

**HEA – DUBLIN – 23rd NOVEMBER 2016**

# **PRIVATE SUPPLY IN EUROPEAN HIGHER EDUCATION – MAJOR PATTERNS AND CHALLENGES**

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# Private Higher Education in Europe:

- **Changing Times in Higher Education**
- **Public-Private Mix – Old and New realities**
- **Profiles of the Public and Private Sectors – expectations and realities**
- **System and Institutional Challenges**

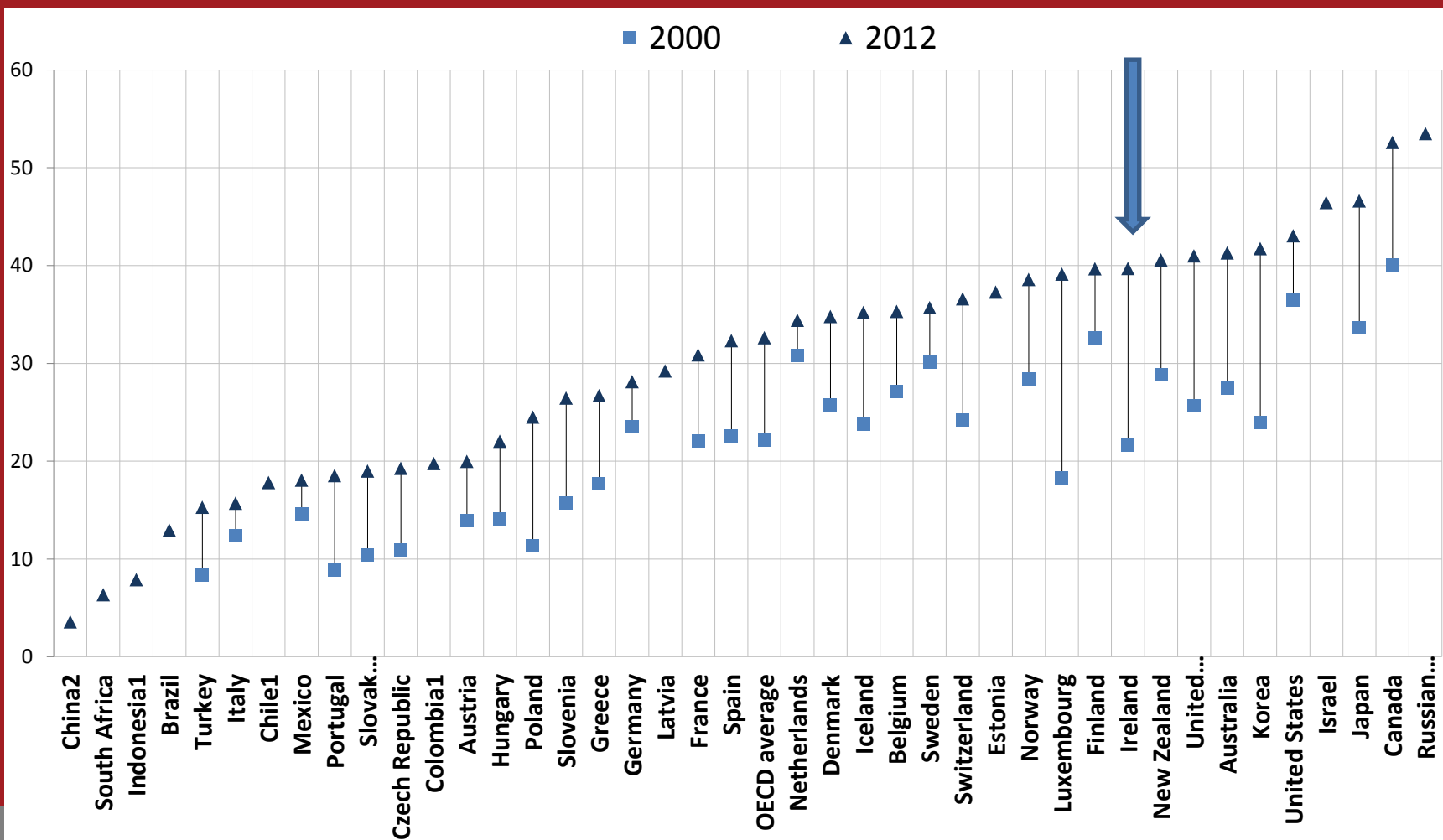
# Changing Times in Higher Education



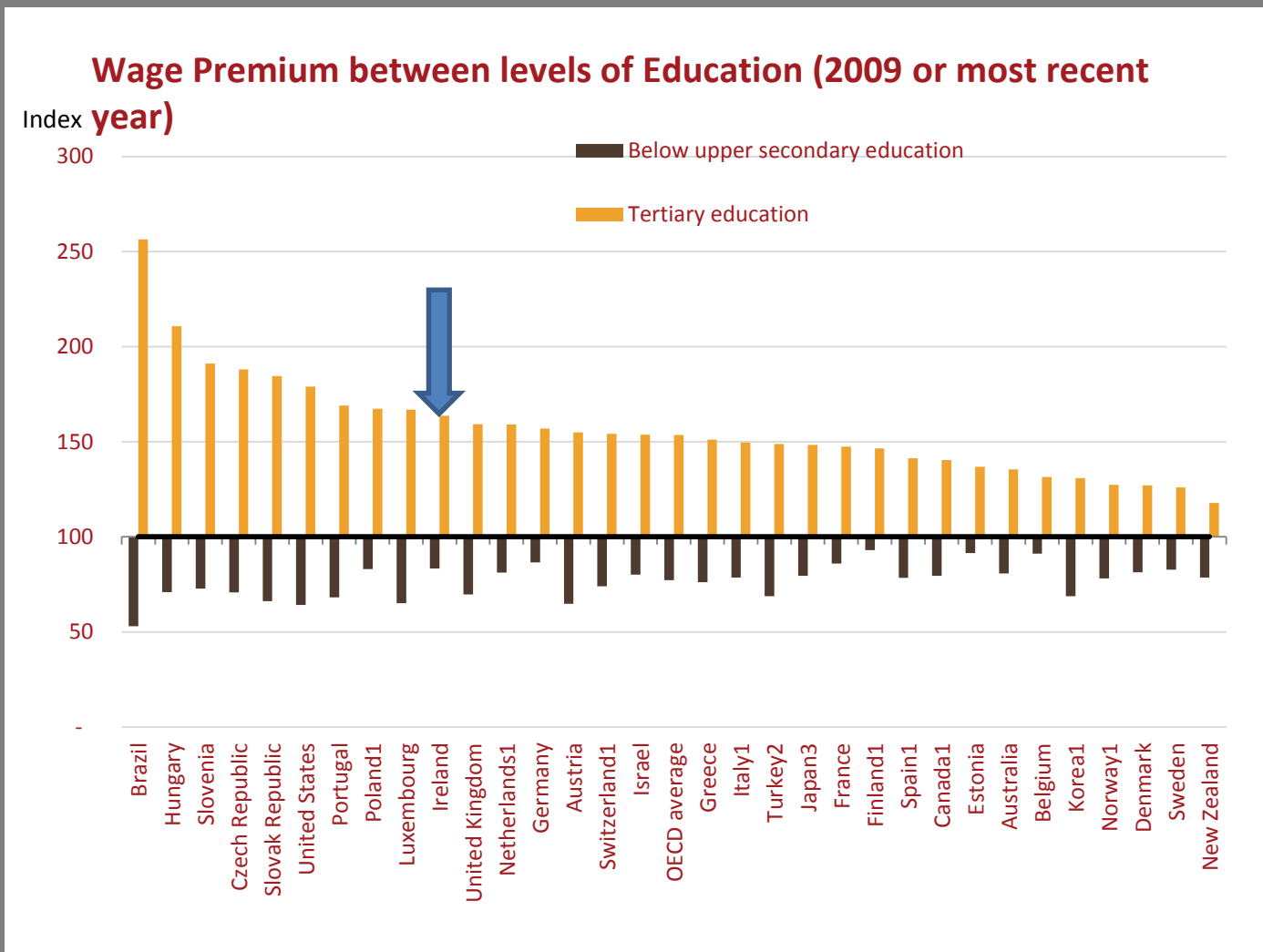
## Global Growth in HE – Numbers of Students:

