS students. It provides additional information on the student's performance to that provided by the institution's grade, but does not replace the local grade. Higher education institutions make their own decisions on how to apply the ECTS grading scale to their own system.

Australian group of eight universities credit transfer agreement

This particular framework was developed for the "Group of Eight Australian universities", comprising (1) the Australian National University; (2) Monash University; (3) the University of Adelaide; (4) the University of Melbourne; (5) the University of New South Wales; (6) the University of Sydney; (7) the University of Queensland, and (8) the University of Western Australia, for transfer of credits between these universities. The aim of the framework is to maximize opportunities for mobility of students between them by facilitating the transfer of credit earned at their institutions. The Agreement is based on the recognition that academic expectations and assessment regimes at all Group of Eight universities are comparable and transferable.

Credit will be granted to students accepted for admission to a degree program at a Group of Eight university for appropriate units of study successfully completed while enrolled at another Group of Eight university. Credit transfer will be available to students in all degree programs who have successfully completed a recognized component of study at a Group of Eight university. Transferring students will be required to complete at least one year of equivalent full-time study, or a minimum of 50% of the relevant degree program where it is less than the full-time equivalent of one year in length, in the university from which they graduate. Students must meet all

requirements of the degree program for which they enrol. Credit transfer for units of study successfully completed as part of a previously completed degree will be considered in accordance with the rules of the degree program to which the student is seeking admission

Scottish credit and qualifications framework

The Scottish Credit and Qualifications Framework (SCQF) is the national credit transfer system for all levels of qualifications in Scotland. It is managed by a partnership of the Scottish Qualifications Authority, the Association of Scotland's Colleges (ASC), QAA Scotland, Universities Scotland, and the Scottish Government. England, Wales and Northern Ireland have been developing the National Qualifications Framework in a similar fashion and the SCQF integrates with the European Credit Transfer System.

SCQF is a 12-level framework comprising different courses, units, modules and clusters placed at specific levels with a credit weighting. In common with other credit systems, the SCQF works on the basis that one credit point represents the amount of learning achieved through a notional 10 hours of learning time which includes everything a learner has to do to achieve the outcomes of a qualification including the assessment procedures. In some instances it may be possible to transfer SCQF credit points to another learning program to ensure that a learner does not have to repeat any learning that he/she has already undertaken. Universities and colleges, SQA and other awarding bodies decide how many of the credit points already received from previous learning can be transferred into their programs. For example, it may be possible to transfer credit from an HND (240 credit points at SCQF Level 8) to a degree program (360 credit points of which a minimum of 60 are at SCQF Level 9). In all cases of credit transfer the accepting learning institution decides the number of credit points that could be transferred.

Credit Accumulation and Transfer Schemes (CATS) in the United Kingdom

Credit Accumulation and Transfer Scheme (CATS) is used by many universities in the United Kingdom to monitor, record, and reward passage through a modular degree course and to facilitate movement between courses and institutions. In the United Kingdom, a number of CAT schemes are in operation, for example Southern England Consortium for Credit Accumulation and Transfer (SEEC), Northern Universities Consortium for Credit accumulation and Transfer (NUCATS), Northern Ireland Credit Accumulation and Transfer Scheme (NICATS), the Scottish Credit Accumulation and Transfer Scheme (SCOTCAT) and Credit and Qualification Framework for Wales (CQFW).

Typically, a university course of 10 to 20 2-hour sessions would, on successful completion, be worth between 10 and 20 CATS points, at one of Levels 1 to 3. 360 points need to be accumulated (240 points at level 2 or above with at least 120 points at level 3) to qualify for the award of an honours degree. A foundation degree is broadly

equivalent to 240 points, and a 'pass/ordinary degree' to 300 points. A postgraduate Master's degree is equivalent to 180 points at Level M. It is possible to equate CATS with the Scottish Credit and Qualifications Framework and the European Credit Transfer and Accumulation System (ECTS), with two CATS points equivalent to one ECTS point.

