6th MENA Tertiary Education Conference: Towards Competitiveness and Equity in Tertiary Education in the MENA Region

Collaboration for Good Governance, Sustainable Financing and Internationalization

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SESSION 1: Governance practices in MENA tertiary education institutions

The University Governance Screening Card (UGSC)

The University Governance Screening Card (UGSC) was developed in 2010 as a benchmarking tool to assess the extent to which tertiary education institutions in the MENA region are following governance practices aligned with their institutional goals and international trends. The tool was first applied in 2011-12 to over 100 universities from seven MENA countries. It was revised in 2016 and applied with a broader scope: it included not only universities but also other types of tertiary education institutions, and was expanded to 8 MENA countries (Algeria, Egypt, Iraq, Jordan, Lebanon, Morocco, Tunisia and the West Bank and Gaza).

The UGSC has the capacity to: i) identify strengths and weaknesses at individual institutions; ii) identify governance trends and practices by type of institution; iii) illustrate governance trends at the national level and iv) generate interest - and peer pressure - in initiating reforms at the institutional, national, and regional level. The UGSC uses five dimensions that together capture the multidimensional nature of governance: 1) Overall Context, Mission, and Goals; (2) Management; (3) Autonomy; (4) Accountability; and (5) Participation. Each dimension is attributed a set of indicators and a questionnaire from which governance indicators are scored on a scale of 0 to 5 (by an independent observer on the basis of an interview with the institution’s representative and supporting documents). The score on a dimension is interpreted as an indication of the university’s situation vis-à-vis one of the global trends in governance practices, and not as a performance score. In addition to the questionnaire, the UGSC includes a self-perception tool, which assess the extent to which the leadership of tertiary education institutions is aware of the governance model and practices they follow. The UGSC is not a ranking tool and does not point to an ideal governance model; it only identifies trends allowing institutions to reflect on their practices.

Key Results from the UGSC V.2.0 Exercise in 2016/2017

The results of the UGSC V.2.0 implementation show that participating institutions, in general, increased their score on the dimensions of Mission, Management and Participation compared to 2012. A decrease was noted on the dimensions of Autonomy and Accountability. Overall, Accountability and Participation are the dimensions of governance where institutions from the MENA region have the lowest scores. In general, public and private institutions obtained similar results on the different dimensions of governance, except for the dimension of Autonomy.

Dimension 1 – Mission, Goals, Context: the score on this axis has increased from 3.70 in 2012 to 3.93 in 2016, indicating that institutional setups have become more stable and better aligned with the national context. While institutions still slightly overestimate their practice on this axis, the gap between the survey score and self-assessment was reduced over the same period, showing that institutions became more aware of their institutional arrangements.

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1 Cautionary note on comparison: The UGSC was designed and applied to a first round of institutions in 2011. The tool was revised in 2016 to reflect the evolution of tertiary education and to consider the participants' comments on the first version of the tool. Subsequently, the results between round 1 and round 2 are not fully comparable. A change in score does not necessarily reflect progress or decline.
**Dimension 2 – Management**: the score on this dimension has increased from 3.00 in 2012 to 3.38 in 2016, indicating that institutions are slowly moving towards a more result-based management. The UGSC 2.0 revealed that 95% of participating institutions have a strategic plan. While institutions were generally underestimating their management model in 2012, the pattern was reversed in 2016 with a higher level of perception. This is specifically due to the perceptions of management within private institutions which clearly overestimated their practices, while public institutions proved to have an accurate level of perception.

**Dimension 3 – Autonomy**: the survey results show that the level of autonomy may have decreased in 2016 in comparison to 2012, with an overall score declining from 3.10 to 2.90. A potential factor contributing to this would be that more public institutions from centralized tertiary education systems took part in the survey. On the financial aspect of autonomy, the lack of diversification of revenue sources is another factor contributing to this trend. The gap between the score and the self-assessment increased over the same period. Specifically, public institutions have a level of perceived autonomy which is higher than survey score whereas private institutions have an accurate perception of their autonomy.

**Dimension 4 – Accountability**: the level of accountability slightly decreased from 2.70 in 2012 to 2.40 in 2016. Private institutions have a perceived level of accountability much higher than the survey score, which is also the case for public institutions but to a lesser extent. When looking at specific aspects of accountability, institutions seem to focus first on academic quality, then on financial integrity, and last on social responsibility. The survey found out that more than 1/3 of institutions were not implementing graduate tracking surveys in 2016.

**Dimension 5 – Participation**: the level of stakeholders’ participation slightly increased from 1.80 in 2012 to 2.09 in 2016 although institutions still overestimate this dimension. Public institutions seem to adopt a more participative approach in their management compared to private institutions. In both types of institutions, academic staff are the stakeholders with the strongest voice in their institution’s decision-making process while alumni have almost no voice in the governance. In addition, public institutions also encourage the participation of students and administrative staff while private institutions favor private donors and private sector representatives.

