Higher education in India: Moving towards global relevance and competitiveness

FICCI Higher Education Summit 2014
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Dear readers,

Last year we came out with a Vision document for the Indian higher education system, a set of goals for our higher education system by 2030. In this year's report we take a step forward and explore the contours of a 'globally relevant' higher education system.

The global economy is undergoing a structural change with developed countries showing a shift towards services from manufacturing. The developing countries too are moving to services and capital intensive manufacturing. These dynamic changes will require a labor-force of sophisticated workers and innovative thinkers.

India is primed to meet this demand given its significant demographic dividend but it must first create a higher education system that is aligned with the dynamic demand of the global economy.

Therefore, India must develop a higher education system that is not best in the world but best for the world. Throughout the course of this report, we examine the current state of the Indian higher education system against various themes and parameters such as global recognition of Indian institutes, trans-national education, employability and research, innovation & entrepreneurship.

The report also identifies various impediments and challenges that the Indian higher education system faces that are hindering its progress in becoming a globally relevant education system.

In order to realize the goals of Vision 2030, an innovative and concerted effort will be required by both the Government as well as individual institutions. The report documents some of the measures that key stakeholders in the higher education system may undertake to realize the said objectives.

We hope this year's report provides readers a glimpse into the current state of the Indian higher education system and the steps that we must undertake to become a truly globally relevant education system.

Nikhil Rajpal
Partner, Ernst & Young LLP

Foreword

Although education has been a priority sector almost close to a decade, somewhere there has been negligible will to bring in much change in the system. Prime Minister Modi’s independence day declaration of ‘Make in India’ has in a sense articulated India’s aspirations to be a global leader in the near future. We at FICCI, believe that this dream can be achieved only if there is an alignment of vision for skill development, higher education and research with the overall economic agenda.

In this context, ‘FICCI Vision 2030 for Higher Education in India’ released last November during 9th FICCI Higher Education Summit, has been timely and appropriate. The Vision clearly outlines the architecture that would create a high quality, yet equitable and affordable Indian higher education system that is not just the best in the world but the best for the world.

The FICCI-EY report this year is very much aligned to the Vision 2030 articulated last year and focuses on making Indian higher education globally relevant and competitive. The paper highlights key actions needed by the government and higher educational institutions & universities to make India an Education hub endowed with globally-relevant talent that would feed into creating a vibrant research, innovation and entrepreneurship ecosystem. The report also describes case studies of certain key countries and institutions that have successfully developed innovative solutions to become Centres of excellence in higher education.

Last but not the least, we would like to take this opportunity to thank everyone in the government, higher education sector and industry who have contributed to bring in the insights in the report. We are also grateful to Ministry of HRD, Government of India, and all partners and sponsors for their support in organising the FICCI Higher Education Summit 2014 titled “Higher Education 2030: Making It Happen” on November 13 & 14, 2014 in FICCI, New Delhi. We are convinced that the recommendation from this report and the conference, if implemented in its true spirit will help us in achieving the aspirations of 1.25 billion population.

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Co-Chairman,
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Dear readers,

The global economy is undergoing structural transformation, with increased shift towards services and capital-intensive manufacturing from labor-intensive manufacturing and agriculture. In India too, services and manufacturing will dominate the economy. Innovation will need to drive the next phase of economic growth. Multinational enterprise will flourish. The Indian Prime Minister, in his Independence Day speech, referred to “Make in India”, which will encourage international players to set up manufacturing bases in the country. These global and domestic economic changes will require a significantly increased number of sophisticated workers, innovators, and thinkers who can thrive in a globally-connected, technologically-advanced world. While India is well-positioned to cater to the changes in labour market requirements—given its large workforce and projected labour surplus—it would not realize the benefits of its demographic dividend unless it hones the global competence and skills of its graduates and workforce.

In last year’s EY-FICCI report, “Higher Education in India – Vision 2030”, we articulated the vision for the Indian higher education system as one which is not just best in the world, but also best for the world. This year, we have taken this theme forward to explore how Indian higher education system can be made more “globally relevant and competitive” in terms of: creating globally-reputed institutions, attracting international students, faculty and institutions, becoming a hub for globally-fit talent, and building a culture of research, innovation, and entrepreneurship to enable high economic growth. While we appreciate that for ‘Foundation’ institutions, focus on local priorities must continue: providing a well-rounded education to India’s masses and imparting skills that are relevant to the local industry and community, ‘Career-focused’ and ‘Research-focused’ institutions must embrace internationalization wholeheartedly.

This report examines the current state of the system through the lens of “global relevance and competitiveness” and identified impediments that are hindering progress. It also profiles the best practices of countries and institutions that we consider globally relevant and competitive. Subsequently, it proposes measures that key stakeholders, i.e. Government, industry and institutions, could take to make the Indian higher education system truly globally relevant and competitive.

We hope you enjoy reading the report

Nikhil Rajpal
Partner and Education Sector Leader, Ernst & Young LLP