- Total: 79M (1995) – 196M (2012);
- China: 5,2M (1995) – 32,6M (2012);
- India: 6,5M (1995) – 17M (2011);
- Brazil: 2M (1997) – 5,8M (2011);

# Share of the Adult Population that has Completed HE – 2000-2012

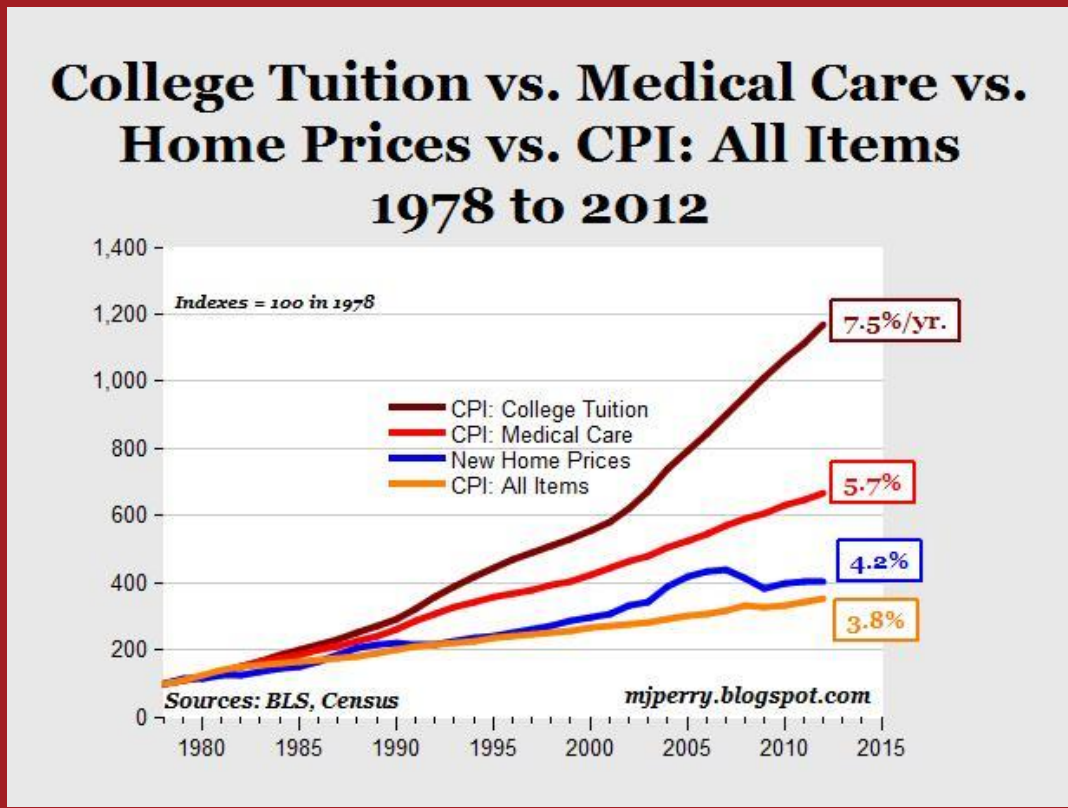


# Financial Advantages Associated with Higher Qualifications



# Financial Challenges:

- **Growth in Tuitions Fees (U.S.A.):**
  - **Private Universities - 28% between 2003-2012 (average cost \$30.000);**
  - **Public Universities - 27% between 2008-2012 (average cost \$8.400-\$19.000);**
- **Total debt- \$1,2 trillion;**





## Technological Challenges:

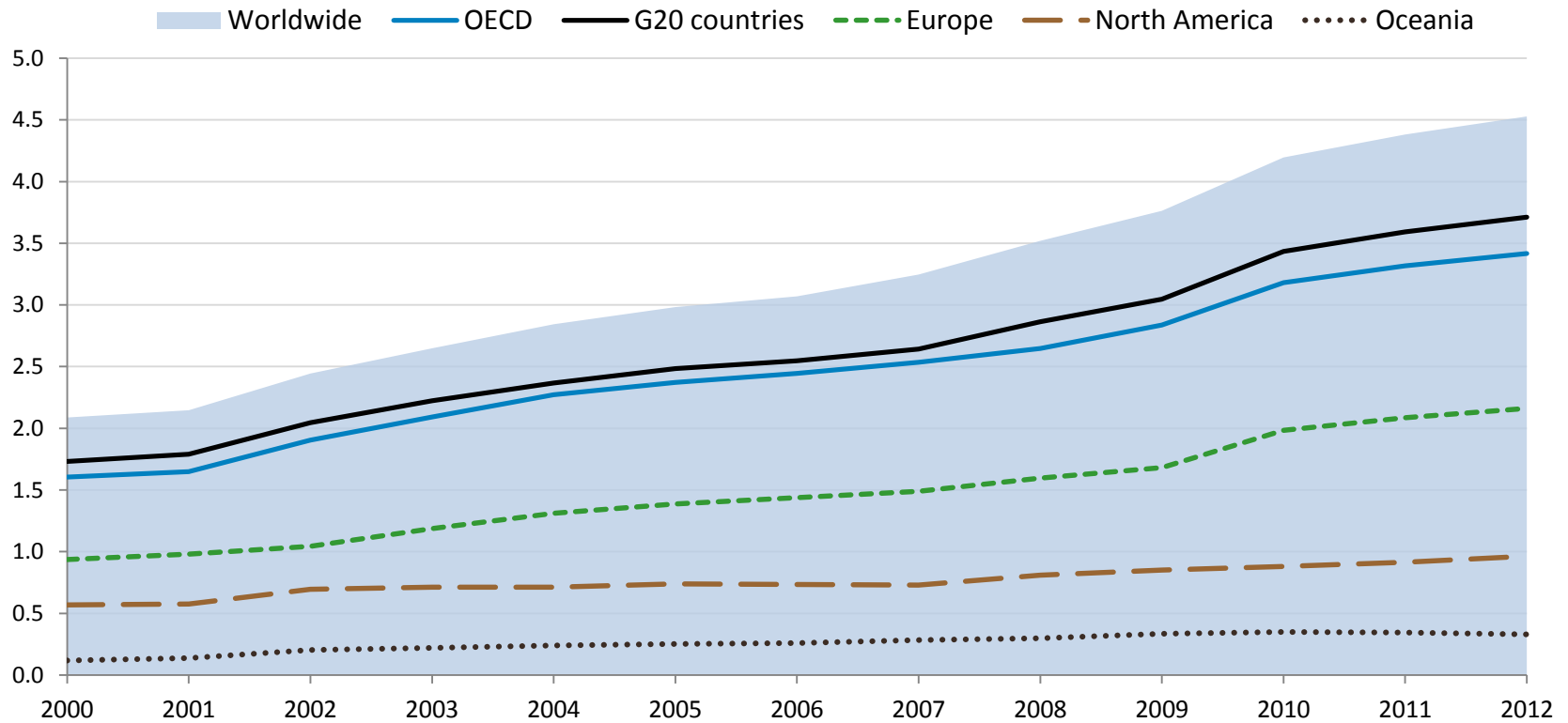
- Possibilities and opportunities;
- Lower costs;
- Partnerships between Universities and Companies;
- Threat mainly to less prestigious traditional institutions;