**Dissemination of Results**

Participating institutions will be provided with individual reports analyzing their UGSC results. The tool has been used on a voluntary basis and the results are confidential. Aggregated results at the national and regional level will be publicly disseminated while respecting anonymity of participating institutions.
SESSION 2: Issues and Trends in Financing Tertiary Education in MENA
The past decade has witnessed a sharp increase in the number of institutions offering tertiary education studies across countries of the Middle East and North Africa (MENA). These institutions emerge as a hub to develop talents with knowledge and skills to leverage the country’s competitive advantage and enable them to cope with the economic competitiveness of the global economic landscape. Financing institutions of tertiary education is closely linked to their capacity to fulfill the national policy goals and objectives set out for the sector as well as the capacity to play a role in promoting national economic prosperity and develop human capital. Financing is key in impacting access to education, quality of education, and efficiency at the institutional level (Salmi & Hauptman, 2006). Tertiary education has become more accessible for many people, particularly because of the increase in the number of institutions recently. Financing the large expansions of tertiary education however becomes challenging for nation states trying to meet increasing social demand for access without compromising the quality of educational offerings (Johnstone 2004). A number of trends in financing tertiary education in the MENA region have emerged, including the increasing unit cost or per student cost of instruction, increasing enrollment, increasingly knowledge based economies that place pressure on tertiary education institutions (TEIs) to serve as major engines of national economic development, and failure of governments to maintain their share of cost increase within tertiary education, particularly linked to traditional financing approaches that overlook central issues of quality, equity and efficiency. This paper presents an overview of these trends in eight countries of the MENA region in light of three main dimensions of tertiary education financing: resource mobilization, which refers to the extent to which governments are able to cover the financial expenditures of TEIs, resource allocation, the way that resources are distributed to TEIs, for example, recurrent versus capital costs, and resource utilization and equity, which measure the efficiency of TEIs based on number of graduating students (such as through returns on education), and equity, by looking at the extent to which resource distribution is inclusive of underprivileged students (World Bank, 2016).

Coverage of Resource Allocation
Across the eight MENA countries included in this report, public funds are allocated to public TEIs. This financing approach is not based on accreditation or quality assurance measures although most of these countries have either established a national tertiary education quality assurance and accreditation system, or are in the process of establishing one. While public universities are highly subsidized by the state, private universities have to recover most of their costs from instruction and other services. Private institutions do not receive any direct resources from the state; however, in some countries of the region these institutions receive benefits such as tax exemptions, investment allowances, provision of lands, and funding for national teaching staff up to 10 years. Public funds within countries of the MENA region cover limited types of both capital and recurrent expenditures, with the resources allocated to cover recurrent expenditures far outweighing those allocated to capital expenditures. More than 70 percent of the resources allocated for recurrent expenditures are used to cover staff salaries in the eight MENA countries. A few countries also allocate funds to TEIs to cover research expenditures, not exceeding 2 percent.

Resource Allocation
The process of resource allocation to TEIs across countries in the MENA region lacks a clear criteria for how funds are allocated and no agreed upon performance indicators to account for the funds received.
State funding at the institutional level is mainly based on inputs only, such as the number of students, number of staff, type of institution and total or previous budgets. No account is currently taken of output factors that would enable approaches such as performance-based funding. Ministries of finance and/or the ministries of planning are among the main stakeholders that contribute to decisions on funding allocation, although in some of the countries an intermediary legally autonomous entity exists which administers budgets to TEIs, and in others there is a government budget model which universities must abide by when requesting/calculating their budgets.

Financing scientific research as part of the tertiary education scheme is limited in most countries of the region. Some countries report that there are limited efforts made towards promoting innovation. Some governments have introduced funding for TEIs aimed at promoting innovation and addressing national priorities, whereas others have introduced funding that promotes partnerships between TEIs and the private sector, or competitive funding for quality improvement in the form of block grants, which aim to improve quality.

Resource Utilization (Equity)

Education is viewed as a human right in almost all of the eight countries included in this report. The Constitution in most of these countries mandates the free provision of tertiary education and is provided mainly by public institutions. In addition, there are public programs in place to provide financial aid to students from disadvantaged backgrounds with the goal of advancing and achieving equity via improving access and retention in TEIs. However, disparities still exist across regions within the same country and between those coming from the highest and lowest socioeconomic statuses. Students pay negligible enrollment or matriculation fees, and in some cases, even these fees are waived. Some countries even cover welfare benefits for underserved students, such as food, transportation, books and housing. Though in principle education is free for all in these countries, many students from rural areas and from the lowest socioeconomic quintiles cannot even pass secondary school examinations to become eligible for enrollment in TEIs. The quality of education in primary and secondary education in these countries is poor, and many families are obliged to pay for remedial courses for their children to ensure that they can pass the national secondary examination. Some cost-sharing products have emerged in some of the MENA region countries, such as loans tailored to individual needs. However, little is known about monitoring schemes in place to track outcomes, or whether their outcomes are monitored, or whether financial incentives exist to reward institutions for meeting equity goals.

