The Role of the University in a Developing Economy

by

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Abstract

(106 words)

Particularly within the developing world, the ability to acquire and harness knowledge relevant to development goals has become a major area of concern. Some have argued that universities and other institutions of higher learning need to play a more prominent role in fostering development goals, shifting away from institutions of academic exploits to adopt more meaningful roles in society. In this paper, it is argued that universities need to adopt a more enlightened role as agents of change. Such change extends beyond the allocation of additional resources. It must incorporate social, economic, and political forces to facilitate institutional transformation and national integration into the global economy.
In a global economy where the importance of national boundaries is increasingly being eroded, what will ensure future national success remains a troubling question. The emergence of what some have termed ‘the Chinese juggernaut,’ the reluctance of former colonial masters to provide market support for primary products, and the massive human migration patterns all affect the ability of countries to sustain their development (Lucas, 2014). This begs the question: How can a country, such as ours, sustain their development?

One emerging view is that knowledge is critical to sustainable development (Golub, 2015). Such knowledge should focus on understanding the interaction between the social, economic and political dimensions of society. If effective knowledge management practices are developed, then societies can be transformed and become very successful. Conventional wisdom suggests that it is this ability to develop effective knowledge management practices that, in large part, have contributed to the success of Brazil, Malaysia, and other emerging economic giants. Recent World Bank studies have suggested that high educational levels and a focus on raising educational standards have played a major role in the integration of developing economies into the highly competitive global economic landscape (Patrinos et al., 2009).

One place that has always been a source of knowledge and has effectively helped to transform societies is the university. A harbinger of knowledge, its new role in a global economy cannot be framed within a traditional context. It must be seen as a major contributor in the effort to transform the society (Morris, 2013). Serving as the basis for knowledge advancement and where new ideas can be explored, the ability of universities to make a positive contribution to the development of societies have sometimes not been fully embraced.
In this article, we examine the role of the university. Specifically, we pose three crucial questions: one, can a university play a role in teaching and learning, while making a valuable contribution to society? What is the purpose of such an institution if it cannot provide answers to society’s problems? How does the institution meet expectations in the face of significant limited resources? In addressing these questions, it is posited that the role of the university does not only depend upon additional resources. More important, it requires a change in thinking that allows the institution to play an active role in society. It requires an enlightened approach that positions the institution to actively engage all facets of society to pursue the social, economic, and political goals that facilitate the country’s integration into the global economy.

**General Issues**

Before one can undertake a serious conversation about the subject we seek to address, there are some observations that need to be made. Firstly, we are operating in a very dynamic environment (Hamel, 1996). In this global economy, where the only constant appears to be change, university education is emerging as more than just the ‘next step’ in the educational ladder. In fact, from a global perspective, education is emerging as a necessary requirement for individual and societal advancement (Golub, 2015) More important, higher education is emerging as a critical component of human capital, there is greater movement of personnel across borders, and developing countries are seeing human capital emerge as their greatest export.

Recent discussions about human capital have sought to highlight the critical issue of human capital to economic development. Knowledge and human capital are fast replacing other
resources as the engine of economic growth, social mobility, and personal prosperity particularly as individuals find it easier to move from one environment to another. A recent World Bank study concluded that increased participation in higher education significantly contributed to the integration of developing countries into the global economy (Fereira et al., 2013). Such enhanced integration resulted in higher economic growth, rising wages, declining poverty levels, and improved health outcomes (Sachs et al., 1995). Hence, as human capital is drained from developing countries, their ability to benefit from enhanced analytical skills, which help to drive all aspects of society are greatly constrained. As one research suggested, the price of ignorance, far exceeds educational costs.

Looking at the general issues from Guyana’s perspective, there are certain social realities that must be acknowledged. Unfortunately, we are confronted with a significant decline in the ambition quotient. In a society where higher education was considered a necessary step in individual growth, we are now confronted by a focus on less important things. It is not uncommon to hear individuals talk about aspiring to travel abroad rather than focus on educational goals and the positive outcomes. There appears to be a false perception that El Dorado lies somewhere beyond the rainbow, and we are simply waiting for our departure date. As one individual recently remarked to a headmaster, ‘Sir, I ain’t able. He traveling to America soon. So, let them deal with him.’

