

# University and Globalization Challenges

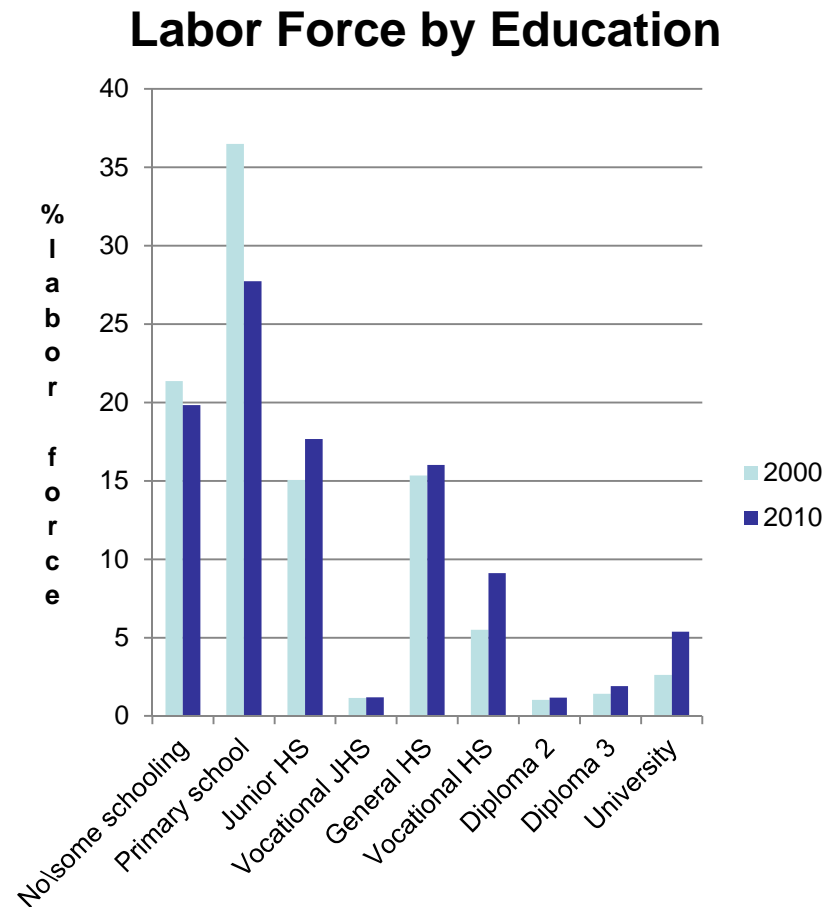
Ari Kuncoro

University of Indonesia

Presented at 8<sup>th</sup> AFEBI Meeting

Krawang June 4 2015

# Present Quality of Labor Force some upgrading



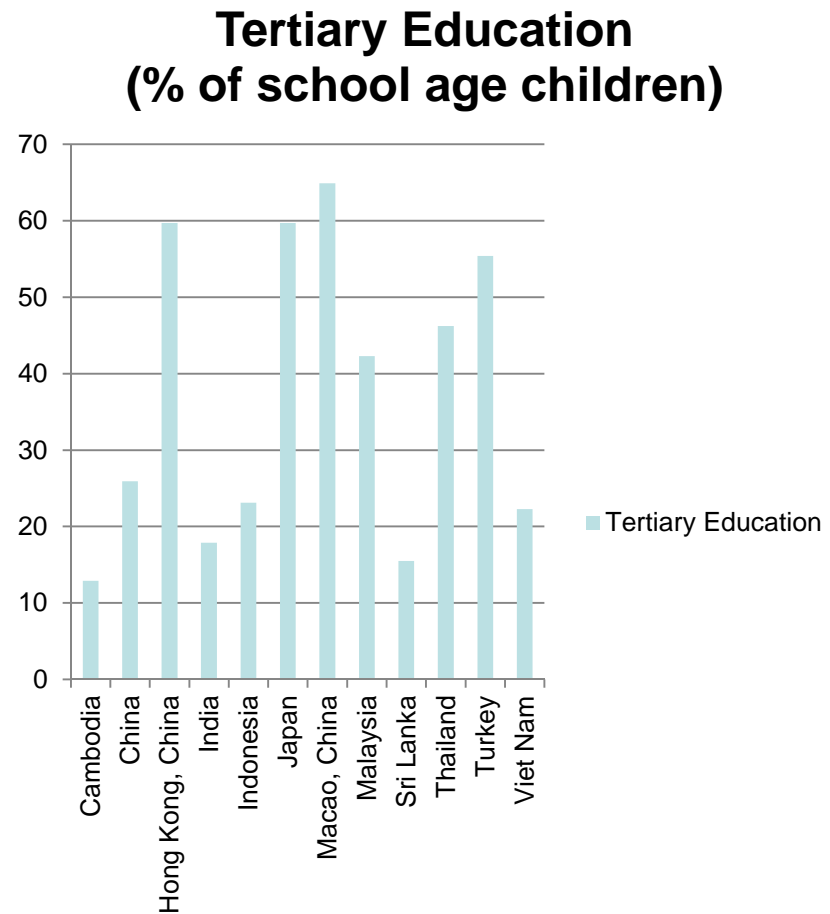
- Overall in 2010 is dominated by graduates of primary education plus some schooling (46%)
- Good enough for low value added industries but not sufficient to capture the benefits of globalization i.e. moving to higher value added products