# Growing Mobility of Students

**Number of Students Enrolled in another Country – Full degree**



Source: OECD

# Changing Public-Private Mix in European Higher Education

# Higher Education in Europe – Historical

## Background:

- **Private HE - an Old and New Reality;**
- **An history of growing State influence;**
- **Material and symbolic support to Public HE;**
- **Legal homogeneity;**
- **Absorption of Graduates;**
- **Influence even upon Privately owned HEIs;**

## Private Higher Education in Europe – Recent Trends:

- **Advances of Marketization and Privatization in HE;**
- **Continuous expansion of HE;**
- **Growing Costs – Total costs and costs per student;**
- **Challenges of Mass HE;**
- **Regulatory and Technological changes;**

## Private Higher Education – New Developments:

- **Development of For-Profit Private HE (actual vs. formal).**
- **Large International Groups:**
  - **More specialized profile;**
  - **More aggressive attitude;**
  - **Professional management;**
  - **Threat to traditional Private HE;**
- **Transnational Higher Education.**

## Private Higher Education in Europe:

- How significant is Public and Private HE across Europe?
- How different are Public and Private HE across Europe?
- Differences in Size?
- Patterns of Specialization?
- National and Historical differences?
- Relevance of the timing of Expansion ?

## Private Higher Education and Europe:

- **EUMIDA and ETER Projects – EUROSTAT and EC**
- **Exploring the creation of an European Database of HEIs**
- **Data for Year 2008 and 2012**
- **29 Countries (27 plus Norway and Switzerland)**
- **Ca. 2,500 HEIs included**
- **2 sets of Data – basic and extended (Research Active HEIs)**

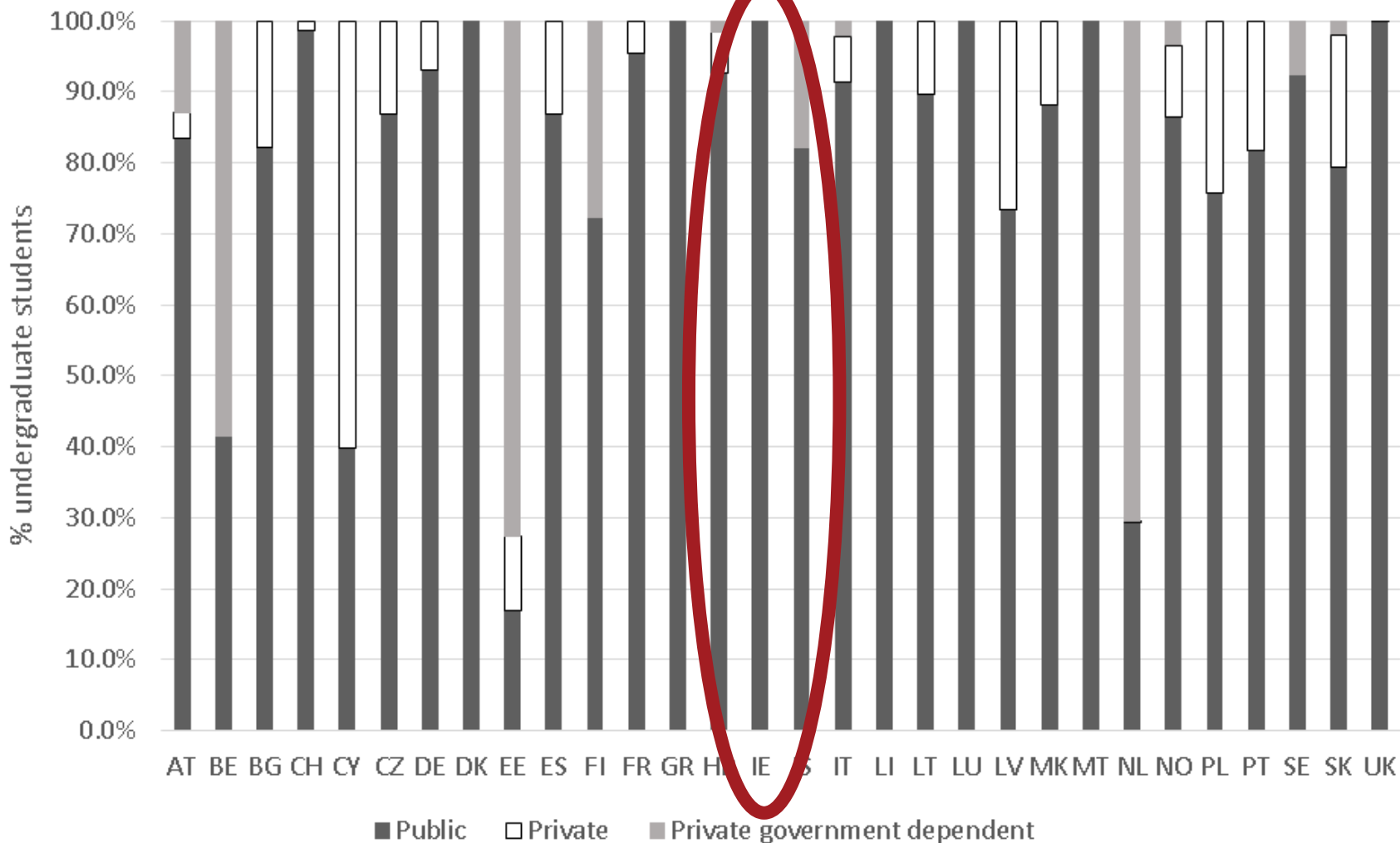


## Characteristics of HEIs by legal status (median by type)

(Source: ETER – 2014)

	Number of HEIs	Total academic staff (FTE)	Total students enrolled ISCED 5-7	Total students enrolled at ISCED 8	Tuition fees / total budget
Public	1526	309	4903	309	.04
Private	613	50	919	37	.57
Private government-dependent	151	150	2455	123	.12

*Undergraduate students by HEIs legal status by country*



Country	Core Data Set							
	Public				Private			
	Nr. Institutions		Nr. Enrolled Students		Nr. Institutions		Nr. Enrolled Students	
Austria	51	75,0%	263363	97,5%	17	25,0%	6768	2,5%
Belgium <sup>a</sup>	66	77,6%	155226	58,6%	19	22,4%	109849	41,4%
Bulgaria	43	72,9%	201256	77,4%	16	27,1%	58689	22,6%
Switzerland	34	94,4%	171673	99,5%	2	5,6%	922	0,5%
Cyprus	9	24,3%	7780	33,7%	28	75,7%	15306	66,3%
Czech Rep.	28	38,4%	328426	86,6%	45	61,6%	50794	13,4%
Germany	288	70,9%	1910854	95,5%	118	29,1%	90181	4,5%
Estonia	19	55,9%	56556	83,0%	15	44,1%	11612	17,0%
Spain <sup>b</sup>	47	n.a.	1167901	n.a.	n.a.	n.a.	n.a.	n.a.
Finland	49	100%	296569	100%	0	0%	0	0%
Greece	59	98,3%	584230	100%	1	1,7%	44	0%
Hungary	30	41,7%	328935	86,3%	42	58,3%	52098	13,7%
<b>Ireland</b>	<b>21</b>	<b>100%</b>	<b>155036</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
Italy	147	60,5%	1866737	93,1%	96	39,5%	138503	5,5%
Lithuania	28	60,9%	183027	98,4%	18	39,1%	19482	9,6%
Luxembourg	1	100%	3526	100%	0	0%	0	0%
Latvia	37	60,7%	77693	69,0%	24	39,3%	34874	31,0%
Malta	3	75,0%	10276	97,7%	1	25,0%	239	2,3%
Netherlands	54	91,5%	624520	99,2%	5	8,5%	5031	0,8%
Norway	63	92,6%	199494	92,4%	5	7,4%	16357	7,6%
Poland	131	28,7%	1295758	66,3%	326	71,3%	658711	33,7%
Portugal	40	29,0%	282438	75,7%	98	71,0%	90564	24,3%
Romania	55	67,1%	648117	62,7%	27	32,9%	386097	37,3%
Sweden	36	73,5%	338795	92,8%	13	26,5%	26367	7,2%
Slovenia	7	63,6%	92169	95,7%	4	36,4%	4154	4,3%
Slovakia	23	69,7%	201926	86,7%	10	30,3%	31010	13,3%
UK	149	99,3%	2247639	100%	1	0,7%	985	0,0%