ASEAN University network credit transfer system

The ASEAN University Network (AUN) operates a credit transfer system (ACTS) to enhance and facilitate student mobility among AUN member universities. ACTS is a "web-based application" that facilitates credit transfer to the student exchange program among participating universities. AUN-ACTS Secretariat is administered by International Office, Universitas Indonesia in close collaboration with AUN Secretariat and Steering Committee from 26 member universities. The secretariat is chaired by Head of International Office, Universitas Indonesia (ex officio).

ACTS is based on students workload in terms of the learning outcomes and applicable to student mobility and exchanges in the general duration of one, up to a maximum of two academic semesters, or a shorter period of study (for example, a summer semester) if deemed necessary. ACTS further takes into account the existing institutional and national credit systems for the expression and conversion of credits, study periods and learning outcome achievements, and does not require a modification of the existing institutional or national credit systems. The ACTS grading scale is based on the achievement ranking of a student in a given assessment, with students divided into 5 subgroups: A (Excellent) to E (Fail) and considers one Full Academic Year (= 60 credits); one Semester (= 30 credits); one Term/Tri-semester (= 20 credits).

Asian Credit Transfer System (ACTS)

A paper on the Asian Credit Transfer System (ACTS) was first tabled at the 7th Asia Cooperation Dialog (ACD - http://acts.aeu.edu.my for details) Foreign Minister's Meeting 2008 in Kazakhstan. The ACTS idea was accepted in principle by the Astana meeting and Malaysia has been given the mandate to proceed with the next step of deliberation and consultation with the relevant parties. The main objectives of the ACTS are to deliberate on the policy options to facilitate the credit transfer process between participation countries and develop a common conversion system that will facilitate the transfer of credits and grades between ACD institutions of higher education. It also facilitates and increases the mobility of Asian higher education graduates and students, locally and internationally; enhances qualification recognition among institutions; adopts a common and flexible platform for credit transfer; ensures competitiveness of Asian higher education on the global scale, and promotes academic cooperation and collaboration among member countries. The ACTS will not be exclusively modelled after the ECTS, but is said to be guided by the experiences of accrediting bodies within the ACD countries such as the Malaysian Qualifications Agency. It is foreseeable that such a system will evolve soon to accommodate the needs

of Asian higher institutions of learning and that the system will provide the instruments for understanding and comparing different educational systems, as well as the recognition and accreditation of professional qualifications, and increase collaboration between universities and the convergence of education structures.

Credit transfer system in India

The University Grants Commission of India (UGCI) has been in the process of evolving an 'Indian Equivalence Assessment and Credit Transfer System' since 2009. The stated idea is to have a common method for assessment of grades offered by various universities, setting parity for such credits and evolving a comprehensive model for transfer of credits. In 2010, the Association of Indian Universities (AIU) began work on introducing a credit transfer system between education institutions along the lines of the varsities in the US, Canada and Europe. Indian institutes like Jawaharlal Nehru University and the Indian Institutes of Technology have credit transfer systems in coordination with foreign universities.

The way forward

A number of credit transfer frameworks in effect are explored in this article with the intention of creating the foundation for the process of developing a Credit Transfer System applicable to the South Asian context (see, Annex 2). Provided the existence of reputed and sound global systems of the calibre of ECTS and with several other national/regional systems such as Scottish, Australian, ASEAN and Asian credit transfer systems currently in effect or nearing completion, it is the need of the hour to have a closer look at the benefits and good practices of each scheme as well as the drawbacks in the context of South Asia in order to adapt practices suitable to the development of a framework appropriate to the higher education system in the region.

To accomplish this task in the higher education sector in Sri Lanka, it is essential to make arrangements for speedier implementation of the Sri Lankan Credit and Qualification Framework to launch the proposed Accreditation at its earliest in order to create an overarching credit transfer scheme encompassing all higher education institutions providing high level training and development for the students who complete their GCE Ordinary Level and/or Advanced Level examinations to facilitate student progression from the former type of institutions to the latter.