Of equal importance is the role of financial remittances, which have emerged as a major source of economic contribution to the Guyanese economy. Recent statistics suggest that financial remittances account for in excess of 15% of gross domestic product (GDP) (Roberts, 2006). What further exacerbates the problem is that a significant portion of financial remittances
are devoted to subsistence activities and very little to productive activities. Consequently, investments in human capital benefit very little from the significant inflows of financial remittances.

The gist of the argument to date is that the conditions under which a university must operate is highly complex. Faced with a decline in ambition quotient, limited national resources, high levels of human capital export, and a decline in family structure, it places the institution in a framework to ask the question what is its role? How can we expect a university to make a significant contribution to society under these circumstances?

**Role of the University**

To address this issue, it is important to take what one may call an enlightened approach. For purposes of this discussion, we embrace the definition as

“a place where he has the opportunity of education in conversation with his teachers, his fellows and himself, and where he is not encouraged to confuse education with training for a profession, with learning the tricks of the trade, with preparation for future particular service in society, or with the acquisition of a kind of moral or intellectual outfit to see him through life. Whenever an ulterior purpose of this sort makes its appearance, education steals out the backdoor with noiseless steps.” (Gough & Scott, 2007)

This definition suggests that the role of a university is beyond the framework of being an educational institution. It involves actions designed to generate growth and development that
consequently yields value added to the society in which it exists. In essence, universities affect and are affected by the environment in which they operate. Given the interconnected world in which we live, universities play a paramount role in shaping the discourse around the development of knowledge and human capital, how societies and their economies thrive, and how technology can be exploited to provide access to critical resources needed for success. Universities should be viewed as an integral part of society whose success impacts and is impacted by the society in which it operates.

Universities, in reality, are not independent of the environment in which they operate. Stakeholder theory posits that organizations are part of the environment in which they operate (Donaldson & Preston, 1995; Jensen, 2002). How one views an institution is based on the opinion of stakeholders about the ability of a firm to meet expectations and may be assessed through either direct contact or information from various intermediaries (Raub & Weesie, 2006). Every stakeholder develops expectations based on information gathered and assessed and through interactions with other constituents. Therefore, one can argue that how the university is viewed depends upon the vantage point of each stakeholder. The stakeholder groups to which we refer are within the institutional, political, economic, and social spheres.

**Institutional Role**

From an institutional perspective, the issue of its role revolves around identity. Some researchers have referred to this as possibly the most critical question that any organization can address in a highly competitive environment (Albert et al., 2000; Scott & Lane, 2000). Particularly in a dynamic environment, it is important for organizations to forge an effective
identity. It is that identity that helps one to determine one’s role, what that role entails, and how each role will be combined to shape the institution.

We suggest that the university needs to see itself as an agent of change. As such, it must be actively involved in shaping policies and developing programs that are relevant to society’s needs (Scott & Lane, 2000). This begins by developing an inventory of programs relevant to the needs of the society. To develop an effective and appropriate inventory of programs, there must be consultation with all stakeholders. Political stakeholders must be engaged to ascertain their vision for the society. Understanding such vision helps to create programs that will provide all sectors of society with the human capital needed to support such a vision (Albert et al., 2000). Moreover, from an institutional perspective, visions should survive democratic transitions. Absent a willingness to embrace the good aspects of predecessor policies, institutions end up reinventing the wheel and failing to make progress. If, for argument sake, governments change every election cycle, then the university cannot effectively develop programs that seek to promote national development goals, as each successive administration seeks to reverse the actions of its predecessors.

Of equal importance to the issue of institutional identity as a change agent is the need for dynamic processes aimed at curriculum revision. Drawing on lessons from developed countries, it is shown that a strong liberal arts and science educational exposures play a significant role in shaping the critical thinking skills of university graduates (Hung & Xuan, 2014; Stanton, 1987). Liberal arts exposure provides students with a well-developed understanding of multiple fields that bring different lenses to understanding issues. For example, while technologies can be applied to understanding numerous mathematical outcomes, explaining what is discovered may
be the more important thing. In effect, having good writing skills can compensate for weak analytical tools. Similarly in science, it has the potential to provide very unique perspectives of problems that may otherwise seem complex. While biology is a study of living organisms, it is important for the business graduate to understand that businesses themselves are living organisms. As such, the basics of biology are also applicable to understanding business entities.