## Private Higher Education in Europe:

- **Smaller size of the Private Sector.**
- **Smaller average size in enrolments.**
- **Significant differences across Europe.**
- **Countries with significant Private presence (BU/CY/ES/HU/LA/PL/PT/RO/SK).**
- **Countries with no Private HE or almost none (A/CH/IE/FI/GR/LX/NL/UK).**
- **Limitations of Official data – Private HE not always visible...**

# Profiles of Public and Private Higher Education

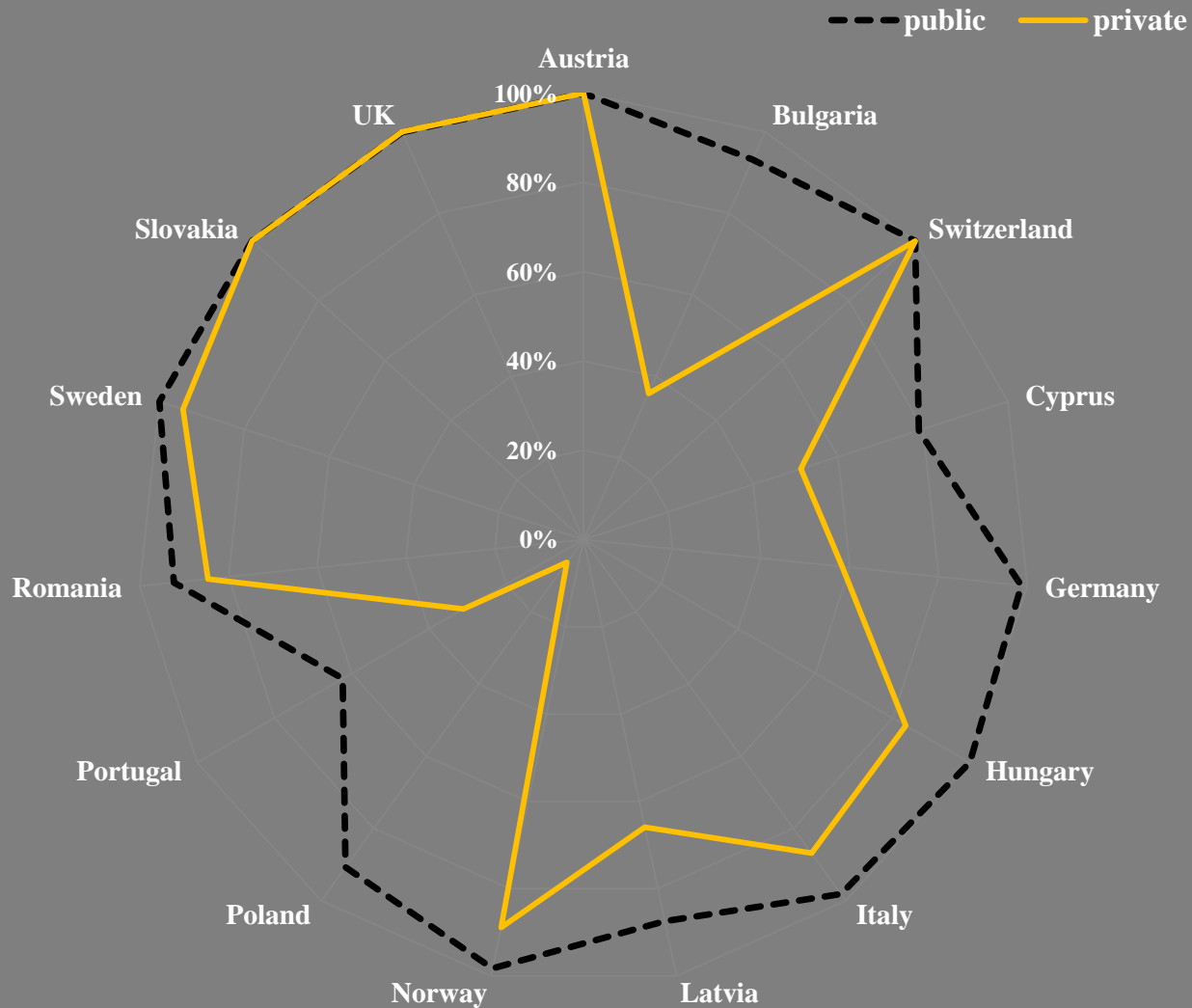
## Research Active HEIs:

- **The existence of official Research mandate**
- **Existence of Research Units institutionally recognized**
- **Inclusion of R&D statistics as sign of institutionalized activity**
- **Awarding Doctorates or other ISCED 6 Degrees**
- **Consideration of Research in institutional Strategic objectives/plans**
- **Regular funding from Public Agencies/Private Companies**
- **Data for 15 Countries**

Country	Research Active Institutions							
	Public				Private			
	Nr. Institutions		Nr. Enrolled Students		Nr. Institutions		Nr. Enrolled Students	
Austria	51	75,0%	263363	97,5%	17	25,0%	6768	2,5%
Belgium <sup>a</sup>	66	77,6%	155226	58,6%	19	22,4%	109849	41,4%
Bulgaria	37	94,9%	187493	89,9%	2	5,1%	21036	10,1%
Switzerland	34	94,4%	171673	99,5%	2	5,6%	922	0,5%
Cyprus	3	42,9%	6144	43,9%	4	57,1%	7836	56,1%
Czech Rep.	26	100,0%	325692	100,0%	0	0%	0	0%
Germany	250	82,0%	1884681	97,3%	55	18,0%	52548	2,7%
Estonia	6	85,7%	44922	96,6%	1	14,3%	1590	3,4%
Spain <sup>b</sup>	47	n.a. <sup>b</sup>	1167901	n.a.	n.a	n.a.	n.a.	n.a.
Finland	49	100,0%	296569	100,0%	0	0%	0	0%
Greece	40	100,0%	579150	100,0%	0	n.a	0	n.a.
Hungary	29	50,0%	328607	88,3%	29	50,0%	45445	11,7%
<b>Ireland</b>	<b>21</b>	<b>100%</b>	<b>155036</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
Italy	67	82,7%	1832956	93,8%	14	17,3%	120336	6,2%
Lithuania	15	93,8%	159445	n.a.	1	6,3%	Cf.	n.a.
Luxembourg	1	100%	3526	100%	0	0%	0	0%
Latvia	15	75,0%	67939	74,7%	5	25,0%	22971	25,3%
Malta	1	100%	9508	100%	0	0%	0	0%
Netherlands	54	91,5%	624520	99,2%	5	8,5%	5031	0,8%
Norway	45	97,8%	196029	93,1%	1	2,2%	14544	6,9%
Poland	87	95,6%	1176158	96,6%	4	4,4%	41718	3,4%
Portugal	14	77,8%	176082	86,2%	4	22,2%	28175	13,8%
Romania	45	78,9%	598635	64,7%	12	21,1%	326885	35,3%
Sweden	36	87,8%	338795	93,2%	5	12,2%	24896	6,8%
Slovenia	4	100%	90862	100%	0	0%	0	0%
Slovakia	23	69,7%	201926	86,7%	10	30,3%	31010	13,3%
UK	147	99,3%	2245416	100%	1	0,7%	985	0,0%