It is also necessary for the governing administrative bodies in South Asia responsible for higher education, for example the University Grant Commissions in these countries, to adopt an outcome-based approach during the development of new study programs, formulation of learning outcomes for national and institutional level programs and courses enriched with the right assessment criteria to facilitate this process and constituting the modules of the programs of study at the desired levels.

Although the principle behind the use of credit transfer system is simple, the complex issues involved in the formulation of a Credit Accumulation and Transfer Scheme

encompassing the universities in Sri Lanka need to be deliberated with due care and it may be pertinent to consider the practices of other countries.

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Annex 1: Minimum requirement for each level of the SLQF

SLQL	**Qualification Awarded**	**Minimum Requirements for the Award**
SLQL 10	Doctor of Philosophy / MD with Board Certification	Minimum 3 years of fulltime or equivalent time of original research
SLQL 9	Master of Philosophy / DM	Minimum 2 years of fulltime or equivalent time of original research
SLQL 8	Master degrees with course work and a research component	60 credits after SLQL 5 which include a research component of minimum 15 credits.
SLQL 7	Postgraduate Certificate /	20 credits after SLQL 5 or SLQL 6
	Postgraduate Diploma	30 credits after SLQL 5 or SLQL 6
	Masters degrees	35 credits after SLQL 5 or SLQL 6
SLQL 6	Bachelors Honours / Bachelors in professional disciplines	120 credits after SLQL 2 or 30 credits after SLQL 5
SLQL 5	Bachelors degree, Bachelor of Technology, Bachelors Double Major, Pundit, Royal Pundit, Nipun	90 credits after SLQL 2 or 60 credits after SLQL 3 30 credits after SLQL 4
SLQL 4	National Higher Diploma, Higher Diploma	60 credits after SLQL 2 or 30 credits after SLQL 3
SLQL 3	National Diploma, Diploma	30 credits after SLQL 2
SLQL 2	GCE (A.L) or equivalent, Certificate	
SLQL 1	GCE (O.L) or equivalent	

Annex 2: Comparison of credit transfer systems

Criteria	SLQF	ECTS	G8 AUST.	SCTS	ASEAN	ACTS	CATS
Administered by	Ministry of Higher Education of Sri Lanka (UGC / QAAC)	European Commission	Group of Eight Australian Universities	Partnership of the Scottish Qualifications Authority, the Association of Scotland's Colleges, QAA Scotland, Universities Scotland and the Scottish Government	ASEAN University Network (AUN)	Asia Cooperation Dialog (ACD)	Several different frameworks are in operation, including SEEC, NUCATS, NICATS, SCOTCAT and CQFW etc.
Qualification Levels	10 Levels	Postgraduate Degrees	-	12 Levels		Certificate > Diploma > Degree	3 Levels

Credit Definition	One credit is equivalent to 15 hours of lectures or 30-45 hours of laboratory work or 45 hours of field work/clinical work/ or minimum of 90 hours of industrial training	One academic year corresponds to 60 ECTS-credits that are equivalent to 1500–1800 hours of study. One credit corresponds to 25 to 30 hours of work. Normally 30 credits are given for six months (a semester) and 20 credits for a term (a trimester)	Common for all 8 universities	10 hours of learning	One full academic year = 60 credits; One Semester = 30 credits; One Term/Tri-semester = 20 credits	24 – 30 hours of learning	Postgraduate module = 15 credits University course of 10 to 20 2-hour sessions = between 10 and 20 CATS points, at one of Levels 1 to 3. 360 points need to be accumulated (240 points at level 2 or above and 120 points at level 3) to qualify for award of an honours degree
Grading Scale	Available / Published in the Manual	Available / Published in the Manual	Available / Published in the Manual	Available / Published in the Manual Compatible with ECTS	students divided into 5 subgroups: A (Excellent) to E (Fail)	Available / Published in the Manual Compatible with ECTS	Postgraduate Certificate = 60 /points credits; Postgraduate Diploma = 120; Foundation degree = 240; Pass/ordinary degree = 300; Postgraduate Master's degree = 180 at Level M.

