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# **Private Higher Education Institutions in Ethiopia: Opportunities, Challenges, and Ways Forward**

By

Kassahun Kebede<sup>1</sup>

Tesfaye Teshome (PhD)<sup>2</sup>

<sup>1</sup> Senior Quality Education Expert and Head Quality Audit, Higher Education Relevance and Quality Agency, Ethiopia

<sup>2</sup> Director General, Higher Education Relevance and Quality Agency, Ethiopia

## **Abstract**

*The economic prosperity of a country is dependent on its physical and human capital stock. Higher education is one of the means in the creation of this essential human capital. Recognizing this fact, the Ethiopian government created a suitable environment for private investors to participate in the area. As a result, relatively within a short period, a number of private investors began to offer education at tertiary level. As the Ministry of Education put it, in 2007/2008 alone almost one fifth of the total enrollment (18.1%) goes to the private higher education institution. Recently however there are some concerns that private higher education institutions are not smoothly operating as they used to. This paper therefore has focused on answering pertinent questions related to the expansion and consolidation of private providers. The current context under which the private providers are working, opportunities that are available and challenges faced by the sector are identified and the way forward recommended.*

## Introduction

Higher education is of paramount importance for the economic and social development of a country. It provides the human resources required for leadership, management, business and professional positions (Teshome 2003)<sup>8</sup>. Ethiopia has therefore determined to expand its higher education sector since 1991. Education Statistics Annual Abstract 2007-2008 prepared by the Ministry of Education (2009)<sup>9</sup> reports that the growth at all levels in higher education is the highest of all educational levels with an annual average increase of over 33% per year.

In terms of expansion, Ethiopia has made a considerable progress in higher education sector. There were two universities in 1991 and now there are 31 public and more than 72 private degree-offering higher education institutions operating in the country. Total enrollment in the higher education institutions in 2007-08, for 61 reporting institutions, is 270,356 in all programs including regular, evening, kiremt and distance for both government and non-government institutions. Out of this, non-government higher education institutions have enrolled approximately 48,802 students, which accounts almost one-fifth of the total enrollment in the higher education.

Teshome (2005)<sup>10</sup> argues that the current government, since it took power in 1991, has treated private higher education institutions as partners. It

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<sup>8</sup> Teshome Yizengaw (2003) *Transformations in Higher Education: Experiences with Reform and Expansion in Ethiopian Higher Education System*. Keynote paper prepared for a Regional Training Conference on *Improving Tertiary Education in Sub-Saharan Africa: Things That Work!* Accra, September 23-25, 2003

<sup>9</sup> MOE(2009) Education Statistics Annual Abstract, Addis Ababa, Ethiopia, p.59

<sup>10</sup> Teshome yizengaw(2005) Policy Development In Higher Education in Ethiopia and the Role of Donors And Development Partners, Paper presented at the International Expert Meeting-“Formulas that work: Making Higher education Support More effective; The Hague, The Netherlands, 23-24, May, 2005.

laid the ground for investors to invest in the area by creating various suitable legal frameworks such as the Education and Training Policy (1994), the Higher Education Proclamation (2003 and 2009), allowed tax exemptions and the provision of land free from lease payment to encourage them flourish in the market. Recently however private higher education institutions appear to be grappling with more and more challenges (Damtew 2011)<sup>11</sup>. This paper therefore aims to pin point some of these challenges that private HEIs have so far faced and the favorable conditions that they may have enjoyed, and some possible ways forward for the private higher education institutions that they may survive and thrive to continue contributing to the development of the country.

### **Statement of the Problem**

According to some literatures private higher education institutions in Ethiopia currently seem to have faced some problems. Private higher education institutions are limited in programs due to being market-orientedness, tuition-dependent, reliant on staff from major public institutions and largely staffed by part-timers. They have inadequate research undertakings and very few offers for postgraduate programs. In general, ‘private higher education institutions, especially those which are dependent on tuition and fee are generally feeble, precarious and resource challenged’ (Damtew, *ibid*)<sup>12</sup>. A preliminary interview with some of the managers of the private higher education institutions, for instance, has revealed that they are

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<sup>11</sup> Damtew Tefera(Ibid) “Ethiopian Higher Education: Nurturing Quality, Striving for Excellence” [http://www.africanidea.org/ethiopian\\_higher.htmlb](http://www.africanidea.org/ethiopian_higher.htmlb) retrieved on 18 April 2011

<sup>12</sup> Damtew Tefera(ibid) “Ethiopian Higher Education: Nurturing Quality, Striving for Excellence” [http://www.africanidea.org/ethiopian\\_higher.htmlb](http://www.africanidea.org/ethiopian_higher.htmlb) retrieved on 18 April 2011

complaining about lower students' enrollment recently. Wondwosen (2010)<sup>13</sup>, argues that this is due to the recent restriction 'on private higher education institutions'.

