

Abstract

PRIVATE UNIVERSITIES AND THE ROLE OF REGULATORY INSTITUTIONS IN DEVELOPING COUNTRIES

Dharm P. S. Bhawuk

WITH the liberalization of education industry in developing countries like India and Nepal, and the establishment of private universities, the landscape of the academic field is changing, and so is the social structure of competition in this field. Some researchers have discussed how different degrees of embeddedness lead organizations to differential exposure to information, which in turn shapes their strategy and actions. Not only would the economic networks of colleges and universities affect their performance, but also their professional and social networks would influence their image in the market place and their performance. Regulatory institutions play significant roles in shaping the landscape of these networks, and an effective policy would allow the academic institutions to grow and serve the student population, whereas an overly bureaucratic policy would create many structural holes that would defeat the intent of liberalization of the academic market. In this paper, I present a case study of a college of business in Nepal on whose advisory board I have served from its inception, and argue that empowerment should be the basic philosophy of regulation. I also discuss the role of the University Grants Commission (UGC), institutions of national importance and international standards like the IIMs (Indian Institute of Management), and other similar regional institutions (e.g., Asian Institute of Management and Asian Institute of Technology) in raising the quality standards of business education in Asia, and in developing countries in general.

* Professor of Management and Culture and Community Psychology, College of Business Administration, University of Hawaii at Manoa, Honolulu, HI 96826.