Other important criteria	-	-	Students require to complete at least 1 year of full-time study, or a minimum of 50% of the relevant degree program where it is less than the full-time equivalent of one year in length, in the university from which they graduate	Universities and colleges, SQA and other awarding bodies decide how many of the credit points already received from previous learning can be transferred into their programs	Web-based application procedures	ACTS minimum credit for the award of a degree is 60 credits for Certificate level, 90 for Diploma and 120 credits for Bachelor level	Possible to equate CATS with the SCQF the ECTS, where two CATS points are equivalent to one ECTS point

AUTHOR INDEX

PROGRAMME OF THE WORKSHOP

Day 1 (18th June)

08:30 - 09:00	**Registration**
09:05	**Lighting of the Oil Lamp**
Inaugural Session	Chair Hon. S.B. Dissanayake, Minister of Higher Education
09:10	**Welcome Address and Opening Remarks**
	By *Prof. Ranjith Senaratne, Vice Chairman, UGC*
09:25	**Address by Prof. Gamini Samaranayake, Chairman, UGC**
09:40	**Address by Hon. S.B. Dissanayake, Minister of Higher Education**
10:00	Keynote Address
	"Rethinking Institutional Leadership in a Globalized Era: Strategic Imperatives for Higher Education'
	By Guest Speaker Dr. Kobena Hanson, Head- Knowledge and Learning, African Capacity Building Foundation, Zimbabwe
10.40	**Refreshments**
Session 01	**Policy Interventions in Higher Education**
	Chair Prof. Arjuna Aluwihare, Rapporteur *Prof. Sampath Amaratunge*
11:10	**The Role of the Ministry of Higher Education**
	By Dr. Sunil Jayantha Nawaratne Secretary, Ministry of Higher Education
11:40	**The Role of the UGC as Catalyst and Facilitator**
	By Prof. Gamini Samaranayake and Prof. H. Abeygunawardena
12:10	**Discussion**
Session 02	**Enabling Environment through Governance and Management**
	Chair Prof. R.P. Gunawardane, Rapporteur Prof. Danny Atapattu
12.40	**Remodelling Sri Lankan Universities to make them foreign students-friendly**
	By Prof. Kshanika Hirimburegama and Prof. Malik Ranasinghe

13:10	**Discussion**
13:25	**Lunch**
14:30	**New Breed of Institutional Leaders for Internationalising Sri Lankan Universities**
	By Prof. Ranjith Senaratne and Prof. Sarath Abayakoon
15:00	**Discussion**
15:15	**Refreshments**
Session 03	**Quality Assurance and Credit Transfer**
	Chair Prof. Dayantha Wijeyesekera, Rapporteur Prof. Swarna Piyasiri
15:45	**Quality Assurance & Accreditation of Undergraduate and Postgraduate Degree Programmes**
	By Prof. Uma Coomaraswamy and Prof. Sarath Amunugama
16:15	**Development of a Credit Accumulation and Credit Transfer System**
	By Dr. K.T. Somaratna and Prof. Colin Peiris
16:45	**Discussion**
Session 04	**Promoting Sri Lanka as a Destination for Higher Education**
	Chair Prof. Narada Warnasooriya, Rapporteur Dr. T.Jayasingam
17:00	**Role of the Ministry of External Affairs**
	By Mr. Sumith Nakandala, Director General Economic Affairs, Ministry of External Affairs
17:20	**Development and Implementation of Foreign Students Friendly Visa Scheme**
	By Mr. W.A.C. Perera, Controller General and Mr. R.M.S. Sarath Kumara, Controller Department of Immigration and Emigration
17:40	**Promotion of Local and Foreign Investments in Higher Education**
	By Ms. Nilupul de Siva, Director/Promotions, BOI
18.00	**Role of Public and Private Institutions in the Tourism Sector**
	By Dr. Suranga Silva, former Director General, SLITHM and
	Mr. Gemunu Gunawardane, Vice President, Aitken Spence PLC