The Annual Statistical Abstract published by the Ministry of Education however shows quite the opposite. No decline in the enrollment of students in non-government higher education institutions from 2006/7(34,350) - 2010/11(78,439) has been exhibited. In fact, enrollment increased almost by 44% in five years (MOE 2010)<sup>14</sup>. The government, on the other hand, argues that some private higher education institutions are engaged in the provision of poor quality higher education. It therefore initiated an assessment with the participation of stakeholders, including the Association of Private Higher Education Institutions which it said helped to identify the strengths and weaknesses of the providers in order to assist those who provide quality education<sup>15</sup>.

Though the government is claiming that it is working hard to support private higher education institutions in many respects, it appears private higher education institutions seem to have faced a number of challenges. The purpose of this paper is therefore to investigate these challenges and the opportunities that private higher education institutions may have enjoyed due to the measures taken by the government since 1991. In addition, what the private higher education institutions themselves should do to increase their accountability and improve the quality of education they are providing will be investigated. In order to do this the following leading questions have been formulated:

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<sup>13</sup> Ethiopian News, Wondwosen Tamrat [http://www.ethiopian-news.com/ethiopian-education-ministry-bans-distance-learning/\\*](http://www.ethiopian-news.com/ethiopian-education-ministry-bans-distance-learning/*) (retrieved on 01May 2011)

<sup>14</sup> Ministry of Education(2010). Education Statistics Annual Abstract (2010/2011)

<sup>15</sup> Press release by HERQA on the Result of the Assessment Conducted on Private Higher Education Institutions from September ....2011.

1. What is the current context under which private higher education institutions are working?
2. What opportunities are there for private higher education institutions?
3. What are the major hurdles that private higher education institutions are facing?
4. What should be done to improve the situation?
  - 4.1 What should the government do to help the private higher education institutions thrive?
  - 4.2 What should the private higher education institutions do to improve the situation?

### ***Objectives***

This paper aims at:

- Pointing out some of the opportunities enjoyed by private higher education institutions,
- drawing attention to some of the major challenges faced by the private higher education institutions in the country,
- Indicating some of the lessons that the government, the private higher education institutions and other stakeholders of higher education can learn in order to improve the situation, and
- Suggesting some possible way forwards.

### ***Delimitation***

The study is delimited to the private higher education institutions in and around Addis Ababa. This is mostly due, as a Higher Education

Relevance and Quality Agency's document<sup>16</sup> shows, to the fact that more than 80% of the private higher education institutions are situated in Addis Ababa. The outcome of this research is however believed to be of great importance to the private higher education institutions, the higher education sector and HERQA/MOE.

## **Review of Related Literature**

### **The Meaning of Private Higher Education Institutions**

A training module prepared by International Network for Quality Assurance Agencies in Higher Education (INQAAHE 2008)<sup>17</sup> referring to the OECD (2004a, p.11 in Glossary) and UNESCO (2006, 30) defines a private higher education institution as a higher education institution that is 'controlled and managed by a non-governmental organization (e.g. a Church, Trade Union or business enterprise). It can also be an institution whose 'Governing Board consists mostly of members not selected by a public agency,' and distinguishes between government-dependent and independent private institutions.

Scurry (2004) in INQAAHE (Ibid) notes that the differences between public and private, and for-profit private and non-profit private institutions are becoming increasingly blurred. For him a typical public institution receives some revenue from public sources directly or indirectly, and a typical private institution generates some of its revenues from private sources such as tuition fees, donations, and services performed. The traditional

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<sup>16</sup> HERQA (2011) List of accredited and reaccredited private higher education institution, publication series No. 41

<sup>17</sup> International Network for Quality Assurance Agencies in Higher Education (2008) MODULE 1: *Higher Education in a Global World: the Context of Quality Assurance* agency. March 31, 2008, Athens. Paper available at: [www.hqaa.gr/files/Guruz\\_paper.pdf](http://www.hqaa.gr/files/Guruz_paper.pdf)

private/public dividing line is now replaced by a new one, which would separate for-profit from non-profit institutions. Even that line tends to be blurred, since a number of public and non-profit institutions are engaged in for-profit undertakings, especially in trans-national education (UNESCO 2003; Levy 2009)<sup>18</sup>.