Cross-disciplinary exposure also impacts on the social dimension of learning. Studying in non-traditional areas helps to build friendships with individuals from other disciplines. Through these cross-disciplinary exposures, broader perspectives are developed, and the quality of the educational experience is enhanced. Moreover, it helps to build strong cross-functional teams that may prove to be critical both in one’s academic career and in the professional environment (Granovetter, 2005; Leask, 2013). For instance, cross-disciplinary exposure may better facilitate the development of teams designed to take a new product to market, provide the inventor with access to critical resources whose importance he/she does not recognize, and develop relationships that may prove vital in life (Kahn & Agnew, 2015).

An often cited challenge for institutional identity is access to resources. Often when that discussion occurs, it revolves around financial resources. While financial resources are critical, it is not the main ingredient. As one researcher points out, businesses often make the mistake of assuming that size matters (Hamel & Prahalad, 1993). In reality, what is important is not what you have but what one does with the resources in one’s possession. This is an important point because we argue that providing the institution with more resources can only further exacerbate the challenges, if other basic issues remain unaddressed. While additional resources are necessary, there is a significant amount that can be achieved through a better utilization of what
already exists. Built around the concepts of stretch and leverage, we suggest that the university can gain access to significant additional resources if it more strategically employs those that already exist while simultaneously temporarily acquiring access to new resources. Abundant resources are not the key to success, but the effective application of resources (Hamel & Prahalad, 1993).

With respect to the acquisition of new resources, there is a major role for the diaspora to play. Through sabbaticals and exchange programs, the university can access faculty, teaching materials, and other resources needed to begin the process of providing a qualitatively superior educational experience for its students (Stone & Patrick, 2013). Just as businesses temporarily acquire resources from others to pursue specific objectives, the university should also try to follow this model. To do this, the university must strategically execute Memoranda of Understanding (MOUs). These collaborative university relationships should allow for the physical and virtual transfer of resources that benefit both institutions, their faculty, and student bodies.

The effective utilization of technology is another critical element of the university as a change agent. Particularly as it relates to access to resources, spatial distance has been mitigated by the existence of technology. Today, students work on common projects across vast geographic regions, connected only through the virtual media. This media can not only expose our student body to new educational experiences but help in their professional development. Virtual teams are a reality of life, and the earlier we use the tools to expose our students to such experiences, the more prepared they will be to make contributions to local and global development (Granovetter, 2005; Hamel, 1993).
Linking institutional identity to national development also requires a conversation around location. To date, the university has established two campuses. Yet, the Turkeyen Campus remains the primary location with most majors being offered there. This begs the questions: should we take a serious look at what we call strategic institutional diversification? In a country of ten regions, each with some unique economic focus, should the institution be addressing the notion of satellite campuses designed to better serve the socio-economic needs of the regions? This question may need to be seriously considered, given the recent establishment of new towns and calls for autonomous communities. For example, should a campus that addresses agricultural needs be operating in a heavily agricultural region? Should a campus focused on mining, oil, and gas exploration be similarly based on another region? Similar questions have confronted other developing countries and a myriad of solutions have been adopted. For example, Ghana has experienced an explosion in public and private universities tied directly to national development goals. Yet, its primary institutions in Accra, Cape Coast, and Kumasi have remained the principal sources of academic grooming. In other developing countries, population density has played a major role in determining whether new campuses will be created (Qazi et al., 2010). Still, in other developing countries, the growth of new campuses has been left up to the free market establishing private universities with specific charters and regulated through some central authority (Patrinos et al., 2009).

**Business Role**

Though much of the focus has been on the institution itself, one cannot ignore the role that other stakeholder groups should play in shaping the university. The private sector has an
important role to play in the future of the institution. International organization reports have shown the important role that the private sector plays in curricula development and institutional support (Karkkainen, 2006; Patrinos et al., 2009; Qazi, et al., 2010). From a curricula perspective, the private sector can participate in discussions surrounding the skill sets needed for employees entering their businesses. In the absence of such discussion, we find a disconnect between expectations and reality. Consequently, businesses end up making less qualitatively advanced decisions because the individuals responsible for either making or executing decisions lack the requisite skill sets.