18.30	**Discussion**
20:30	**Dinner**

Day 02 (19th June)

Session 05	**Engendering a Culture of Academic Excellence and Innovation**
	Chair Dr. Harsha Athurupana, Rapporteur Prof. K.D.N. Weerasinghe
8:30	**Improving the academic climate and intellectual atmosphere in Sri Lankan Universities**
	By Prof. Eric Karunanayake and Prof. Jayantha Wijeratne
9:00	**Promoting innovations and entrepreneurialism in Universities**
	By Mr. Chandra Embuldeniya and Prof. Ananda Jayawardena
9:30	**Discussion**
10:00	**Refreshments**
10:30	**Panel Discussion**
11:50	**Conclusion and Vote of Thanks**
13:00	**Lunch**

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LIST OF PARTICIPANTS

No	Name	Designation / Affiliation
	Ministry of Higher Education	
01	Hon. S.B. Dissanayake	Minister
02	Dr. Sunil Jayantha Nawaratne	Secretary
03	Prof. Rohan Rajapakshe	Consultant to the Ministry of Higher Education
04	Dr. Nimal Gunatilake	Advisor to the Ministry of Higher Education
	Invitees from Foreign Missions and Overseas	
05	Mr. Tony Reilly	Country Director, British Council, Colombo
06	Ms. Niroshi Siriwansa	Manager, International Higher Education, British Council, Colombo
07	Dr. Kobena T. Hanson	Head, Knowledge Learning Division, African Capacity Building Foundation, Zimbabwe
08	Dr. Harsha Athurupanne	Lead Education Specialist, Human Development Unit , South Asia Region ,The World Bank
09	Prof. Stanley Samarasinghe	Professor, Tulane University, USA
10	Mr. Derek Scott Marshall	Tulane University, USA
	Former Secretary	
11	Prof. R.P. Gunawardane	Ministry of Higher Education
	Former Chairman	
12	Prof. Arjuna Aluwihare	University Grants Commission
	University Grants Commission	
13	Prof. S.V.D.G. Samaranayake	Chairman
14	Prof. Ranjith Senaratne	Vice Chairman
15	Prof. H. Abeygunawardena	Commission Member
16	Prof. S. Mohanadas	Commission Member
17	Prof. Sampath Amaratunga	Commission Member
18	Mr. Tissa Nandasena	Secretary

	Vice Chancellors	
19	Prof. Kshanika Hirimburegama	University of Colombo
20	Prof. Sarath Abayakoon	University of Peradeniya
21	Dr. N.L.A. Karunaratne	University of Sri Jayewardenepura
22	Prof. Sarath Amunugama	University of Kelaniya
23	Prof. Ananda Jayawardena	University of Moratuwa
24	Prof. Susirith Mendis	University of Ruhuna
25	Prof. S.J.B.A. Jayasekera	University of Wayamba
26	Prof. Ranjith Premalal De Sliva	Uwa Wellassa University
27	Prof. Mahinda S. Rupasinghe	University of Sabaragamuwa
28	Prof. Vasanthi Arasaratnam	University of Jaffna
29	Prof. K. A. Nandasena	Rajarata University of Sri Lanka
30	Dr. K. Kobindarajah	Eastern University of Sri Lanka
31	Dr. S.M.M. Ismail	South Eastern University of Sri Lanka
32	Major General Milinda Peiris	Kotelawala Defence University
33	Prof. Kapila G.A. Goonasekere	University of Vocational Technology
	Former Vice Chancellors	
34	Prof. Dayantha Wijeyesekara	University of Moratuwa
35	Prof. Uma Coomaraswamy	University of Sri Lanka
36	Prof. Narada Waranasooriya	University of Sri Jayawardenepura
37	Mr. Chandra Embuldeniya	Uwa Wellassa University
	Representatives from Private Sector	
38	Dr. Athula Pitigala-Arachchi	Chief Executive Officer, Asia Pacific Institute of Information Technology
39	Mr. Rizvi Zaheed	Managing Director, Heyleys Agriculture Holdings Limited
40	Mr. Partick Amarasinghe	President, Young Entrepreneurs Sri Lanka
41	Mr. Gamunu Gunawardane	Vice President, Aitken Spence PLC
	Academic Staff from Universities	
42	Prof. Sirimal Abeyratne	Professor, Faculty of Arts, University of Colombo
43	Prof. Swarna Piyasiri	Senior Professor, Faculty of Science, University of Sri Jayewardenepura
44	Prof. Janitha Liyanage	Professor, Faculty of Science, University of