### **The Emergence of Private Higher Education Institutions**

Privatization of higher education according to the INQAAHE (ibid) document is a relatively recent phenomenon (Kruss 2005).<sup>19</sup> It ranked as a major force in higher education in many countries several decades ago. Expansion in Latin America had begun in the 1960s, and the private sector was dominant in many East Asian nations. At that stage, the forces shaping higher education were relatively stable. Then, in the last quarter of the 20th century, the dynamics changed dramatically, and private higher education has suddenly become the fastest-growing segment of higher education worldwide expanding rapidly in almost all parts of the world Albatch (2005)<sup>20</sup>. INQAAHE (ibid)<sup>21</sup> quoting Tefera (2005) stated that Africa now has over 1,000 private institutions of higher education, enrolling close to 5 million students.

Albatch (2005) asserts that private higher education is fueled by ‘massification—a worldwide phenomenon that has placed unprecedented demands on academic systems and governments worldwide’. Higher

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<sup>18</sup> International Network for Quality Assurance Agencies in Higher Education (ibid)

<sup>19</sup> Glenda Kruss (2005) “Distinct pathways: tracing the origins and history of private higher education in South Africa” in *Globalisation, Societies and Education Vol. 3, No. 3, November 2005, pp. 261–279, Human Sciences Research Council, South Africa*

<sup>20</sup> Philip G. Albatch (2005) “The Private Higher Education Revolution: An Introduction” in *Global Perspectives on Higher Education*. (pp.1-9) Sense Publishers, Rotterdam/Taipei

<sup>21</sup> International Network for Quality Assurance Agencies in Higher Education (ibid:19)

education has gone from being a small preserve of the elite class to a mass system.

### **Private Higher Education in Ethiopia**

Similar to the world situation, private higher education in Ethiopia does not have a long history. It traces its beginnings to the end of 1960s when a private higher education institution called University of Asmara was founded by a Roman Catholic religious order based in Italy<sup>22</sup>. Teshome (2005) however argues that it is only after the coming of the current government to power in 1991 and the introduction of policies and ‘implementation of specific policies and strategies, as well as the implementation of reform agendas’ by the government the number of private higher education institutions ‘dramatically increased’<sup>23</sup>.

One of these major policies is the Education and Training Policy. The article 3.9 of the policy promises to ‘create the necessary conditions to encourage and give support to private investors to open schools and establish various educational and training institutions’<sup>24</sup>. This seems to have been received positively by the investors, as currently there are more than 66 private degree offering higher education institutions in the market with more 87 campuses in the country<sup>25</sup>. According to the Ministry of Education,

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<sup>22</sup> [http://en.wikipedia.org/wiki/Education\\_in\\_Ethiopia](http://en.wikipedia.org/wiki/Education_in_Ethiopia), retrieved on 18 April 2011

<sup>23</sup> Teshome yizengaw(2005) Policy Development In Higher Education in Ethiopia and the Role of Donors And Development Partners, Paper presented at the International Expert Meeting-“Formulas that work: Making Higher education Support More effective; The Hague, The Netherlands, 23-24, May, 2005.

<sup>24</sup> MOE (1994) EFDRE Education and Training Policy, Article 3.9

<sup>25</sup> HERQA(2010) List of accredited and reaccredited private higher education institutions, publication No. 41

approximately 72 of these campuses have received accreditation for a number of degree programs they are offering<sup>26</sup>.

The Higher Education Proclamation 350/2003(later amended by 651/2009) was also important in determining the direction of the private higher education institutions in order to promote their contribution in expanding education and conducting research<sup>27</sup>. The Proclamation declares from the outset that one of the reasons for the introduction of the Proclamation is “to guide properly by law higher education in private institutions in order to ensure and promote its positive contributions through relevant and quality education”. Accordingly, the Proclamation demarcates the duties and responsibilities of private higher education institutions in its Articles 78-87. Receiving accreditation and reaccreditations for the programs they are offering is one of these duties private higher education institutions have to fulfill. The Proclamation even goes on to the extent of laying down conditions under which private higher education institutions can receive budgetary support from the government (ibid, Article, 86).

HERQA was established with the same Proclamation as a regulatory body to make sure that private higher education institutions adhere to the duties and responsibilities stated under Articles 77 and 78. Applauding this, Damtew (2011)<sup>28</sup> noted that “no institution should operate without due recognition from respective educational authorities” as it is necessary to “be more vigilant in policing the national higher education terrain as the variety of educational providers is growing”.