# ASEAN Economic Community

- Liberalization the labor market for 7 professions
  - Medical doctor
  - Dentist
  - Nurse
  - Engineer
  - Construction specialist
  - Accountant and Financial Manager
  - Land Surveyor

# Comparison of labor force quality with other countries

- Secondary education is at par with some ASEAN countries but tertiary education is behind



# Competitiveness based solely on primary and secondary education

- Cannot be sustained for too long – need skill upgrading
  - Wages will continue to increase due to government regulations as well as workers' aspiration
  - Costs of doing business continues to increase
  - The emergence of new exporting countries based on cheap labor like Cambodia, Lao and Sri Lanka

# **ROLE OF HIGHER EDUCATION**

# Higher education

- The importance of knowledge has revived attention on higher education systems and institutions. The process of globalization has made higher education more important than before,
- Higher education as creator, adaptor and disseminator of knowledge can be used as a vital tool for developing countries to benefit from globalization.
- Knowledge accumulation in HE allows developing countries to jump up the learning curve without having to undergo the lengthy and expensive process of discovery, by accessing ideas and technologies developed elsewhere put them into practice after some modifications.

# Challenges for university education

- Higher education must teach students not only what is known now but also how to keep their knowledge up to date
  - Problem solving and innovation skills, and flexibility are essential in the fast moving world
- But how higher education can teach updated knowledge if they are themselves are not updating their knowledge
  - Need to link up with international HE institutions in teaching and research
  - sabbatical/exchange program with foreign institutions
  - Prevent internal brain drain to administrative duties



# Challenges for university education

- Globalization allows higher education institutions opportunity to link up globally to learn and to solve problems and updating their knowledges
- Cross-institutional and cross-border cooperation allow opportunities for promoting scientific innovations
  - but few in Indonesia have accomplished this
- All of these can be translated into more updated curricula

# **ENHANCEMENT STRATEGY**

# Enhancement Strategy (1)

*(Less developed HEIs)*

	Low	Medium	High
Education		2010 - 2015 Quality and relevance →	2015 - 2020
Research	2010 - 2015 → empowerment	2015 - 2020	
Community development	2010 - 2015 → empowerment	2015 - 2020	