		Kalaniya
45	Prof. K.D.N. Weerasinghe	Senior Professor, Faculty of Agriculture, University of Ruhuna
46	Prof. Danny Atapattu	Senior Professor, Faculty of Humanities and Social Sciences, University of Ruhuna
47	Prof. S. Sivasegaram	Academic Head of Marine Engineering, Ocean University of Sri Lanka
48	Prof. K. Kandasamy	Dean, Faculty of Science, University of Jaffna
49	Prof. W.P.S. Dias	Senior Professor, Department of Civil Engineering, University of Moratuwa
50	Dr. T. Jayasingham	Senior Lecturer, Faculty of Science, Eastern University of Sri Lanka
51	Dr. Gamika Prathapasinghe	Senior Lecturer, Department of Livestock and Avian Science, Wayamba University of Sri Lanka
	Ministries and Institutions	
52	Prof. Colin N. Peiris	Director, Postgraduate Institute of Agriculture
53	Prof. Eric Karunanayake	Chairman, National Research Council
54	Prof. Lakshman Jayatilleke	Chairman, National Education Committee
55	Mr. Sumith Nakandala	Secretary General, Ministry of External Affairs
56	Dr. D.A.C. Suranga Silva	Former Director General, Sri Lanka Institute of Tourism and Hotel Management
	Board of Investment of Sri Lanka (BOI)	
57	Dr. Nihal Samarappuli	Executive Director, Research and Policy Advocacy Department
58	Ms. Champika Malalgoda	Director, Research
59	Ms. Nilulpul de Silva	Director, Promotion
60	Ms. Kumudini Ratnaweera	Deputy Director, Promotion
	Department of Immigration and Emigration	
61	Mr. R.M.S. Sarath Kumara	Controller, Visa
62	Mr. M.N. Ranasinghe	Controller, IT & Border Control

Sri Lanka shows great promise as a regional educational hub. However, in order to realize this potential, it has to deal with manifold challenges of the highly globalized competitive environment. This volume of Proceedings of the workshop titled "Re-creating and Re-positioning of Sri Lankan Universities to meet Emerging Opportunities and Challenges in a Globalized Environment" organised by the University Grants Commission jointly with the Ministry of Higher Education on the following themes is of great value and relevance in this context.

1. Policy interventions
2. Institutional leadership
3. Governance and management
4. Academic climate and research & innovation culture
5. Quality Assurance and credit transfer

The papers cover various aspects of the issues from different perspectives and provide fresh insights and practical propositions to transform Sri Lanka into an educational hub in the region and will be of immense value to legislators, policy makers, planners and institutional leaders in dealing with the changes needed in the higher education system and the reshaping of the universities to match their anticipated role in transforming Sri Lanka into an educational hub. They will also be of value to university teachers, other educationists and students as well as to anyone interested in higher education and its role and place in a changing global environment.