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<sup>26</sup>MOE (2009). Educational Statistics Annual Abstract, Addis Ababa. p.59

<sup>27</sup> EFDRE Higher Education Proclamation 351/2003, 651/2009 Articles 78-87)

<sup>28</sup> Damtew Tefera(2011) “Ethiopian Higher Education: Nurturing Quality, Striving for Excellence” [http://www.africanidea.org/ethiopian\\_higher.htmlb](http://www.africanidea.org/ethiopian_higher.htmlb) retrieved on 18 April 2011

Currently private higher education institutions are engaged in three types of modes of delivery; regular (face to face), distance, and some cross boarder franchised mode of delivery (Higher Education Relevance and Quality Agency [HERQA] 2010).<sup>29</sup> MOE (2009, 59)<sup>30</sup> reported that 48, 802 students are enrolled in non-government higher education institutions (only in programs that have received accreditation). That is more than 18.5 % of the total higher education institutions in the country.

## **Methodology**

This paper focuses on identifying the challenges private higher education institutions have faced and forwarding some possible ways forward so that they can contribute to the development of the country. A case study method involving mainly qualitative method of data analysis has been employed. This is because according to Neill (2006) qualitative research case study method helps to shade “light on a phenomenon by studying in-depth a single case example of the phenomena” (2006)<sup>31</sup>.

## **Data Gathering Tools**

Interview, open-ended questionnaire, free discussions and document analysis have been used to gather in-depth information on the issue.

The Head of Accreditation Section and Private Higher Education Institutions were interviewed in their offices while open-ended questionnaires were distributed to managers of private HEIs who came to HERQA for their own business (the summary of which has been presented from pages 10-12). In

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<sup>29</sup> HERQA(2010) List of accredited and reaccredited private HEIs Publication Series 41

<sup>30</sup> MOE(ibid)

<sup>31</sup> James Neill(2006) Course Home: Qualitative Research Methods,  
<http://wilderdom.com/OEcourses/PROFLIT/Class6Qualitative1.htm>

addition, the researcher used the result of free discussions held with students of Atlas College, Africa Beza College, Medco Biomedical College, and Central University College to identify the quality status of private higher education institutions with the permission of the Head of Accreditation section of HERQA to strengthen the information gained from other sources. Finally the writers of this paper supplemented the information gained through the above tools by using the quantitative data on staff mix in HERQA’s institutional quality audit reports published and distributed to stakeholders.

### **Respondents**

All the respondents were deliberately picked as they were thought they are the ones who possess ample information on the subject.

<b>Interview</b>	<b>Focus-group discussion</b>	<b>Open-ended questionnaires</b>	<b>Free Discussion with</b>
The Head of Accreditation Section and Private Higher Education Institutions	3 senior experts from HERQA	2 Owners and 8 Managers	4 sections of students = approximately 200 students

### **Presentation and Discussion**

This section presents the summary of the interview held with the Heads of Private Higher Education Institutions’ Association and HERQA’s Accreditation Section; the open-ended questionnaires distributed to the Managers of private higher education institutions as stated in the previous page; focus group discussion held with experts in HERQA; and free discussions conducted with students at the four colleges mentioned in the Methodology part. The detailed responses are presented in Table I as

appendix I. Brief accounts on the basic issues raised to respondents are presented below.

### **Private HEI's Contribution to the Development of the Country**

All respondents agree that private higher education institutions have a number of contributions to the growth and development of the country. Some of these are filling the training gap that are not covered by the government, mitigating brain drain of skilled man power by creating job opportunities for highly skilled Ethiopians locally, creating research forums to address issues not focused on by public higher education institutions, and enhancing entrepreneurial skills in the area of education.

### **Training and Professional Advice from HERQA Experts**

The Head of the Accreditation Section and other experts in HERQA strongly believe that private higher education institutions are getting professional support during and after accreditation assessment visits. Those that have received advice given during and after accreditation visits by HERQA experts and other peer assessors coming from the various universities and colleges can improve the quality of education they are delivering education. Some private higher education institutions are given some advice even after the assessment visits have taken place. This has been confirmed by the Head of private higher education institutions and the managers and owners who filled the open-ended questionnaires.