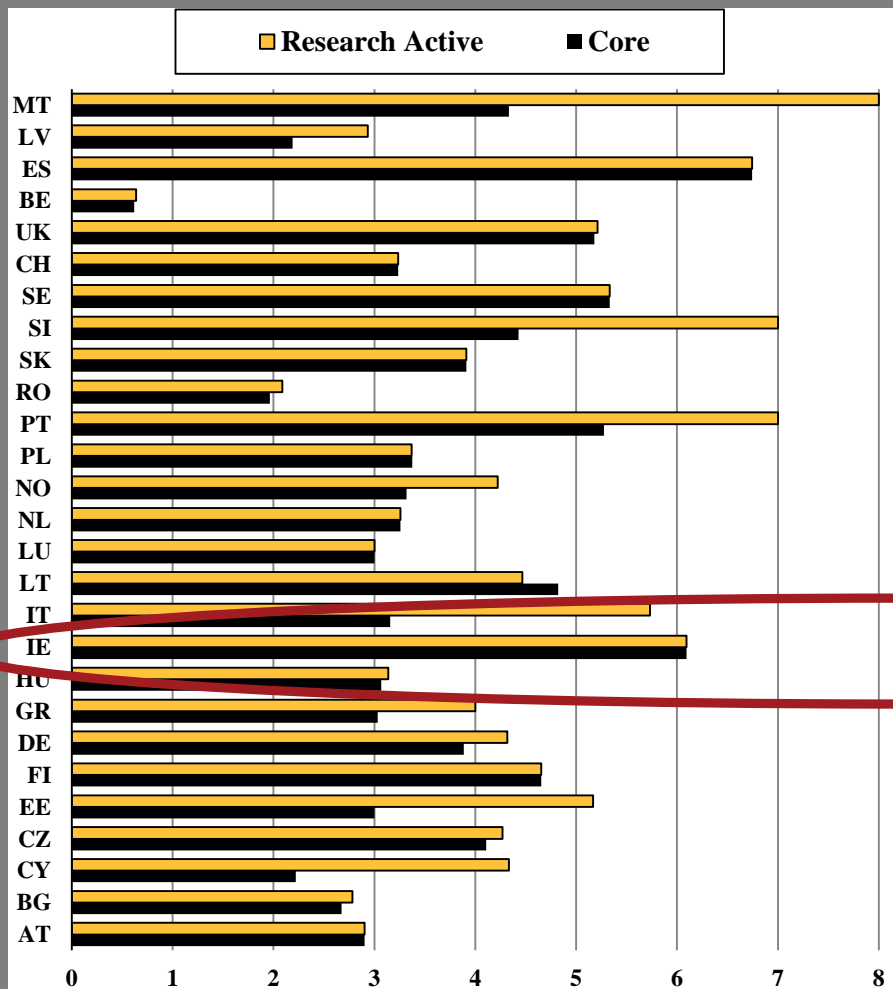
# Relative weight of the RAIs in the public and private sectors in terms of enrolments



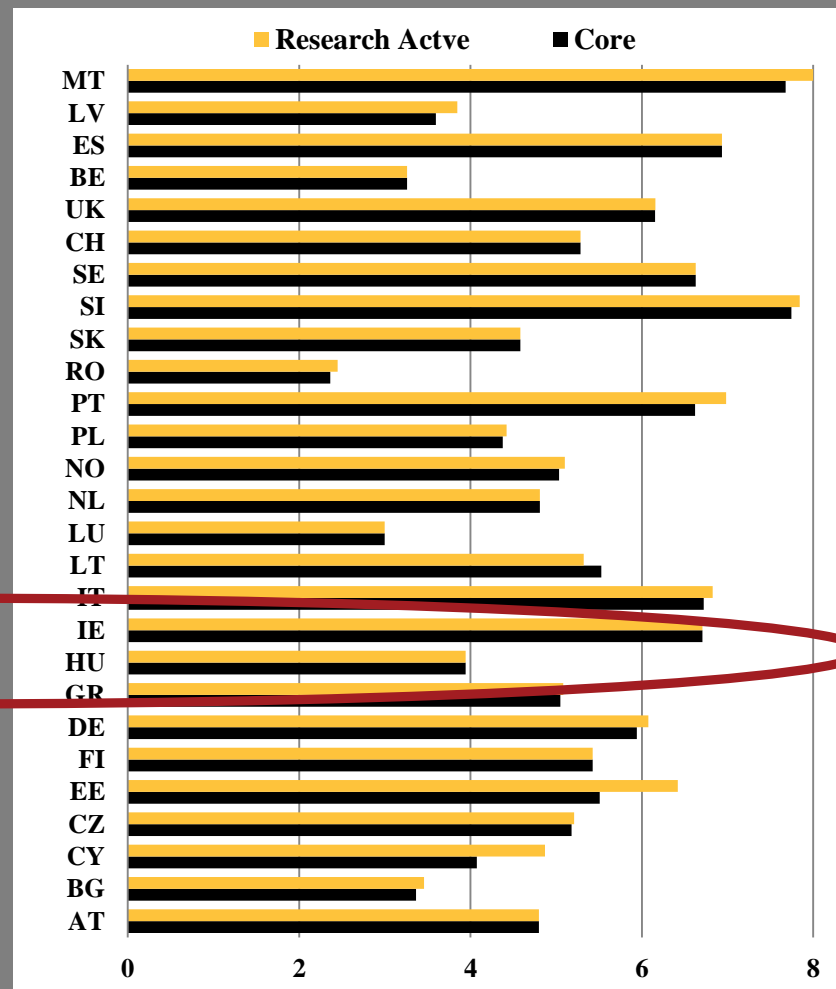
## Private Higher Education and Europe:

- **Under-Representation of the Private Sector in RAIs**
- **Teaching emphasis**
- **Cost of Research**
- **Recent development of many Institutions**
- **Staff composition**
- **Quantity vs. Quality**

