

## 10 Things Universities Should Consider Before Entering a Public-Private Partnership

Forging alliances with other firms and organizations can help a business produce excellent outputs in large sums. In the education industry, state/public universities partner with private firms to boost their [student enrollment](#) and admission rates and optimize their educational system. In return, the employers of private firms will see a wider talent pool wherein they can pick competent graduates and make them a part of their business. That said, public-private partnerships in the education sector are more or less a give-and-take relationship. However, indulging in public-private partnerships has its risks, especially on the universities' behalf. Considerations must be observed beforehand. Here are ten considerations that universities must assess before [forging partnerships with private entities](#).

### Do You Need a Partner?

The very first question university administrators must ask themselves is, "Do we really need a partner?" Based on a study by The Chronicle of Higher Education, 83% of the 249 college administrators they've surveyed said that they're forming or have formed alliances with private organizations for various advantageous purposes. University administrators should know that partnerships can certainly help them in some aspects of their institution. But, they have to do an [analysis](#) to find out if they need to form a partnership. Doing so could require them to conduct an elaborate cost estimation; forging partnerships may require huge investments and expenditures from both parties.

### Changes in Business Model

We all know that a [business plan](#) is needed to structure the business model of a university, which is how their educational system and operations flow. However, the business model structured by their business plan might be reinvented in some ways if public-private partnerships are formed. Private firms might present a proposal that will prompt university administrators to revise the curriculum of their offered courses. The process of admitting students on campus might also be restructured to boost enrollment rates. There are other changes in the business model that are too many to mention. University administrators must do their best to foresee these changes.

## Possible Risks and Rewards

As mentioned earlier, partnerships have risks, regardless of how simple or grand they are. There are always uncertainties that can cause issues and damages to the university's assets. With that in mind, administrators must observe standard [risk management](#) practices to regulate and eradicate risks. Building partnerships with private sectors might sound daunting, but universities can be rewarded with countless benefits in doing so, especially if they partner with the best and trustworthy private firms. The educational system of their campus could improve, which subsequently optimizes the [quality of education](#) they deliver.

## Who Controls What?

When partnerships are established, the two parties involved will work collaboratively in various aspects of their respective businesses. In that case, arrangements regarding which party controls a certain aspect of the university will be negotiated with the private firm. The university administrators and private firm executives will have to agree upon things about the educational system and its other branches. As much as possible, university administrators must hold more control because they're the direct stakeholders of the campus.

## How Will You Communicate?

Among the checklist of the biggest questions that university administrators must ask is what their method of communication should be with their prospective private firm partners. In a partnership, communication is extremely important to keep both parties updated on the progress of their common objectives and goals. If you think of it, choosing a method of communication isn't really the challenge. The challenge is deciding how frequent the exchange of information from one party to another be. Various devices for communication are available and accessible anywhere. University administrators must establish direct, clear, and timely communication with their private firm partners to be on the same page with them.

## Building Trust

Trust is an important element in business partnerships. University administrators must assess if a prospective private firm partner is worthy to be trusted. Building trust is one of the pillars of a strong alliance. If administrators don't deem a prospective partner as trustworthy, then they should consider backing out of the deal. Beforehand, administrators need to research the background of a private firm; they have to know

their reputation, motives, and ultimate goals to determine if it can be trusted or otherwise.

## **Preparations For Partnership**

Countless preparations will have to be arranged by a state university when it's about to officially indulge in a public-private partnership. The funding, documents, [contracts](#), and other necessary components for the business alliance must be readied beforehand. University administrators should invest financial resources to complete the preparations for a partnership's requirements.

## **What Will Be the Changes?**

Changes are bound to happen in a university once it establishes a partnership with a private firm. Administrators should be ready for the changes way before the partnership even commences. Changes such as the integration of automation tools and restructuring of organizational hierarchies are possible. Administrators need to ask themselves what sort of changes will the campus undergo once a partnership with a private firm becomes official. In that way, they can prepare their students and faculty members before the changes will occur, especially those that affect the educational flow of the university.

## **Adherence to College Morals**

A highly important consideration that administrators must assess is whether a private firm is capable of adhering to the university's morals. And, also if the partnership itself doesn't affect the core values of the university in delivering quality education. If a public-private partnership badly affects the principles of the university, its administrators should consider other options to expand and improve their institution.

## **Negotiating a Fair Deal Structure**

Partnerships should never be a win-lose situation; they should always be a win-win situation, with both the state university and the private firm reaping benefits. To achieve that, university administrators must incline themselves to negotiate a fair deal structure with their prospective private firm partners. A fair deal structure will give the university assurance that it'll enjoy the rewards of the partnership deal, without suffering significant losses.

Universities play an essential role in shaping the future of our society by educating their students. In that role, they'll certainly need the assistance of other sectors of the society;

thus, public-private partnerships are established. However, university administrators must make sound decisions in forging partnerships to maintain and preserve their institution's ideals in providing quality education.