## Enhancement Strategy (2)

*(Developing HEIs)*

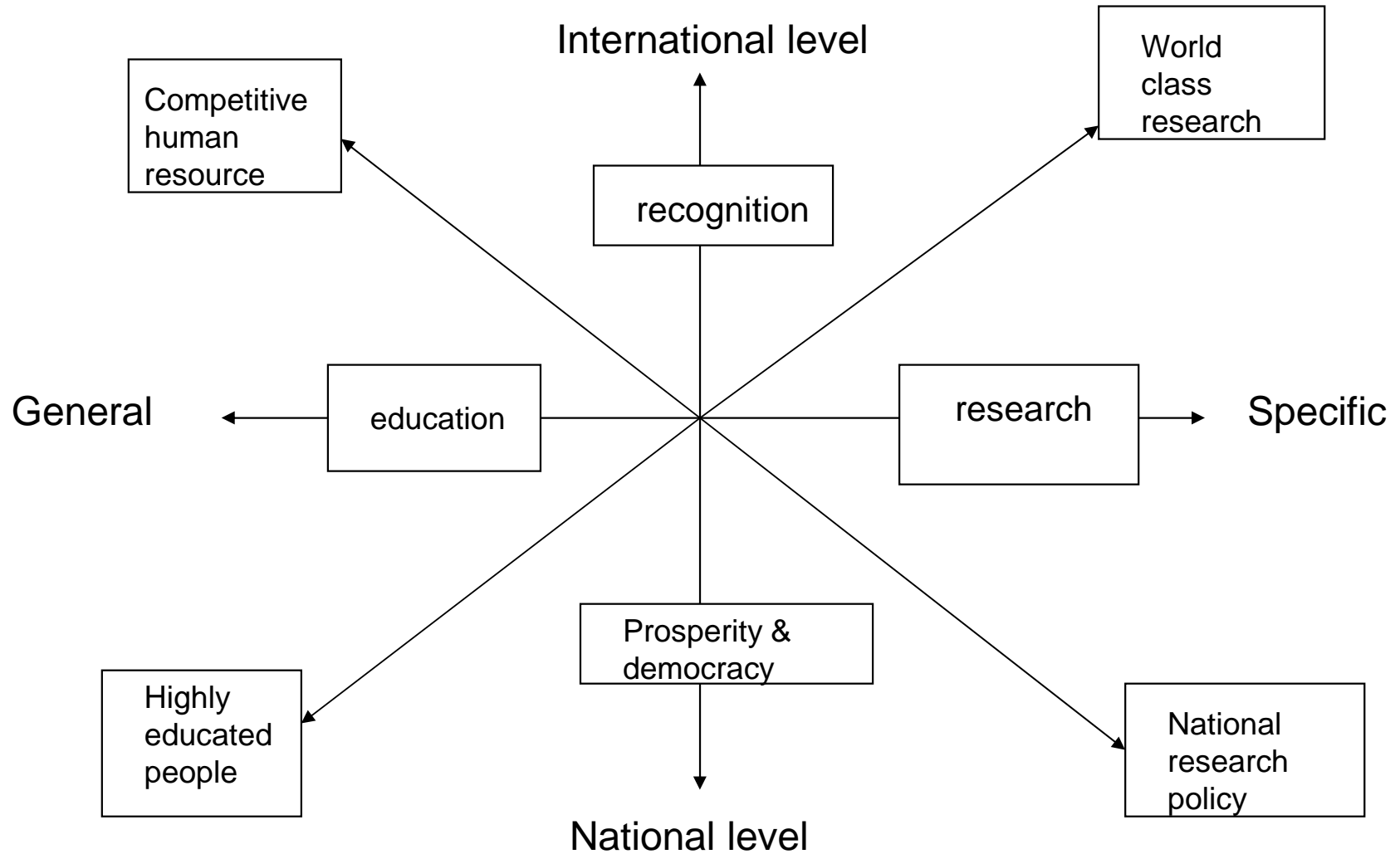
	Low	Medium	High
Education			2010 - 2020 internationalization 
Research		2010 - 2015 Quality and relevance 	2015 - 2020
Community development		2010 - 2015 Quality and relevance 	2015 - 2020

## Enhancement Strategy (3)

*(Fully developed HEIs)*

	Low	Medium	High
Education			2010 - 2020 internationalization →
Research			2010 - 2020 internationalization →
Community development		2010 - 2015 Quality and relevance →	2015 - 2020

# Enhancement Quadrant



**STRATEGY**

Universities' unique combination of autonomy and decentralization creates exactly the modern type of institution which is able to innovate – in a far more effective way than either government bureaucracy or corporate hierarchy.

Dr. Michal Stevenson, President of Simon Fraser University, Canada



# University

- Most complex institution in modern society;
- Far more complex than most corporations or governments;
- Comprised of many activities, some non-profit, some publicly regulated, some operating in intensely competitive marketplaces;
- Teach students, conduct research for various clients, engage in economic development, stimulate social change;
- Loosely coupled, adaptive system

# University (continued)

- Highly adaptable knowledge conglomerate;
- Provide faculty member with freedom, encouragement, and incentives to move forward their personal goals in highly flexible ways;
- Loose federation of faculty entrepreneurs who drive the evolution of the university to fulfill their individual goals

# Development Trends

- Entrepreneurial University
  - University as a knowledge enterprise
  - more responsive to social and economic demands
  - to make the country more economically competitive and to create well-being
- Globalization/Internationalization
  - HE as the service under GATTs
- Adopt corporate-like governance & management model
  - Move away from discipline-based to thematic-based compartmentalization

