

THE POLITICAL INTERFERENCE IN UNIVERSITIES IN PAKISTAN: AN AGENCY  
THEORY FRAMEWORK APPROACH

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By

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## **Abstract**

Universities are important in any society as they help citizens to be more productive and innovative, playing a key role in contributing to research modernization in many ways and assisting societies with a rapidly evolving world. This research examines the relationship between the provincial governments and universities in Pakistan. Specifically, this study analyzes the governments in each of Pakistan's four provinces and their oversight of the higher education systems within their respective jurisdictions. Following the implementation of the 18th Amendment to the 1973 Constitution in 2010, Pakistan's federal government provided the provincial governments with control over education, thus changing the province's relationships with the universities. Drawing upon the theoretical framework of agency theory, this study aims to understand the provincial government's exercise of influence through the appointment of university leadership and the composition of university governing boards. Furthermore, this research explores the effectiveness of the governments' communication with universities pertaining to government decisions or legislation that the provincial government initiated about universities after the 18<sup>th</sup> Amendment. This study argues that each provincial government's influence over the selection of leadership and nomination of governing board members affects the performance of universities in unique ways.

This dissertation adopts a qualitative research approach with multiple case studies. Since this study involves a comparative analysis of the relationship between universities and provincial governments after the 18<sup>th</sup> Amendment, an exploratory multiple-case study design constitutes an appropriate method for exploring the university system of each province. Specifically, this analysis mainly focuses on two indicators of organization autonomy: the selection of leadership and the composition of governing boards. As the main theoretical framework, agency theory provides the foundation for rigorously constructing each case study and analyzing each case under the theoretical framework. In particular, agency theory illuminates the roles of the government as a principal and the universities as agents of the government while each party engages in the selection of leadership and appointment of governing boards. Finally, agency theory reveals the expectations and complicating issues from the perspective of each party.

The potential results of this study provide a useful contribution to the literature by providing the first effort to discover the way in which the 18<sup>th</sup> Amendment altered the relationship between provincial governments and universities. The findings of this study can serve as a reference for provincial and federal government legislators within Pakistan as well as international researchers, organizations, and policy analysts who seek to improve their understanding of Pakistan's university system. This study also provides recommendations for improving the government-university relationships in each province to enhance the effective and efficient utilization of public resources.

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## **Dedication**

*To my precious daughters Hooram and Izna, my son Aban, my parents, and my wife.*

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## List of Acronyms

European University Association	(EUA)
Higher Education Commission	(HEC)
Provincial Higher Education Commission	(PHEC)
University Grant Commission	(UGC)
Khyber Pakhtunkhwa	(KPK)
Northwest Frontier Province	(NWFP)
International Security Assistance Force	(ISAF)
Academic Search Committee	(ASC)
China-Pakistan Economic Corridor	(CPEC)
Balochistan University of Engineering & Technology	(BUET)
Search Committee	(SC)
Punjab Higher Education Commission	(PHEC)
Chief Minister	(CM)

# Chapter 1

## 1.0 Introduction

At the time of its independence in 1947, Pakistan had only one university and that was University of the Punjab that fell under local management (Niazi & Mace, 2006). Immediately after gaining independence, Pakistan retained the Government of India Act 1935 as its interim constitution with few amendments. This act remained imbedded in the country's constitution until 1956. After Pakistan's independence, each government acknowledged the importance of education yet neglected this sector for decades. The first national conference on education occurred in 1947, immediately after Pakistan's independence from British colonial rule. This conference gave rise to several policy reforms, including the number of national educational conferences, national commissions, five-year educational plans, and national education policies (Jahangir, 2008; Khan, 2011). Education remained a provincial subject until 1973. In the 1973 Constitution, it was included in both federal and concurrent legislative lists which granted the federal government control over the education sector. This constitution influenced significant changes to education after the 1990s, when universities and degree-awarding institutions increased in both the private and public sectors, underscoring the need to focus on higher education.

The reform period in Pakistan can be divided into three periods: 1947 to 1973, 1973 to 1999, and from 1999 to the present (Jadoon et al., 2012). As per Jadoon's classification, the third period started after 1999, and during this period, Pakistan's higher education sector underwent extraordinary changes, improvements, and developments. In 2000-01, UNESCO and World Bank published a report entitled *Higher Education in Developing Countries: Peril and Promise*. The report found that "higher education will certainly be necessary [if not sufficient] in most countries if more vibrant development is to take place" (Qadir, 2011, p.98). In response to this report, the President of Pakistan established a 2001 task force that aimed to bring reforms to higher education. In 2002, the task force submitted its final report, which resulted in the establishment of a steering committee. Subsequently, the steering committee suggested the founding of the Higher Education Commission of Pakistan (HEC), whose main responsibility involved guiding higher education in Pakistan, especially the university system.