Businesses also have a role to play with respect to institutional funding, which continues to be heavily dependent upon the central government. As such, political gridlock and increased demand has seen a decline in per student expenditure. Through scholarships and other forms of funding, the university could be provided with added resources to enhance the student experience. Although the government has established a revolving loan fund, it remains inadequate to meet student demands. Specific sector/industry-related scholarships could be offered to help students complete their education.

Business sector funding can also be dedicated to the recruitment and retention of highly qualified faculty (Gibson & Butler, 2015). This is one of the most important aspects of academic education and the student experience. Yet, for an institution such as the University of Guyana, accessing such individuals is not always possible. Here, the business community can play a role by providing dedicated funding for certain initiatives aimed at attracting qualified faculty and acquiring program specific assets (Gibson & Butler, 2015). For example, through private sector funded Endowed Chairs, highly qualified faculty could be attracted and retained. Likewise, funds
targeted for the acquisition of analytical tools could be acquired. Both of these suggestions represent a win-win scenario as it not only enhances the educational quality of the institution, but also raises the profile of the donor.

From an instructional perspective, businesses can also facilitate guest lecture series and part-time instructors to help fill the resource gap. Practice goes a far way to advancing the understanding by students of the theoretical issues presented in classes. Hence, exposing students to individuals who can bring practical experiences to theoretical discussions is vital to their development.

**Political Role**

For the institution to successfully fulfil its role, there must be a sense of direction. Absent that compass, it drifts effortlessly in a tumultuous sea of change, tossed around by waves, and eventually sinking into oblivion and irrelevance. As a public institution, expectations must be clearly stated by the political sector. At a minimum, this stakeholder needs to explain its view of the institution. If the institution is embraced as an agent of change and major contributor to overall development, then the tools needed to facilitate this must be provided. As Chester Barnard (1938) stated, “If we wish to increase the yield of grain in a certain field and on analysis it appears that the soil lacks potash, potash may be said to be the strategic (or limiting) factor.” In essence, political direction must be accompanied by a wide array of resources needed to fulfill the vision of the institution as an agent of change and facilitator of national development.

Government must actively support the creation of development-related programs designed to facilitate national development goals. Recent pronouncements around the importance
of science, technology, engineering, and mathematics (STEM) to national development must be reflected in the programs provided and resources allotted to the university for such pursuits. For example, current government initiatives aimed at reviving village economies should be accompanied by university programs aimed at providing the ancillary tools needed in those communities.

Institutional governance is also a critical aspect of the political role. Recent stories of political interference in higher education in India have suggested that these activities have a damaging effect on institutional development and governance (Altbach, 2015). As Sachin Pilot stated, "Political interference has to be minimized, no doubt. Luckily, only history can be politicized, not maths or science." While many have argued for institutional freedom, we suggest that such a request is a misnomer. In reality, he who pays the piper calls the tune. Even in developed countries where private and public universities thrive, political interference persists. The issue therefore becomes one of balancing institutional freedom with political direction.

Recent research on institutional governance provides significant insights into successful models. Studies have shown that strong internal leadership overseen by a vibrant externally-dominated board can play a major role in effective institutional governance and growth (Jensen, 2002). Strong internal leadership requires a cadre of individuals willing to make firm decisions, accepting responsibility for their implementation, and the associated consequences. Vibrant externally-dominated boards see their role both as regulators of behavior (Johnson et al., 2012). They must be willing to constantly question the actions of decision makers, such that final decisions are reflective of institutional goals which are in keeping with national development.
goals. This helps to avoid the creation of what some have termed ‘flavor of the month’ programs that bear no relationship to the institution’s identity and mandate.

**Societal Role**

It is important to note that every institution exists within a context, and the university is part of a broader community. That community is not only impacted by what the university does but the reverse also applies. Consequently, the broader society must have a stake in defining the role of the university.

There are certain realities of the broader society that will help to inform the role of the university in the future. In addition to a declining ambition quotient, there are major social problems confronting Guyana. High rates of teenage pregnancy, high rates of incarceration, increased drug use, and an overall decline in the home structure are only a few of the challenges faced within the society. When combined, they suggest a situation where the products of the university must play a vital role in helping to correct the social problems confronting Guyana. Absent such a commitment, its graduates may become part and victims of these problems.