## Challenges

### Plummeting Students' Enrollment in Private Higher Education Institutions

Most of the respondents, including students who participated in the free discussion, mentioned the reduction in students' enrollment in private higher education institutions as one of the major threats for the survival of private higher education institutions. The following are reasons given for the decline of student's enrollment in private higher education institutions:

*Students who have completed preparatory classes are admitted by the public HEIs and private higher education institutions are left only with the few students who have not got the required grade point set by the Ministry of Education. Students who have been assigned to distant public universities from the capital but do not want to go there and can afford to pay the tuition fee of private higher education institutions also join the private higher education institutions.*

This has two important implications. One as Damtew (2011)<sup>32</sup> put it running a higher education is “an expensive enterprise’ which needs money for a number of activities such as maintaining good quality teaching and research, equipping laboratories with up-to-date equipment and chemicals, purchasing expensive journals, periodicals and books as well as effective library and information systems, hiring, high-level experts. Most of the private higher education institutions are fee dependent and as the number of students enrolling in these institutions become lower and lower, the quality

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<sup>32</sup>Damtew Tefera “Ethiopian Higher Education : Nurturing Quality , Striving for Excellence” in Institute of Development & Education for Africa , Inc. [http://www.africanidea.org/ethiopian\\_higher.html](http://www.africanidea.org/ethiopian_higher.html) , retrieved on 19 April 2011

of services they are providing also turn into of poorer and poorer quality. The other implication is as they are admitting those students who scored less than those who have been accepted by the public HEIs, it becomes an additional burden on the private higher education institutions to help these students overcome the students' academic problems through various academic support services and counseling.

1. Another reason for the declining students' enrollment in private higher education institutions is the cost sharing mechanism introduced by the government.

Most students prefer public higher education institutions, according to the respondents from the private higher education institutions, *'because students will have a chance to attend their education first and pay the cost of their tuition after graduation'*. The respondents from the private higher education institutions strongly believe that private higher education institutions can be part of this scheme. The respondents argue that *'students can be assigned to private higher education institutions too and the government can pay the cost of their tuition and other services to the private higher education institutions. Then the government, through its own channels it is currently using, can recover its costs later'*. The job of the government, according to the participants, should be to control and monitor whether or not appropriate facilities are put in place and monitor the quality of education the private HEIs are providing.

The argument appears to be strong and worth considering from two angles: These HEIs are equipped with all the necessary teaching-learning facilities that can accommodate more students than they are accommodating at the moment. If students are assigned to these institutions both the

government and the private HEIs will benefit from the arrangement. The other angle could be there are a number of people hired by these institutions. If these HEIs go down because of lack or inadequate enrollment, it will have a negative consequence on the economy of the country in general and hurt the people and the family members under them in particular.

### **Inability to Get Land for Construction**

Though land provision is one of the elements in the incentive package set by the government to encourage investors participate in the education sector (Teshome 2003)<sup>33</sup>, respondents from the private higher education institutions and the Head of their association stress that this is very difficult to happen on the ground in Addis Ababa. Very few private higher education institutions such as Admas University College, Alfa University College and Unity University have been able to secure land free from lease in the past ten years. Most private higher education institutions are still operating in rented buildings and others have tried to purchase their own land taking huge loans from the banks. Some private higher education institutions, according to the Head of Private Higher Education Institutions' Association, have been forced to close down due to inability to pay their house rents.

### **Accountability**

Experts and the Head of Accreditation section in HERQA stressed that one of the challenges for the existence of private higher education institutions is the presence of some private higher education institutions that do not operate as per the rules and responsibilities set by the Ministry of Education. This, however, according to the Head of Private Higher

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<sup>33</sup> Teshome (2003) *Transformations in Higher Education: Experiences with Reform and Expansion in Ethiopian Higher Education System*. Keynote paper prepared for a Regional Training Conference on *Improving Tertiary Education in Sub-Saharan Africa: Things That Work!* Accra, September 23-25, 2003

Education Institutions' Association is not common these days for two reasons: One, HERQA has a more developed monitoring and control mechanism than it had three or four years ago. The other is the private higher education institutions' Association is making every effort to make members abide by the accreditation rules and regulations of the Ministry of Education. The Association for this purpose has established an extra section, which will be responsible for identifying and taking the necessary measures against such private higher education institutions.

The Head of the Association believes that *'there are in fact owners of private higher education institutions who do not have adequate professional knowledge and skill to manage a higher education institution. However, those who started with the proper professionalism and visions should not be discouraged because of those who are not professionals'*. He further complained that it appears that there is a concerted smear campaign on all private HEIs. They are mostly grossly accused of delivering poor quality education.

