

Public-Private-Partnership (PPP) for HRD in Bangladesh: A Study on Joint MBA Program of USTC and CPA

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Abstract: The paper focuses on the role of joint MBA program of USTC (University of Science & Technology Chittagong) and CPA (Chittagong Port Authority) as a PPP for HRD in Bangladesh from the perspective of maritime industry. This type of program is the first in its kind in Bangladesh in order to create skilled and productive business graduates for meeting the demand of knowledge economy, globalization and employability. The distinctive characteristics of the program are pool of maritime and business administration courses, unique professional and academic PPP project for HRD, pool of benefits for the students, intensive quality control, effective administration of the program and the likes. The paper highlights some recommendations for the successful operation of the MBA program under framework of PPP in Bangladesh.

Key words: maritime industry; joint MBA program; PPP; HRD; strategic choice

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1. Introduction

Public Private Partnership (PPP) is considered as a cooperative venture between public and private sectors because it is built on the expertise of each partner that best meets clearly defined public needs through appropriate allocation of resources, risks and rewards (The Canadian Council for PPPs, 1998). Thus, the maritime industry has enormous contribution in the economy of Bangladesh. To continue with this trend, the industry needs result oriented efficient and competent pool of human resources. But the nature of higher education provided by the public universities in the country is somewhat traditional while the private universities have just started to offer their academic programs from the year 1992. Hence, neither the public nor the private universities of Bangladesh are in a position to award specialized qualifications for the development of the maritime industry professionals. From this perspective, the PPP through the joint MBA Program of USTC and CPA may be a viable strategic choice of HRD.

2. Research Problem

PPP's are geared toward improvement of existing services provided by both sectors with an emphasis

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directed on system efficiency, effectiveness, quality, equity and accountability (Wang and Yidan, 1999). PPP's aim is to promote improvements in the financing and provision of services from both the public and private sectors but not to increase the role of one over the other. PPP also offers value for money, radical opportunity to return for modernization, reduced cost over the whole life of a project, improved transparency of costs, gains from innovation, service improvements, better allocation of risks and a better chance of delivering projects on time and on budget. Further, PPP may offer new focus of accountability and a degree of democratic potential (Mayo and Moovem, 2001). Thus, PPP refers to an outcome focused and formal long term contractual partnership between public and private agencies on the basis and shared revenue-risk-reward-responsibility approach.

The advent of globalization has eradicated many of the blocked economic boundaries. In consequence, free market economy has emerged with its multifarious challenges, opportunities and their impact on different industries of varied natures. The maritime industry is also not an exception to this. But the economics of the developing and less developed countries are yet to transform such challenges into opportunities and the opportunities into resources with contemporary human resource development (HRD) programs. The main reason behind such incapability is the lack of result oriented efficient and competent pool of human resource in mitigating the gap between the rising industry demand and conventional academic programs towards this end. Furthermore, both the forms of privatization and public projects in their respective initiatives could not prove their worth due to many limitations including bureaucratic administration, corruption, risks due to the lack of modern and state-of-the-art policies, lack of commitment, poor planning and control, inadequate amount of fund, conflict among the owners and other stakeholders, delay in execution process, etc. Hence it has become inevitable to take pragmatic steps to combine the worth of both public and private forms of organizational entities to utilize their resources and capabilities through public private partnerships (PPPs) based HRD projects. But so far our knowledge goes; no in-depth study has yet been done on the present area of research. This paper is an attempt, towards this end, to develop effective and efficient human resources for the maritime industry with the required knowledge, competencies and capabilities to ensure their distinctive strategic advantages in the arenas of shipping practice, shipping management, shipping economics, port management, logistics, export/import practice, finance, ship operation, maritime law, maritime conventions, marine insurance, customer relationship management, poor and terminal management, etc. The study focuses on the role of Joint MBA Program of University of Science and Technology Chittagong (USTC) and Chittagong Port Authority (CPA) as a PPP for HRD in Bangladesh from the perspective of maritime industry.

3. Objectives of the Study

The main objective of this study is to highlight the role and potential of PPP in education for creating highly skilled business graduates for meeting need of globalization, knowledge economy, job market of home as well as abroad and higher productivity, better economic growth of Bangladesh. Further the aim of the study is to highlight the HRD in Bangladesh as effective management paradigm through the Joint MBA Program of USTC and CPA as PPP from the perspectives of maritime industry.

4. Methodology of the Study

Both quantitative and qualitative research instruments have been used in the study. Participant observations, group discussions, focus group study, depth research and peer interview have been used to collect qualitative data for

research purpose. In order to present the fact in logical format, the supporting and relevant secondary data have been collected through desk research. The secondary data have been collected from the memorandum of understanding (MOU) of the joint MBA Program of USTC and CPA, feasibility study reports, annual reports, survey reports, journals of international repute and the concerned web sites. The collected data have been processed with care and analyzed in order to make the study more informative and useful to the policy makers and other stakeholders.

