

## A new model for future universities based on not-for-profit public–private partnership

This correspondence tries to identify some essential elements in the design of new universities of the future which address many of the concerns being discussed today. They can also be incorporated to varying degree in the existing universities. Indian higher education has seen two broad models: government institutions and private institutions. The former model has been largely applied to the universities and the latter to colleges. We hear a lot of misgivings about institutions in both the models, leaving aside a few elite institutions.

The key enabling elements of the proposed model are autonomy with accountability. In the proposed model, the institution has a great amount of autonomy (like a private institution) but functions with public purpose (like a government institution). It also has some other characteristics which will not be discussed here, such as a sense of ownership with gratitude among its stakeholders, and functioning efficiently using technology.

The model proposed here is such that neither the government nor the private partners have direct control over the university. Moreover, enlightened elements from academia are brought in to have a say and run the institution. The university in the new model would have a governing board consisting of members from government, industry, academia and socially conscious sections of society. The governing body is empowered to take all decisions including the appointment of the chairman of the board (or chancellor) and the director (or vice chancellor) of the university.

In the model proposed here, the government and the private industry contribute capital to create the institution, and thereafter the institution must run on its own (except for occasional inputs to expand the infrastructure). As the purpose of the university is public, government may have to come up with a larger share. A private partner would come forward to contribute as it would be able to play a role in shaping it. The institution would remain, however, a public institution. (Philanthropy can pay fully for the cost of creating infrastructure of the institution, and there are notable instances of it in the past, for example IISc, Bangalore and BITS, Pilani.) The main sources of

revenue in the current situation would be threefold: tuition, sponsored research and endowments. Initially the endowments are likely to be small, say, contributing 5% of the total revenue or less. The ratio of tuition revenue and research funds is an indicator whether it is a largely teaching university or a largely research university. The contribution of R&D revenue could vary from 10% to 40%, which could come from government funded research and industry-funded development projects.

Other than the initial grants from government and contribution from industry partners, the institution has complete financial autonomy. Its governing board is empowered to set the faculty salaries, make its own procedures, define its own admission criteria, set the student fees, etc. The operational and academic autonomy comes with the board overseeing that it is done not with profit motive but public purpose.

Academics with public purpose has to be carried out within the financial resources with high standards. The three elements: (i) academics with public purpose, (ii) academic excellence, and (iii) financial resources have to be woven together to fulfil the objectives set for itself by the institution. The three elements have to synergize with one another. For example, as the institution produces new research, it looks for socially useful ways to apply it; when it identifies problems faced by society, it orients its academics to find solutions for it; when it feels the need for finances, it takes up activities that are socially useful and academically sound. The longer term goal setting and accountability towards society comes through the governing board which has prabuddh (or enlightened) sections of society besides government and industry. They see to it that the institution follows its long-term vision of fulfilling its public purpose.

The board is free to decide what areas the institution should concentrate on, what methods to adopt to achieve the goals in each area, and what steps to follow for effective functioning. For example, an institution might concentrate on basic research as opposed to applied research, or choose to work on wind energy as opposed to solar energy, or engage with

enhancing education in nearby colleges. Indeed the purpose of autonomy is to be able to deal with issues in its local context more effectively, and to serve the public purpose by taking advantage of the local conditions on the one hand, and its capability on the other. It is hoped that constraints that come in autonomous functioning of government universities would not be present; whereas the dilution of social goals for pecuniary ones, which occurs in purely private institutions, does not happen. Incidentally, a vital part of academics is to develop its students into sensitive and socially conscious human beings. This is best done in a setting of public purpose, and not in one of private profit.

Some might feel that the design proposed here is utopian, and would not work in practice. What has been proposed here has been implemented and is already operating at IIT Hyderabad, a research university. Infrastructure, including land and buildings, were given by Andhra Pradesh government. Private contributions came from companies the Andhra Pradesh government was able to persuade. The institution is run by an autonomous governing board setting a high public service agenda with high academic goals.

Because of its autonomous structure, it has been able to weave research and academics together through innovative programmes leading to building of large research groups in the country in several areas in computer science and electronics and communications engineering.

There is a need to set up more universities under the not-for-profit public–private partnership (N-PPP) model through the participation of government and industry. Charged with the responsibility of nurturing excellence in teaching and R&D, together with public purpose and the right amount of pressure regarding finances can help create new truly autonomous and agile universities of the future. Lead needs to be taken by the Central Government in this regard.

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