Concluding Remarks

Region-wide, tertiary education is growing. Public spending on tertiary education as a proportion of the education budget varies among the MENA eight countries included in this report, but remains low in comparison to other countries. It is also important to note that where education expenditure may be considered adequate or reasonable, elementary and secondary schooling receive the overwhelming share of the public sector’s commitment to education. Scarcity in resources across countries of the MENA region leads to inter-sectoral competition with education from health, housing, social welfare, and other government functions for financial resources. Finally, prioritizing tertiary education is a political decision that can translate to increased financing of the sector within each country. The value of tertiary education for economic growth and broader social and sustainable development has not yet been fully recognized by countries of the MENA region, partly due to the fact that tertiary education financing is largely ad hoc and is not based on any attempt to develop a closer link between sectoral planning and budgeting. Cost-side and revenue side solutions may be sought in an attempt to improve quality, equity and efficiency in tertiary education across countries of the MENA region.
SESSION 3: Internationalization of Tertiary Education in the Middle East and North Africa Region

The issue

There are currently 200 million tertiary education students in the world—twice as many as there were just over ten years ago—and the number will probably double by 2030 according to France Stratégie (September 2016). On average the number of international students in tertiary education worldwide in the last ten years has been growing faster than total enrollment, suggesting that international mobility has become a key feature of tertiary education.

Internationalization is defined as “the intentional process of integrating an international, intercultural or global dimension into the purpose, functions and delivery of post-secondary education, in order to enhance the quality of education and research for all students and staff, and to make a meaningful contribution to society.” (Knight, 2003; de Wit, 2015). It can take several forms, such as students and staff mobility (inbound and outbound), academic joint venture (joint degrees), partnership (cooperation on programs and exchanges) and branch campuses in third countries. But internationalization can happen “at home” through activities that help students develop international understanding and intercultural skills: curriculum and programs, teaching/learning process, extra-curricular activities, liaison with local cultural/ethnic groups and research or scholarly activity.

Internationalization contributes to the ultimate goals of tertiary education. The literature details benefits of internationalization of tertiary education for the hosting country and university, and for the student, varying from economic returns to behavioral improvement and skills enhancement. But the ultimate benefit of internationalization is to learn from the world, suggesting that the impact of internationalization is on the society as a whole.

Why it matters for MENA

Worldwide, tertiary education institutions surveyed by the International Association of Universities don’t consider MENA as a priority for their internationalization partnerships. Even institutions within the MENA region prefer to develop partnerships with institutions in other regions of the world. In other words, the MENA region is almost absent or marginal in the landscape of international tertiary education. (Egron, E. and Ross, 2014). However, internationalization can have beneficial effects on MENA countries. Quality of education is recognized as the number one challenge for the region, and internationalization is a concrete tool to enhance it by introducing new teaching methods, innovative solutions, revised curricula, common standards and through peer-to-peer exchanges.

Youth unemployment rate in MENA is the highest in the world. By providing 21st Century Skills such as language skills, independence, intercultural understanding, self-confidence, changes in values (to cite a few), internationalization contributes to fostering employability and creating a culture of peace and tolerance, making youth immune to violent and extreme ideologies.

Moreover, internationalization has financial advantages. Economic impact studies conducted in several parts of the world show that the cost of receiving international students is lower than the contribution those students bring to the hosting countries. Through internationalization, MENA countries also benefit from a greater influence with stronger links, and increased exchanges between the country and the rest of the world.
Key highlights

Interestingly, the international students’ growth rate in the region is higher than the domestic enrolment growth rate. Inbound mobility in MENA has been constantly growing from 2006 (apart from 2011 during the Arab Spring). We can observe three main trends:

- In Algeria and Morocco, the student population is growing but the number of international students remains low.
- Other countries like Egypt, Lebanon or Tunisia observe a stagnation or decrease (Tunisia) in the enrolment in tertiary education which could be compensated by attracting more international students.
- The United Arab Emirates’ and Qatar’s tertiary education population constantly grows and international students play an active role in this growth. The GCC countries are leading the growth of internationalization trends in MENA while other countries’ contribution remains poor.

The evolution of inter- and intra-regional mobility of MENA students underlines the lack of attractiveness of the region as most MENA mobile students decide to leave the region to study abroad, and this pattern is growing through the years. When looking at the intra-regional mobility, students who prefer to stay within the region mainly come from the Palestinian territories, Syria and Oman.

Pointers for action

For governments

Encourage tertiary education institutions to open the door to internationalization, offering financial incentives such as targeted funds to promote internationalization,

Foster academic collaboration within the MENA region and globally.

Develop statistical indicators and surveys for an effective internationalization monitoring.

Alleviate barriers to the internationalization of tertiary education such as visa regulations.

For tertiary education institutions

Giving a global dimension to curricula through internationalization at home

Learn from the experience of other institutions in implementing different internationalization approaches (taking advantage of the University Governance Screening Card network).

Establish an international service to provide support to both students and faculty staff and to promote the integration of international students into all the institution’s academic and social activities.

Deliver part of the programs in foreign languages, ensure the quality of the delivered content and develop joint programs in co-operation with foreign institutions and research centers.