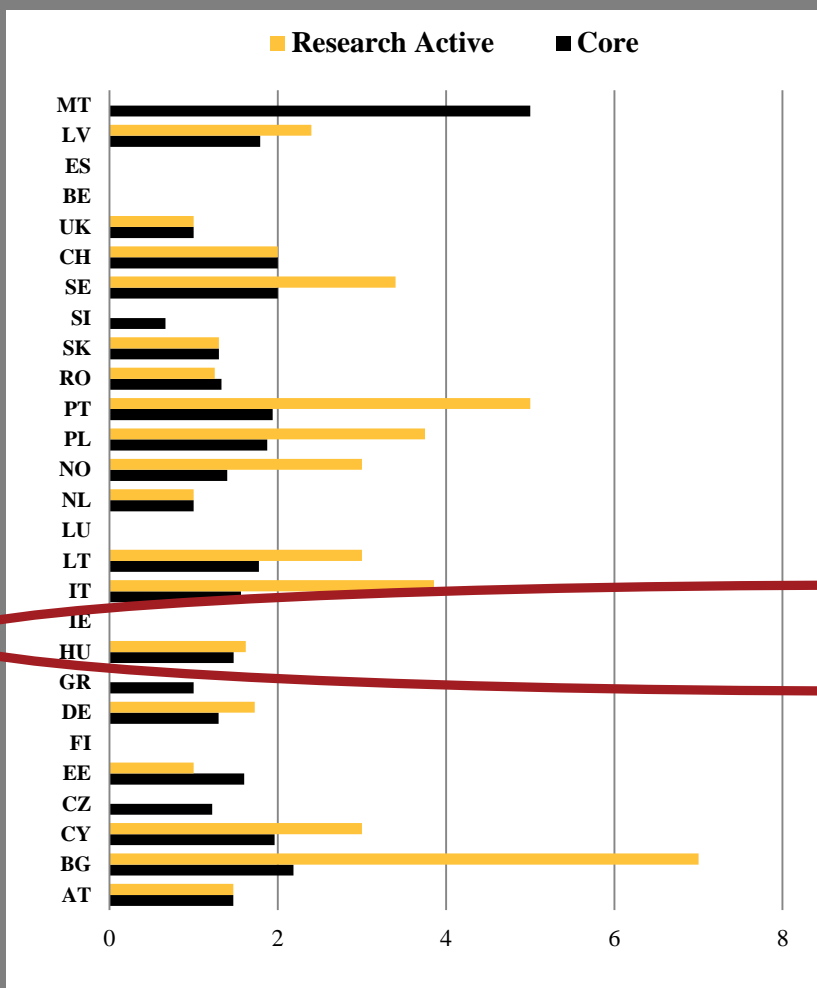
Average Number of Educational Fields – Public Sector



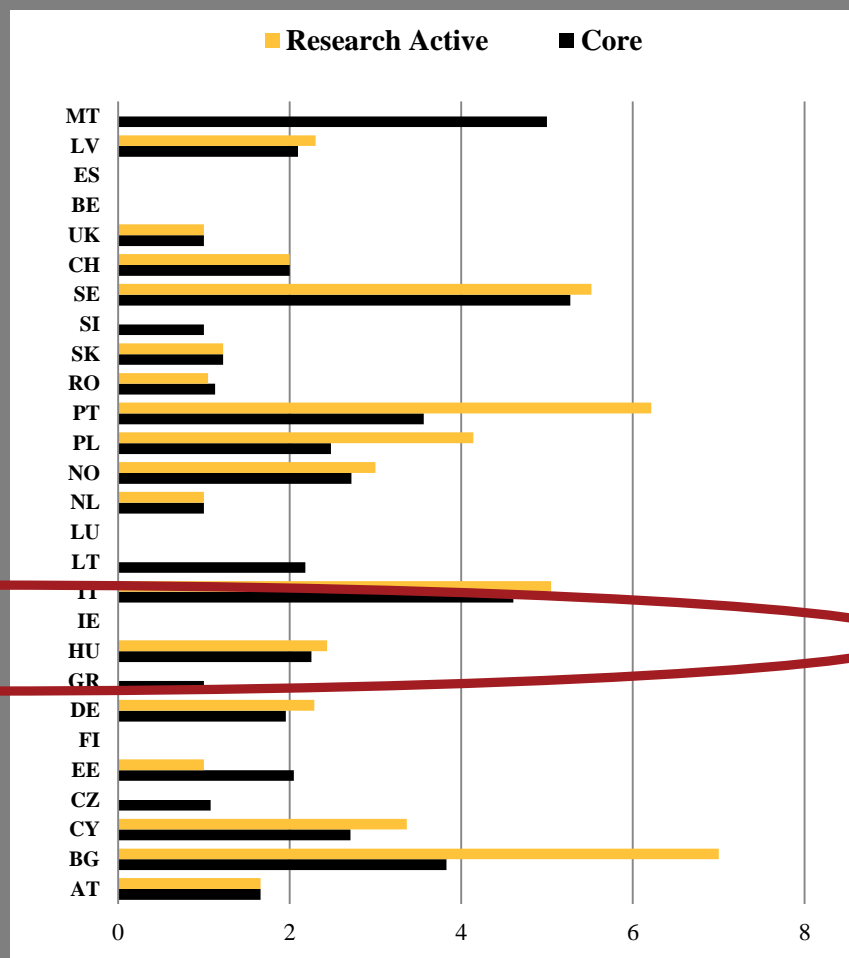
Weighted average (enrolled students) Number of Educational Fields – Public Sector



Average Number of Educational Fields – Private Sector

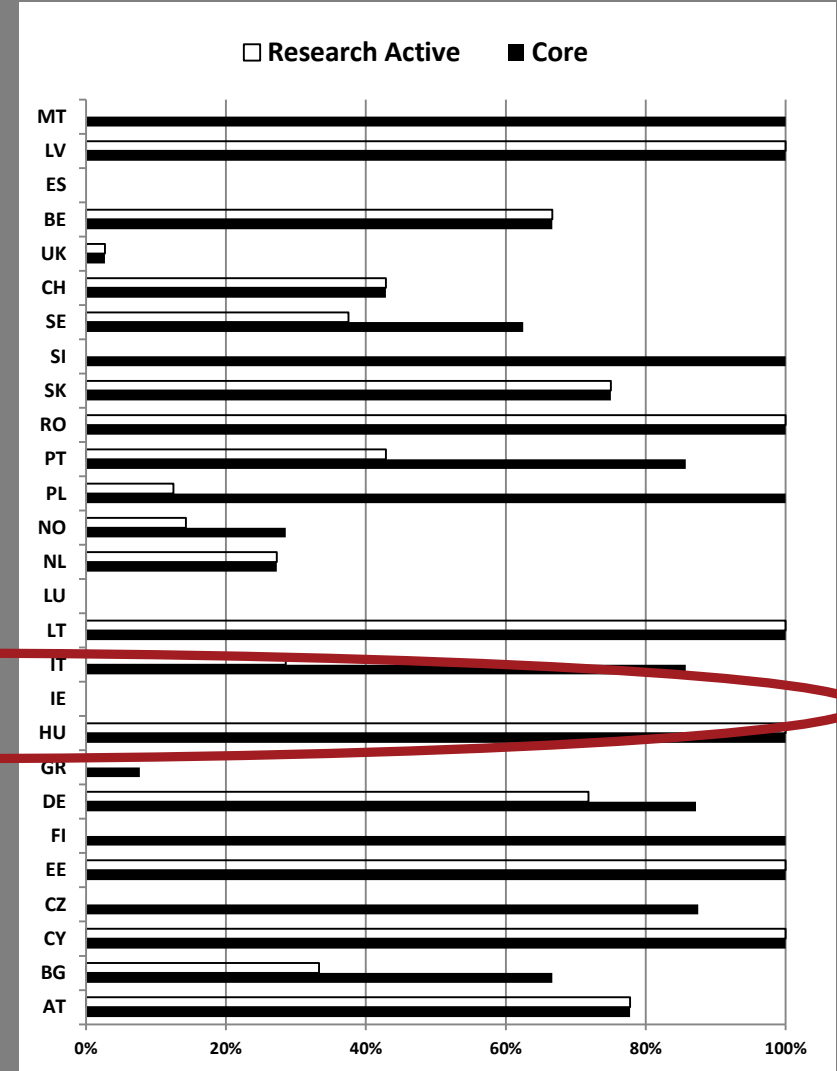
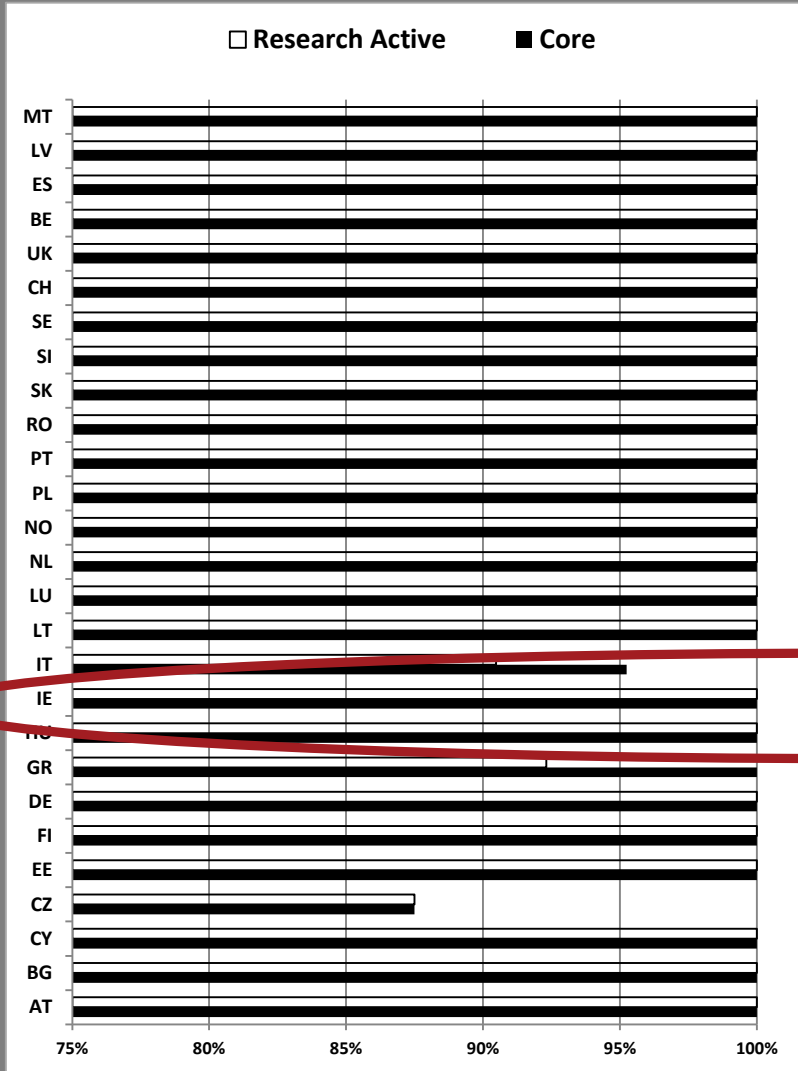