### **Teachers' Capacity Development**

All respondents agreed that private higher education institutions, as well as public universities, suffer from shortage of adequately qualified instructors. During discussions held with students, it was reported that the private higher education institutions are using mostly part-timers who do not regularly attend classes. In one instance, the students stated that the teachers *'do not take their teaching jobs seriously'* because they are all part-timers.

The managers of private higher education institutions also agree that the institutions have severe shortage of well-qualified instructors. They attribute the problems to two major reasons:

- Most private higher education institutions do not have the capacity to train their own instructors at masters and PhD level.
- The government has given scholarship only to those instructors who are teaching in government higher education institutions.

The institutional quality audit reports published by HERQA<sup>34</sup> also show that most of the private higher education institutions do not meet the requirements set by the Ministry of Education (30% PhD, 50% Masters and 20% Bachelor degree holders). This is illustrated in the following table:

**Table II Staff Qualification of audited HEIs (2009)**

	Higher Education Institution	PhD		Master (MS+MD+DVM)		Bachelor	
			%		%		%
<b>1</b>	Unity University College	16	9	77	43.7	83	47.1
<b>2</b>	St Mary University College	0	0	60	82	13	18
<b>3</b>	Central University College	3	9	21	63	9	27
<b>4</b>	Royal University College	0	0	20	54.0	17	45.9
<b>5</b>	Admas University College	3	3	44	51	40	46
	<b>Mean</b>	<b>4.4</b>	<b>4.2</b>	<b>44.4</b>	<b>58.7</b>	<b>32.4</b>	<b>36.8</b>

Two of the five private higher education institutions at the time of the audit had no instructors qualified at PhD level and none of them meets the 20% PhD ratio requirement. In addition, four University Colleges (out of five) have engaged more bachelor degree than is permitted by the Ministry of Education. This could obviously have a negative impact on the quality and relevance of education they are providing. This could be because they are

<sup>34</sup> HERQA(2009)Institutional Quality Audit Reports , Publication Series 32-38

often reliant on staff from major public institutions and largely staffed by part-timers (Damtew, *ibid*)<sup>35</sup>.

### **Changing Government Policy**

Another point repeatedly raised by respondents as an issue of challenge for Private higher education institutions is lack of stability in the government's rules and regulation. The Private Higher Education Institutions Association argues that *'a few years ago the directives that were being issued by the Ministry of Education were stable and were issued after stakeholders have deliberated on them'*. Recently however *'directives are being issued too frequently for private higher education institutions to catch up with'* and readjust their facilities and organizational structure accordingly. One interviewee described such *'directives'* as *'not thoroughly deliberated on policy guidelines'*. In addition, the respondents indicated that the expectation of the government the private higher education institutions should move from soft sciences to the capital-intensive hard sciences (70:30)<sup>36</sup> with no government support in a very short span of time.

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<sup>35</sup> Damtew Tefera "Ethiopian Higher Education :Nurturing Quality , Striving for Excellence" in Institute of development & Education for Africa, Inc [http://www.africanidea.org/ethiopian\\_higher.html](http://www.africanidea.org/ethiopian_higher.html) (Retrieved on 19 April , 2011)

<sup>36</sup> on the basis of placement of 40 percent into the Engineering and Technology stream, 30 percent into the Science streams (of which 20% is for Natural and Computational Sciences, 5% Pharmacy and Health Sciences, 5% Agricultural and Life Sciences), and 30 percent into the Social Sciences and Humanities streams) (Forum for Social Studies[FSS] 2011).

## Opportunities

### Policy and Regulatory Framework

All the respondents concur that there are opportunities in areas such as taxation and land provision that helped private higher education institutions flourish until 2006. This is in line with Teshome's (2003, 10)<sup>37</sup> assertion that since 1994, "the government has taken a positive step by allowing private and non-government organizations to invest and provide education and training, including higher education". He argues private higher education institutions from the outset are considered a partner for the government "to complement public institutions as a means of managing costs of expanding higher education enrolments, increasing the diversity of training programs, and broadening social participation in higher education". They are therefore given certain opportunities through regulations that allow private higher education institutions invest "in education and the general proclamation for encouragement and coordination of investment". The policy and regulatory framework of the government include (Teshome Ibid):

- Freedom from tuition fee controls,
- Tax holiday/exemptions,
- Land provisions,
- Removing procedural impediments, etc.) and
- Mechanisms for accreditation, oversight and evaluation.