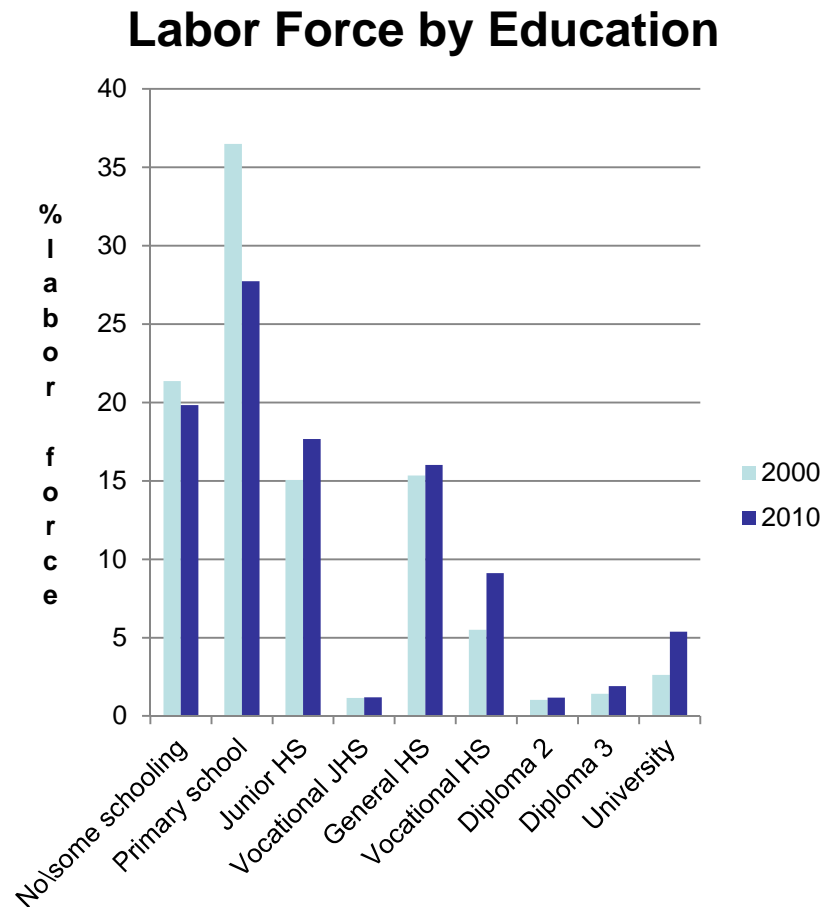
# External Quality Assurance

- Many countries make their EQA, an agency independent of MoE;
- Public and private institutions subject to same standards and review processes;
- Balance between internal and external QA;
- EQAs struggling to assess outcomes rather than processes.

Main message: the sincere willingness to be reviewed, evaluated, audited, examined externally

**RELEVANCY**

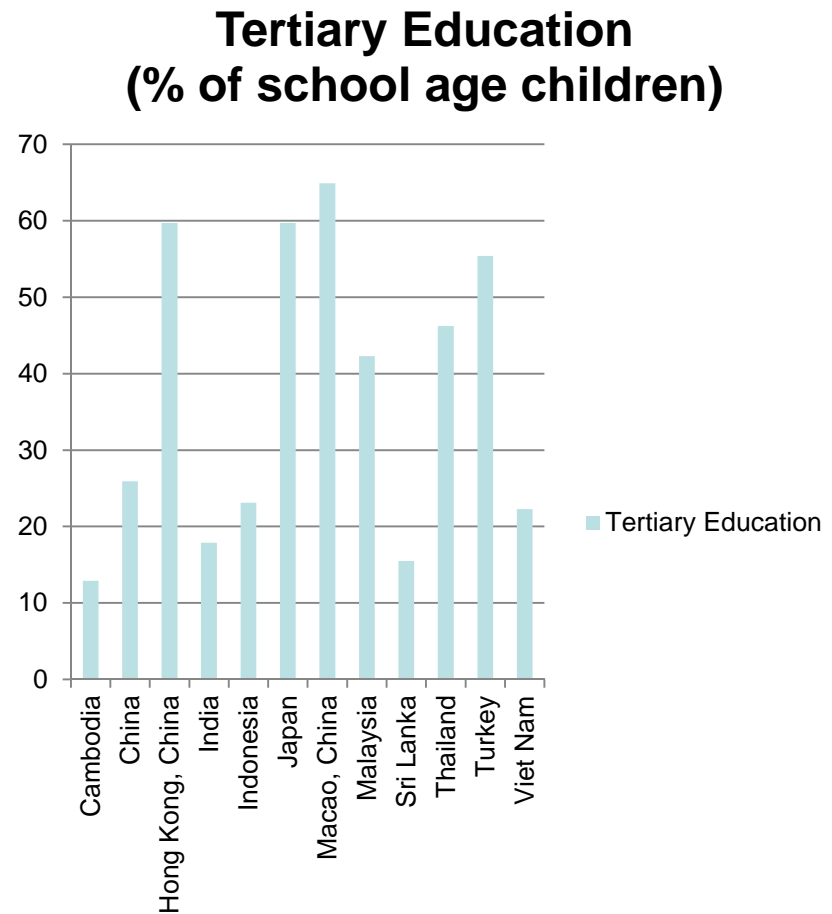
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