Weighted average (enrolled students) Number of Educational Fields – Private Sector



Proportion of NUTS II regions with at least one public HEI

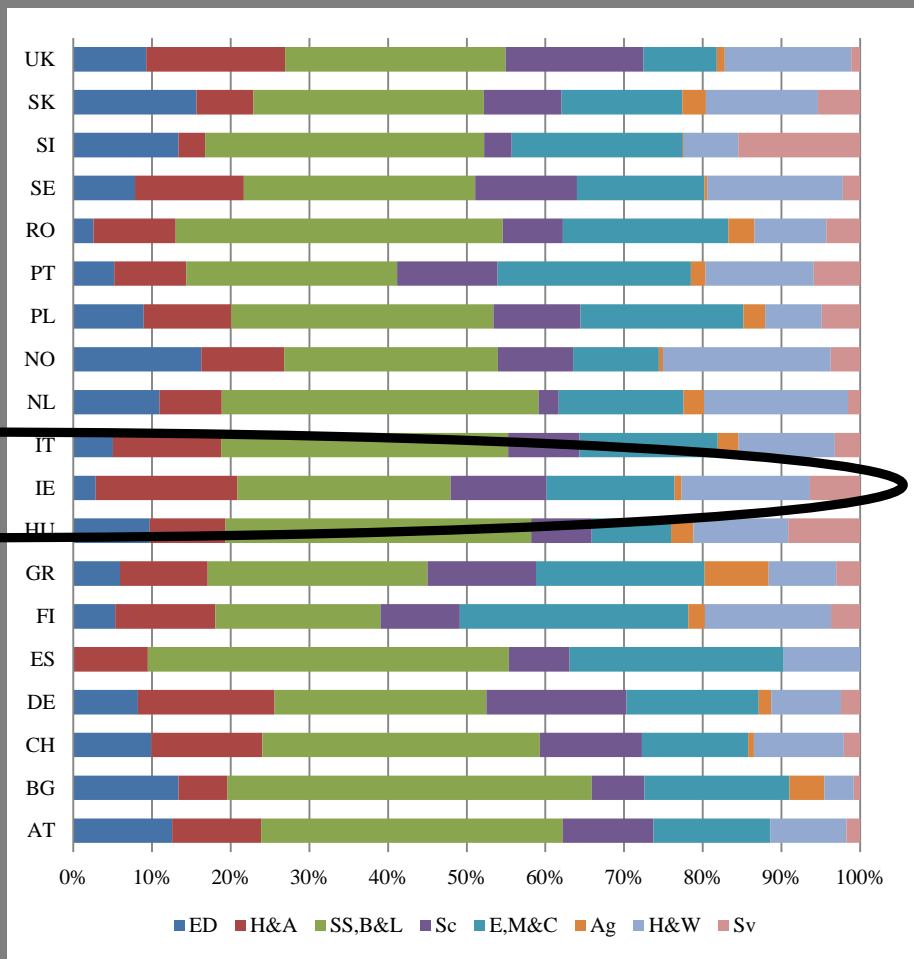
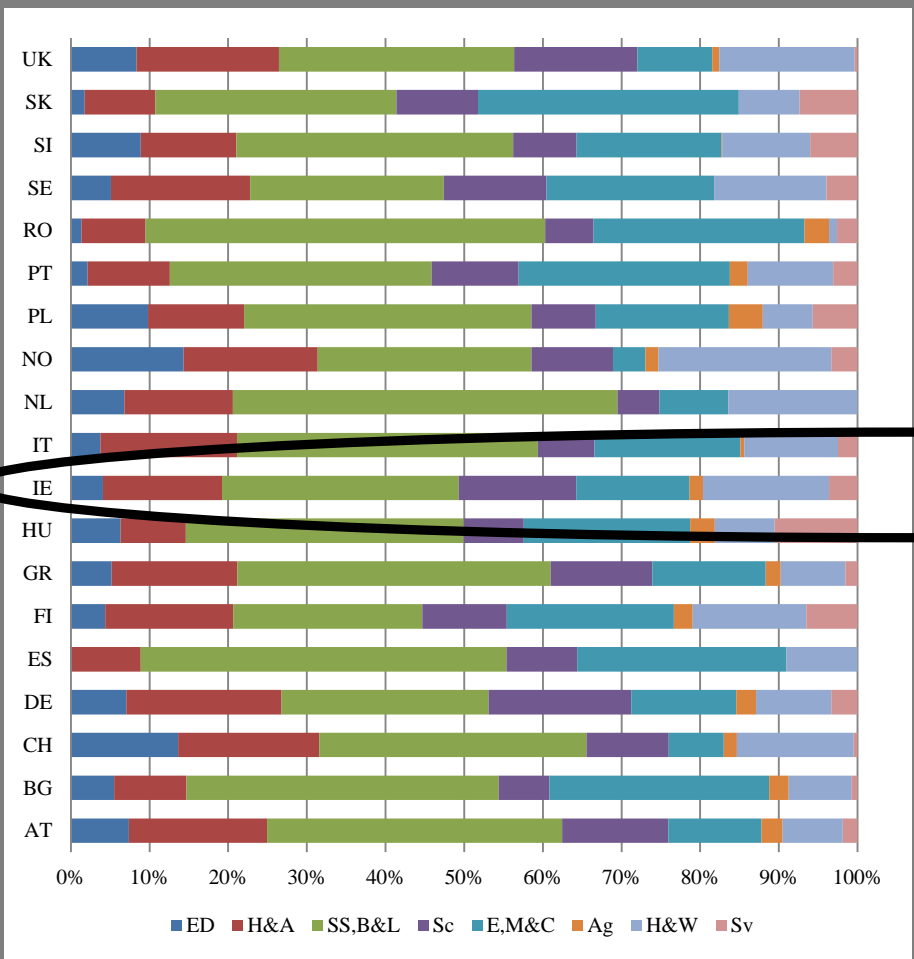
Proportion of NUTS II regions with at least one private HEI