5. Conceptual Framework

5.1 Skill

Skill is the ability, e.g., analytical, mental, and initiative and drives ability of a business graduate to deliver the performance in effectively and efficiently. The performance indicators are attendance in class, examinations result and participation in co-curricular activities.

5.2 Productive

Student's productivity is the function of teacher-student ratio, teacher-student qualifications, infrastructure, and curriculum, teaching aid etc. productive business graduate means trained and qualified managerial and operational expert, civil servants, professionals, teacher, and technicians.

5.3 What is PPP?

A public private partnership (PPP) is a type of long-term collaboration between a public authority and the private sector. In other words, it is a cooperative venture between the state and private business. It is considered as a cooperative venture between public and private sectors because it is built on the expertise of each partner that best meets clearly defined public needs through appropriate allocation of resources, risks and rewards (The Canadian Council for PPPs, 1998). PPPs entail a sharing of responsibility between government and the private sector in which the private sector contributes design, construction, operation, maintenance, finance and risk management skills while the government is responsible for strategic planning and industry structure, obtaining permits, some customer interface issues, regulation, community service obligations and (sometimes) payment on behalf of the service users (Australian Council for Infrastructure Development, 2009). PPP is a risk-sharing relationship between the public and private sectors based upon a shared aspiration to bring about a desired public policy outcome (The Institute for Public Policy Research's, 2002). A PPP involves two or more actors at least one of which is public and another private business sector such as in the context of a BOT projects (Tiong, 1992) and Joint Venture Company (Eckel and Vining, 1985). PPPs aim to promote improvements in the financing and provision of services from both the public and private sectors but not to increase the role of one over the other. Rather, PPPs are geared toward improvement of existing services provided by both sectors with an emphasis directed on system efficiency, effectiveness quality, equity and accountability (Wang and Yidan, 1999).

5.4 Why PPP Is Required?

The activates in the public and private sectors are carried out with same of similar objectives, targeting common clientele and competing with each other, which may mean either wasteful duplication of activities or enlargement of choice for the beneficiaries. Activities of service from the public and the private sectors complement each other in terms of nature and content of services.

6. Importance of the Study

The outcome of the present research will open new opportunities for teachers, students and staffs of both

partner public-private universities. Teacher, students and other stakeholders will be benefited through sharing of ideas in development of teaching-learning methodology, exchange programs, uses of infrastructure facilities, libraries, classrooms, joint research, publications, workshops, seminars and the likes. Research findings will be documented in a research report to disseminate relevant government departments, policy makers, University Grants Commissions, participating universities, donors, private sectors and NGOs working with higher education quality enhancement programs. The research will explore new opportunities for students, teachers, staffs and job markets in terms of delivery of quality education, use of tangible and intangible assets of both universities for mutual benefits of all stakeholders.

Traditionally, education was seen as the essential factors for rapid economic growth and formal education controlled by the state was the indispensable instrument for improving the production capacities of a population (Islam, 2003). The state sponsored higher education played an important role behind such development. But there was always a big gap worldwide between the quantity and quality of the state (i.e., public) run higher educational institutions and the continuously rising number of admission seeking students. As a result, most countries of the world are still facing the dilemmas of having to satisfy the need of the increased demand for education (Islam, 2003). In this context, the system of higher education needs to be flexible if they are to be the most effective (Muzaffar and Khan, 2004). But the nature of higher education by the state universities in Bangladesh is somewhat traditional. The introduction of private universities in the last decade is a great value addition as well as pragmatic step in mitigating the gap towards this end. In fact, the positive role of private universities is now undeniable (Siddique, 2005) but there is still the necessity of many more private universities in the country provided that they must not be allowed to grow in an unplanned way (Matin, 2003). So, considering the competitive advantages and limitations of both the public and private universities as individual entities, the PPP may be a viable strategic choice.

7. Findings and Analysis

The findings of the research have been explained in the following manner.

7.1 Admission Cycle

Attracting quality students from all over Bangladesh and other SAARC countries is the prime goal of FBA, USTC. Data thus collected have been shown in Table 1. Table 1 portrays that written test is given highest weighting representing 40% followed by Bachelor Degree 25%, Group Discussion 20% and Job Experience 15%. It appears that experience in works may be given more score for selecting experienced and matured professionals for the program. It has been opined that the quality of program depends to a great extent on input of the product.

