



## Webinar: *Educational and organisational innovations in higher education*

4 March 2014, 16h00 Paris (France) time

### Food for Thought

#### Background

Education and training systems are under increasing pressure to respond to the new skills demands generated by a rapidly changing and globalised labour market. The acceleration of scientific and technological innovations requires new strategic responses to train the workforce and make an effective use of existing skills. This presents challenges at all levels of schooling, but especially at the tertiary level.

Educational institutions and universities need to respond to the cycle of innovation and adapt their organisation and pedagogies to serve increasingly heterogeneous student profiles and improve the teaching and learning of a variety of skills for innovation. Across countries and in multiple occupational fields, the private higher education sector is a prominent actor in introducing innovative approaches to the development of 21st century skills.

#### Framework and key questions

The OECD Innovation Strategy provides analysis and policy guidance on a broad range of issues from education and training policies, to policies that promote a business environment and infrastructure conducive to innovation and foster the creation and diffusion of knowledge. More specifically, two projects developed by the OECD's [Centre for Educational Research and Innovation](#) (CERI) feed this broad framework: *University Futures* and *Innovation Strategy for Education and Training*.

Data from the *University Futures* project show that, across OECD countries:

- enrolments in tertiary education are largely concentrated in the public sector, while changes in distribution from 2001 to 2011 imply, for most countries, a growth of the private higher education sector;
- funding sources of tertiary education institutions remains largely public, while changes in distribution from 2001 to 2011 show, in most countries, a reduction of the share of government funding and an increase in contributions from households and private entities.

The data also reveal wide variation across OECD countries in:

- the proportion of students in public, government-dependent private and independent private institutions;
- the contribution of households to direct expenditures of tertiary education institutions; and
- the share of part-time students in public and independent private institutions.

Taken together, these findings suggest that the **private higher education sector is playing a variety of roles** across OECD countries. While the sector appears to cater more than its public counterpart to non-traditional students (e.g. working adults), other common features and trends across countries are difficult to identify.

The *Innovation Strategy for Education and Training* project provides insights about the relative level of innovation that characterises the higher education sector and helps formulate hypotheses about the position of the private sector in the innovation ecosystem. Data from the CERI Scoreboard on Innovation in Education shows that the proportion of highly innovative jobs – as measured by the number and type of innovations that workers are involved in – is higher in the education sector than in most other sectors of the economy, thanks mainly to the high prevalence of knowledge and process innovations. More importantly, higher education – taken as a subset of the whole education sector– concentrates the highest number of innovative jobs, topping even the manufacturing sector.

On the question of whether there is more or less innovation in the private higher education sector than in the public sector, a number of system-level and institution-level factors can be invoked to draw predictions about the intensity of innovation in each sector. Private higher education could be expected to be more innovative because:

- there are often fewer constraints to accessing a variety of funding sources;
- private institutions more often need to innovate to meet demand because of competitive market pressures;
- private institutions are frequently less subject to central regulation and public administration rules.

The first two conditions could lead to innovation in the supply of educational programmes and/or in pedagogies and to quicker adoption of innovations developed elsewhere, while the third may lead to more organisational innovation.

The leeway for innovation in private higher education sectors is therefore related to local (and sometimes global) accountability and accreditation mechanisms, to market standards and, more generally, to the specific demands and needs of non-traditional students that private providers preferentially serve in many countries. The question remains whether these factors encourage innovation in the private higher education sector or, on the contrary, hamper risk-taking behaviour.

### **Seminar: Innovative approaches to education in the private higher education sector**

On 29 November 2013, CERI and Larureate International Universities Europe convened a seminar in Madrid to discuss innovative responses by the private higher education sector to the new skills demands in rapidly changing and globalised labour markets. Participants explored how private higher education institutions are adapting their organisational and pedagogical models to better serve an increasingly heterogeneous student population by helping them acquire 21st century skills.

The seminar examined drivers and barriers to innovation in the context of the sustained growth of the private higher education sector and of changing regulatory and technological environments. The discussion built on the presentation of promising innovations of organisational and teaching and learning practices in private institutions, and inquired to what extent these innovative practices have been or could be adopted by the higher education sector at large.

The specific objectives of the seminar were to:

- (1) discuss the growth of the private higher education sector and its distinct role in educational innovation and in developing the skills of traditional and adult students;
- (2) map innovation in the private higher education sector in both organisational and pedagogical areas; and
- (3) provide a forum for higher education institutions to share experiences on their explicit or implicit educational innovation strategies.

Stéphan Vincent-Lancrin (OECD-CERI) will present the findings and discussion points from this seminar for this IMHE webinar. Participants are invited to contribute to the discussion with questions, examples and further points for discussion on innovation in higher education.

## Discussion Points

### *Trends and perspectives*

The global growth of private higher education will continue to be driven by structural demand, especially in countries where demand largely outpaces the capacity of the public sector to extend provision to young cohorts and to groups with specific needs, such as working adults.

The demand-absorption model of growth presents challenges for innovation in higher education. Private providers that emerge to meet demand do not always have sufficient size and resources to meet increasing quality standards. At the same time, large private networks are gaining a stronger market position and putting in place structures to develop and implement innovations in a variety of areas.

### *Innovative practices*

Private providers are in greater need of innovation than public institutions because their success depends to a larger extent on being responsive to rapidly changing labour market needs. Business-like approaches and willingness to identify problems lead to quicker adoption of innovations.

Partnerships with industry appear a distinctive feature of the private higher education sector. Such partnerships can support organisational and pedagogical innovations to foster graduates' employability.

Innovative solutions have been developed by some private higher education institutions to implement skills-based teaching and assessment practices.

Networks are establishing innovative organisational structures to exploit synergies in the production of instructional content and in the delivery of student services across member institutions.

The digital revolution is bringing new opportunities for higher education institutions but also challenges to their existing business models.

### *Regulation and lessons for the higher education sector at large*

Regulation is becoming stricter, especially in Anglo-Saxon countries and areas of influence. Regulatory frameworks are often too uniform to accommodate the institutional diversity of the private higher education sector.

There are opportunities for the public higher education sector to learn from best practices and innovations that have proven effective in private institutions. Some of these involve greater receptiveness to external stakeholders and better ways of carrying out needs analysis.

### Find out more:

OECD Innovation Strategy	⇒	<a href="http://www.oecd.org/site/innovationstrategy/">http://www.oecd.org/site/innovationstrategy/</a>
OECD CERI	⇒	<a href="http://www.oecd.org/edu/ceri/">http://www.oecd.org/edu/ceri/</a>
OECD Skills Beyond School	⇒	<a href="http://www.oecd.org/edu/skills-beyond-school/skillsbeyondschool.htm">www.oecd.org/edu/skills-beyond-school/skillsbeyondschool.htm</a>
OECD Skills Strategy	⇒	<a href="http://skills.oecd.org/">http://skills.oecd.org/</a>