# Distribution of Enrolments by Scientific Areas

## Public Sector – Capital Region

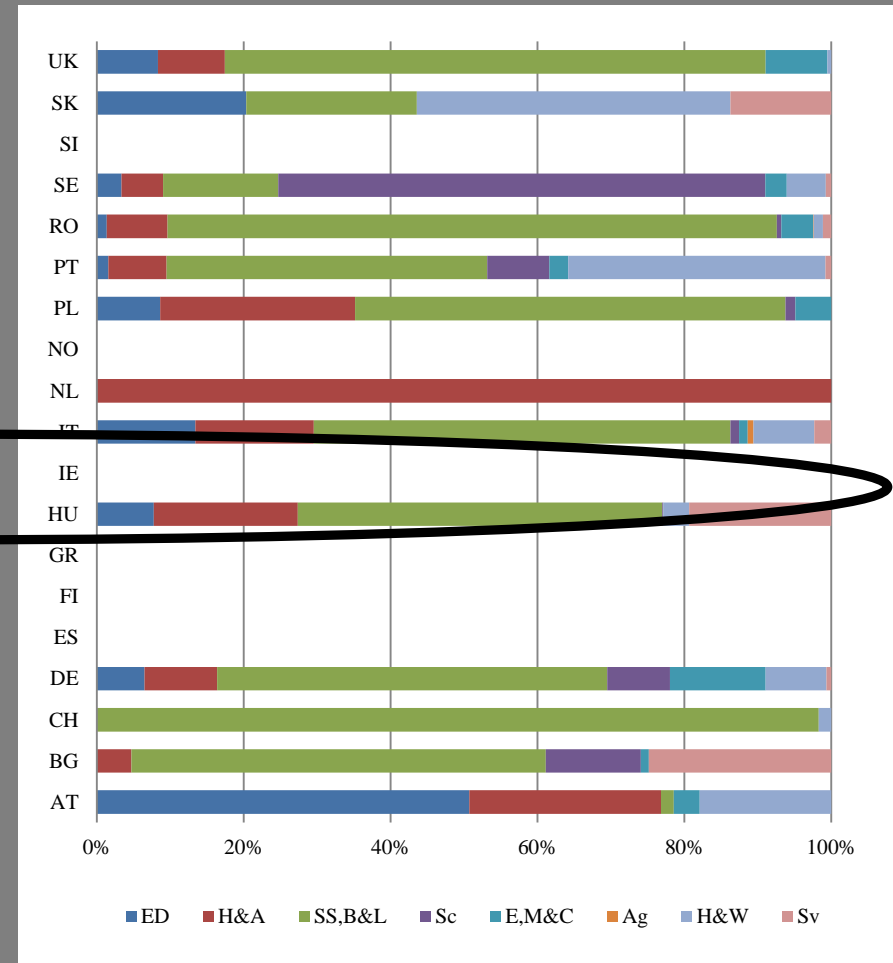
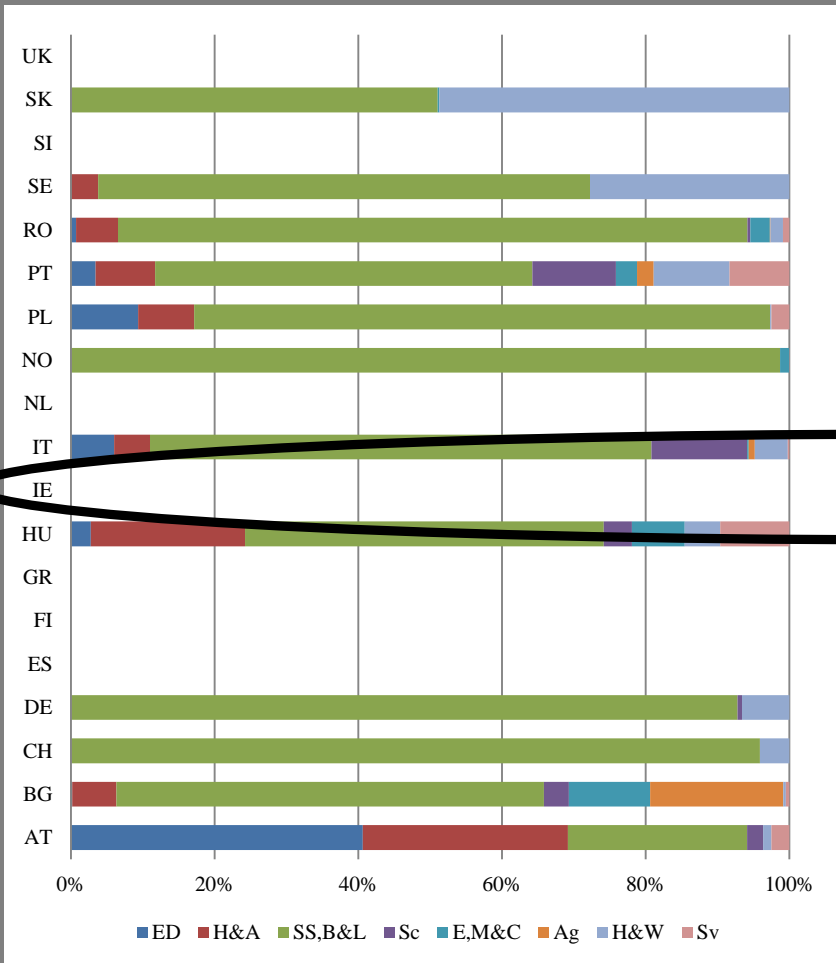
## Public Sector – Excluding Capital Region



# Distribution of Enrolments by Scientific Areas

## Private Sector – Capital Region

## Private Sector – Excluding Capital Region





# Changing Public-Private Mix in European Higher Education – Systemic Challenges

## **Private Higher Education in Europe - Summary:**

- **Diverse sector and with growing differentiation in types of HEIs;**
- **Smaller, more specialized, more regionally concentrated;**
- **Lower research activity and intensity;**
- **Strong risk aversion;**
- **Support for expansion efforts (demand-absorption);**
- **Weak complement to Mass Public HE.**
- **Issues of academic, political and social legitimacy;**

## Private Higher Education - Regulatory Challenges:

- Private HE as a part of the HE landscape.
- Need to deal with different types of Private HE.
- Blurring differences between Public and Private HE.
- Need for greater political and social legitimacy.
- Quantity and Quality of Information to all Stakeholders – Accreditation/QA.
- Public missions of Private HE – funding instruments?
- Managing expectations and realities about Private HE.
- Devising coherent policies for a more complex HE system.

**Muito obrigado!**

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