Table 1 Factor Considered in Admission Cycle

Factors	Weighting in Score	Frequency in %
Bachelor Degree	25	25%
Written Test	40	40%
Group Discussion	20	20%
Job Experience	15	15%
Total	100	100%

Source: Field Survey

7.2 Academic Cycle

Management education is best imparted through participative and interactive learning methodologies. The quality of MBA programs depends to a great extent on continuous and active interactions with the industry as well as other organizational management perspectives. In such context, the collected data regarding academic cycle is shown in Table 2. It has been identified that a student shall be eligible to appear in the examination when he/she pursues a regular course of study and attends at least 80% of classes during the academic session. The academic performance of a student could be assessed in terms of Cumulative Grade Point Average (CGPA).

Table 2 Components of Academic Cycle

Components	Characteristics
Program Structure	2 years/4 years/6 trimesters
Academic Calendar	Starts from 1st week of January and July
Class Schedule	Total number of hours vary between 15 and 20
Class Size	Theory classes do not exceed 30 students and 5–10 students for group presentations
Teaching Pedagogy	Lecture method, case study, group discussion, project work, and presentation
Examination System	Weighting of class assessment 50% and term final exam 50%
Core Faculty	Ratio of Professor/Associate Professor/Assistant Professor / Lecturer is 1:2:4:6 = 13.

Source: Records & Documents, FBA, USTC.

7.3 Placement Cycle

The success of a management school depends on a number of factors viz. intellectual capital, good governance, infrastructure, and placement of students. Data have been collected regarding factors to be considered in placement of students in target organizations in general and in industries in particular. Data thus collected have shown in Table 3. Table 3 evidences that a number of factors will be considered in case of placement of students of the program. The table portrays that academic performance (35%) is the most important factor to get the placement in reputed organizations, in general and in multinational organization, in particular. The other important factors are subject knowledge (25%), communication skill (21%), market demand (10%) and personality (9%) respectively. It is now widely admitted that if Bangladesh is to benefit from the emerging pro-market policies, it must professionalize industrial and business management, and expand and improve existing management development programs and facilities.

Table 3 Factors Considered in Placement of Students

Factors	Number of Respondents	Frequency in %
Market Demand	10	10%
Subject Knowledge	25	25%
Academic Performance	35	35%
Communication Skill	21	21%
Personality	9	9%
Total	100	100%

Source: Field Survey.

8. Challenges and Strategies

The PPP has opened new opportunities for all stakeholders, i.e., university and industry. Thus strategies are needed to cope with changing environment for mutual benefits of FBA, USTC and CPA. The important issues are highlighted based on collected qualitative and quantitative data.

8.1 Role of Academicians and Professionals

To cope with the needs of the various segments of the maritime industry and therefore, to utilize the competitive advantages of USTC and CPA through PPP project, a number of creative leaders from the academicians and professionals of diversified fields especially with those of the maritime industry have been appointed and assigned both on part time and whole time basis.

8.2 Collaboration between Industries-Academia

Being an exclusive PPP Project, the Joint USTC-CPA MBA Program has established a very strong linkage among the various organizations of maritime industry including CPA, the Faculty of Business Administration (FBA) of USTC of the respective arena.

8.3 Maritime and Business Administration Programs

The courses prioritize the developments of business administration skills with special emphasis on sea trading and ship chartering, port management, marine insurance, carriage of goods by sea, transport and maritime economics, logistics and supply chain management, maritime law, maritime conventions, etc.

8.4 Benefits for the Students

The benefits of the program are twofold. In the first place, it enhances the opportunities of pursuing a highly valued MBA degree and necessary academic development from the leading academicians. While in the second place, it provides attractive options for their professional development by getting job or internship proposals from the professional faculty members of the industry on the other hand.

8.5 Quality Control

The quality of education is intensively followed up by the competent Program Directors and their supporting coordinators. Each of the course module has been designed in such a way that the students need to go through intensive studies of course work, home work, assignments, presentations, group discussions, term paper submission, project preparation and defense, debate, logics and analytical sessions, brainstorming sessions by the eminent academic and industry leaders, workshops for personality development, communication skill improvement, seminar, symposiums etc.

8.6 Credit Transfer and Waiver

Being a part of its academic policy USTC accepts the transfer of credits of the equivalent courses or programs of the UGC recognized universities in the country and any accredited foreign business schools or universities with international reputation as well with the rational recommendations of credit transfer committee of the FBA USTC. The committee comprises of both faculty members and the concerned administrators namely MBA Director, the Joint USTC-CPA MBA Program Coordinator, Expert Member from academia or industry and a senior Faculty (academic) member.

9. Conclusion

The policies, activities and strategies are student driven to provide quality maritime education in Bangladesh in particular and in South Asia in general. This commitment to quality is the cornerstone of success of public private partnership program in the study area. It is evident that the PPP type of HRD programs for the maritime industry through jointly organized academic and/or professional degree or diploma qualifications may be a viable strategic option to utilize the competitive advantages and overcome the competitive limitations of both the public and private universities as individual entities.

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