The respondents from the private higher education institutions however stress that though all these measures are indeed encouragements from the

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<sup>37</sup> Teshome Yizengaw (2003) *Transformations in Higher Education: Experiences with Reform and Expansion in Ethiopian Higher Education System*. Keynote paper prepared for a Regional Training Conference on *Improving Tertiary Education in Sub-Saharan Africa: Things That Work!* Accra, September 23-25, 2003

government side, providing land for private higher education institutions has not materialized for most private higher education institutions.

## **Summary, Conclusion and Ways Forward**

### **Summary and Conclusion**

The economic prosperity of a country is dependent on its physical and human capital stock (Olanian and Okemakinde 2008)<sup>38</sup>. Higher education is one of the means in the creation of this essential human capital. Recognizing this fact, the Ethiopian government created suitable environment for private investors to participate in the area. As a result, relatively within a short period, a number of private investors began to offer education at tertiary level. As the Ministry of Education put it, in 2007/2008 alone almost one fifth of the total enrollment (18.1%) goes to the private higher education institutions (MOE 2009)<sup>39</sup>.

Recently however there are some concerns that private higher education institutions are not smoothly operating as they used to (Wondwosen 2010).<sup>40</sup> This paper therefore has focused on answering the following leading questions:

1. What is the current context under which private higher education institutions are working?
2. What opportunities are there for private higher education institutions?

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<sup>38</sup>“ Human Capital Theory :Implication for Educational Development” in *European Journal of Scientific Research*, Volume 24, No. 2 pp 157-162

<sup>39</sup> MOE(2009) Education Statistics Annual Abstract, Addis Ababa, Ethiopia, p.59

<sup>40</sup> Wondwosen Tamirat, Ethiopian News <http://www.ethiopian-news.com/ethiopian-education-ministry-bans-distance-learning/>\* (retrieved on 01May 2011)

3. What are the major hurdles that private higher education institutions are facing?
4. What should be done to improve the situation?
  - 4.1 What should the government do to help the private higher education institutions thrive?
  - 4.3 What should the private higher education institutions do to improve the situation?

Currently almost a fifth of the higher education institutions enroll in private higher education institutions in more than 70 campuses across the country. Despite the government's support by providing legal framework in which private higher education institutions can operate freely. Recently however it has taken a stricter stance towards these institutions due to a number of quality concerns. The suspension or as private higher education institutions call it the ban on private higher education institutions to admit new cohorts of students in new programs appear to be pinching most of the private HEIs who already have low enrollment (Wondwosen 2011)<sup>41</sup>.

The private HEIs are currently suffering from a number of challenges that might hinder their development in the future. Most of the participants of the research and the documents referred to revealed that the majority of private HEIs are suffering from a continuous reduction in the number of enrolled students. Inadequate financial resources due to this coupled with lack of willingness on the part of those officials that should let them have land free from lease according to the law for the construction of their own

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<sup>41</sup> Wondwosen Tamrat, Ethiopian News, accessed from: <http://www.ethiopian-news.com/ethiopian-education-ministry-bans-distance-learning/> [retrieved on 01May 2011]

buildings have resulted in a serious challenge that can threaten the survival of most of the private HEIs.

Private higher education institutions are also suffering from their own internal problem due to lack of a system that can help them check unethical practice among private HEIs. Though the Private higher Education Institutions' Association is currently working to bring about change in the conduct of some unethical institutions, there are still private higher education institutions that are being run by those who do not know the profession. Shortage of highly skilled instructors, inability to be included in the government's teacher development scheme and shortage of instructors trained at PhD level in all areas are challenges that private HEIs need to be addressed as soon as possible.

Lack of stability in the government's policy and guidelines has been mentioned by most of the participants of the research as the most important. All of them feel that MOE or HERQA should be able to consult them before a directive is issued to be implemented. If this is done, it will greatly help them to build their capacity for the implementation of the directives or design an exit strategy before it incurs costs that may lead bankruptcy. The respondents also suggested that continuous follow-up by the government bodies, the establishment of strong association by the private HEIs and being open to criticism by both parties will help to bring about change in the quality of service that they are providing.

## Ways Forward

Based on the findings of the research the following recommendations have been forwarded: Recognizing the very principle, partnership, that Ministry of Education forged its relationship with private HEIs at the outset, should work with the private HEIs to find ways as to how they can find students to enroll in their institutions.