Accordingly, we suggest that fieldwork must be an integral part of the educational process (Hung & Xuan, 2013; Stanton, 1987). Courses must be designed and redesigned to ensure that students are exposed to the practical challenges in the society. Sociology teaches us about the challenges of teenage pregnancy, but how do we help the teenage parent to acquire the skills that may help them to become productive citizens? Doing so may require the efforts of a team of students who can provide ideas on counseling, developing a support network, creating a small in-home business that allows for balancing work-life responsibilities.
Furthermore, special programs should be designed to address socio-economic initiatives. This could be done through short courses aimed at enhancing the skills base of fairly well-educated individuals. For example, community-enhancing business initiatives should be supported by university short courses to assist persons involved in these entities. These programs can use both students and faculty to facilitate delivery and learning.

Issues of defining the university’s role cannot ignore the input of students. We engage in this discussion at a time when the student body clamors for changes in the institution, in terms of governance, program availability, and program delivery. While the issue of governance has already been discussed in this presentation, let us begin by examining the student’s role in shaping the institution. We argue that students must first develop a PASSION for building. Doing so requires a commitment to changing not only the institution but helping to create one with solutions to national problems (Raub & Weesie, 2006). It makes no sense to question the institution’s value when one refuses to participate in community development activities. Students must be reminded that institutions are reputable, not for what they have, but for what they produce. Spend as much focusing on developing solutions rather than constantly emphasizing flaws. Remember that it is easier to destroy than to build.

Furthermore, there must be concerted effort to ensure that internships in the public and private sectors are an integral part of the educational experience. Internships are a vital tool and highly beneficial to students because they help to groom them for their careers (Golub, 2015; Morris, 2013). Employers use internships to assess talent. From the student’s perspective, internships provide a hiatus from discussions of theory and offer opportunities to see their application. Internships can also provide an eureka moment and help students to better assess
their suitability for specific careers, resulting in a major transformation in goals (Granovetter, 2005). Internships may also allow students to expand their network of contacts. Hence, both the public and private sectors can benefit from embracing an internship program.

**Conclusions**

In this article, we have sought to outline a role for the university in a developing economy. Our arguments are premised on the assumption that the university, particularly one that is a publicly-funded entity, should not be seen in the traditional sense. It must embrace its role in society as an agent of change, making significant contributions to national development, and developing programs that reflect the importance of certain sectors to the nation. It must embrace its role in creating an educated populace that is a vital part of the global economy (Gibson & Butler, 2015; Kahn & Agnew, 2015; Leask, 2013). An educated populace not only accumulates a wealth of knowledge but has the potential to be a driving force in a nation’s economic growth and the resolution of social problems.

Often cited as a constraint for the institution to embrace its role is the lack of resources. While we acknowledge that more resources are needed by the entity to fulfill its role, it is important to note that we must cease seeing it as a constraint and seek unique ways of working around this barrier (Golub, 2015; Hamel, 1996). It is to be noted that, even in developed countries, well-endowed universities also face resource constraints. What makes the difference is to work within the confines of what is provided, while finding ways to acquire resources through unique approaches (Hamel & Prahalad, 1993). With virtual communication reducing the impact of spatial distance, and a global desire to prepare a more culturally aware workforce, the
institution needs to take a serious look at developing strategic alliances designed to support institutional growth and development.

Promoting study-abroad initiatives should also be an integral part of these cooperative agreements. Globally, in an attempt to more fully expose students to other cultures, such programs have increased at an alarmingly rapid rate. These alliances should also focus on broadening the experiences of our students. Study-abroad opportunities will help students to broaden their networks, enhance their learning, and develop new ideas and solutions to address local issues. They represent win-win situations as they create new opportunities in the minds of students and faculty (Golub, 2015; Stanton, 1987; Stone & Patrick, 2013). Such collaboration may also help to solve common challenges, unlock and harness new knowledge, and facilitate the creation of relevant solutions to local problems.

Finally, we reiterate the notion that the institution must be a change agent, even though change is not easy. To better facilitate the change it is important that issues of framing be addressed. If the stakeholders are embraced for their potential contributions rather than seen as acquirers of what we produce, then the institution can more easily embrace its new role. Programs to serve the needs of society cannot achieve their objectives if that society is not involved in the conversation. There is a need for the design, delivery, and framework of higher education to be aligned with the development needs of the nation.
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