### Annex 1: Summary of responses from respondents

QN	Title	Responses
1	Private HEI's contribution to the development of the country	<ul style="list-style-type: none"> <li>- Providing skilled manpower in large number that can help to address shortage in areas such as health</li> <li>- Filling the training gaps not covered by public HEIs</li> <li>- Access to the needy</li> <li>- Mitigating the brain drain of skilled manpower by creating job opportunities in the country</li> <li>- Creating research forums to address issues not focused on by public HEIs</li> <li>- Enhancing entrepreneurial skills in the area of education</li> <li>- Train young people and make them ready for their future career</li> </ul>
2	Supports that should be provided by HERQA/MOE	<ul style="list-style-type: none"> <li>- Training on quality assurance system</li> <li>- Support through supervision</li> <li>- Support through workshops</li> <li>- Advice through institutional quality audit reports</li> <li>- By giving access to the various publications of HERQA</li> </ul>
3	Current HERQA's/ MOE's	<ul style="list-style-type: none"> <li>- HERQA/MoE has accreditation policy for</li> </ul>

	treatment of private HEIs	<p>the private providers while public HEIs have legal provision to start programs without seeking accreditation from HERQA. Disadvantaged regions are also given opportunities with regard to higher education entrance</p> <ul style="list-style-type: none"> <li>- Training for second and terminal degrees for instructors is provided to public HEIs although currently opportunities are given to private HEIs to train their staff</li> <li>- Education Sector Development Programs of the country are prepared based on what public Higher Education institutions do with limited participation of the private HEIs do.</li> <li>- Some programs, such as law and teacher training, are not allowed to be run by private HEIs</li> <li>- Private HEIs are prohibited to enroll mature students by proclamation</li> <li>- Public HEIs can run programs with less staff mix than required by the MOE.</li> <li>- There is mechanism to control the quality of public higher education through institutional quality audit only while HERQA does Institutional quality audit, accreditation and surprise visits on private HEIs to control the quality of education</li> </ul>
4	Major Challenges that private HEIs have faced	<ul style="list-style-type: none"> <li>- Very frequent changes of government policies</li> <li>- Shortage of students due to increase in the intake capacity of public higher education institutions</li> <li>- High teaching staff turnover</li> <li>- The new enforcement of the government to make the private higher education institutions run programs based on 70:30</li> </ul>

		<p>program mix with fast pace, limited number of students and no support from the government</p> <ul style="list-style-type: none"> <li>- The existence of dichotomy in accreditation</li> <li>- Shortage of highly qualified instructors in many disciplines</li> <li>- Many private HEIs are owned and managed by people who are not professionals in the area</li> <li>- Lack of adequate deliberation on policy and guidelines</li> <li>- Inability of government's guidelines to be implemented across the country creates a field that is not leveled.</li> </ul>
5	What private HEIs should do to survive and improve the situation?	<ul style="list-style-type: none"> <li>- Focus on the delivery of quality services</li> <li>- Respect the law of the land</li> <li>- Positive engagement with the government towards loosening some of the stringent guidelines</li> <li>- Establish strong association that can safeguard the interest of the private providers and serve as centers that come up with policy alternatives that boast the development of the sector</li> <li>- Have attractive salary scales for instructors</li> <li>- Let professionals run the higher education institutions</li> <li>- Focus on limited number of fields of training and work very hard to attract students who may be assigned in public HEIs</li> <li>- Create linkage with employers and other stakeholders</li> </ul>
6	What the government should do.	<ul style="list-style-type: none"> <li>- Issue directives that are uniform and are applicable to all public and private providers to assure quality as education is a</li> </ul>

		<p>common good.</p> <ul style="list-style-type: none"> <li>- Implement standards that work equally for both private and public HEIs</li> <li>- MOE should make some arrangement so that instructors from the private HEIs can get long term training</li> <li>- There should be frequent supervision by HERQA</li> <li>- Continuous follow up of the performance of the private HEIs</li> <li>- Visiting the private HEIs by higher officials so that they can understand the facts on the ground</li> </ul>
7	What the private HEIs should do to improve their images.	<ul style="list-style-type: none"> <li>- Should join hands to work towards improving the quality of higher education they are providing</li> <li>- Partner with public HEIs to share experience</li> <li>- Invest properly to enhance the teaching learning process and hire able professionals</li> <li>- Be open for criticisms and reflect on one's performance instead of defending the bad practices some of the private HEIs might have done</li> <li>- Let their graduates pass through standardized exams</li> <li>- Reconsider their grading systems</li> </ul>