Education remained under provincial control until 1973, when the new constitution resulted in education's inclusion on the federal legislative list and in a concurrent list—the concurrent list made federal control of education subject to reforms, developments, and legislation. In 2010, the 18<sup>th</sup> Amendment abolished the federal government's role in education. This amendment sought to eradicate

the concurrent list and delegated control of many sectors, including education, to the provinces. Considered a commendable achievement in the history of Pakistan's provincial autonomy, the amendment succeeded in granting provincial governments autonomous control over higher education. Therefore, this study discusses Pakistan's higher education system after the 18<sup>th</sup> Amendment. More than a decade has passed since this amendment, providing a sufficient timeframe for examining the country's higher education system under the jurisdiction of provincial governments.

## **1.1 Problem Statement / Hypotheses**

Despite the plethora of available information about Pakistan's education system prior to the 18<sup>th</sup> Amendment, a dearth of research exists on government-university relations after this amendment. The politicization of public administration in Pakistan as elsewhere, directly impacts the effectiveness of universities (Karim, 2007) and also affects the country's socioeconomic development (Wilder, 2009). Pakistan lacks higher quality university education, which represents a concern for all stakeholders and questions the effectiveness of governance in public universities (Hoodbhoy, 2009). The importance of higher education necessitates an investigation of each provincial government's interactions with universities during the period after the 18<sup>th</sup> Amendment. This study aims to understand the current scenario and provides a starting point for future research to investigate the matter in greater depth.

The proposed research hypothesizes that after the 18<sup>th</sup> Amendment, provincial government interference with the university's administration adversely impacted the entire university system. Each case study presented in this dissertation aligns with a single provincial government and its university system. An exploration of each case requires the investigation of multiple factors, such as the university's relations with the state, the regulatory framework in which the university operates, legal documents, and provincial policy documents. Little research in the literature explains organizational structure as a mechanism of political interference or assesses the impact of this interference on university effectiveness. Accordingly, the use of agency theory represents a unique contribution that views a current issue in a novel way. Although legislation has declared Pakistani universities as autonomous from the perspective of western university governance, a significant research gap exists in the areas of governance structures and autonomy as well as factors in Pakistan's political culture that undermine the operations of universities.

Interference in Universities:

Interference in universities involves the penetration of external elements that undermine the autonomy of educational institutions. According to King (2015), universities that operate and are governed without any external interference in their decisions are called “autonomous.” The definition of interference varies and depends on various factors, making this a complex and multidimensional concept (Estermann & Nokkala, 2009; Tapper & Salter, 1995; Wright & Orberg, 2008). In general, interference outlines any extraneous influence that compromises the independent decision-making capacity of academic bodies; as Raaza (2010) states, university autonomy signifies an environment wherein academia retains sovereignty over its operational framework. The plethora of literature converges the issues, but It is imperative to acknowledge the region-specific nature of interference and its corollary impact on institutional efficiency (Grau Vidal, 2013; Fuenzalida, 2018; Ritzen, 2016; Estermann & Nokkala, 2009).

## **1.2 Conceptual Framework**

The conceptual framework guides this research and explains the complex relations between government entities and universities in each province of Pakistan, focusing on the two indicators of organizational autonomy, i.e. selection of leadership and composition of governing boards. The researcher borrowed the Four Dimensions of University Autonomy Model from the European University Association. The reason for using this model is that it is the most growing cited model in literature that covers the whole governance of any university and seems fit for this study. It provides a comprehensive framework for assessing university autonomy. Then, further, the researcher decided to use one of its dimensions i.e. organizational autonomy for this framework. There are many indicators of this dimension, but only two indicators were utilized (i.e. the selection of leadership and the structure of governing boards) and proposed these indicators as the mechanism of political interference in university affairs in Pakistan. In the end, the researcher analyzed the government-university relations of each province as a single case study under the agency theory framework.

This qualitative research study uses an exploratory multiple case study approach method. Agency theory is used as a framework to test the hypothesis. Data collection from multiple-case studies is more compelling than single-case study designs (Yin, 2009). In this study, a multiple-case study design with an agency was chosen. This framework provides a structured approach to understanding the interactions between both parties in each case. The provincial government is considered the principal, and each



university is labelled as an agent in its jurisdiction. In multiple case study approaches, the Agency Theory Framework's role is to assist in the design and to conduct a separate case study with the same approach, focusing on analyzing the contractual relationship between two parties. Three important conditions must exist before this model can be applied: a principal, an agent, and a contract (see below Fig). In this relationship, established under contract, the principal assigns tasks to the agent and delegates some of his authority to the agent. However, we assume that both parties are rational actors, which may lead to goal conflicts and information asymmetry over time, becoming the root causes of agency problems. So, to address these Agency problems, principals often plan different strategies, i.e., establishing monitoring and accountability mechanisms to control the agents' behaviour. Interestingly, the agent's behaviour could also change and adapt in response, leading to issues like moral hazard and adverse selection.

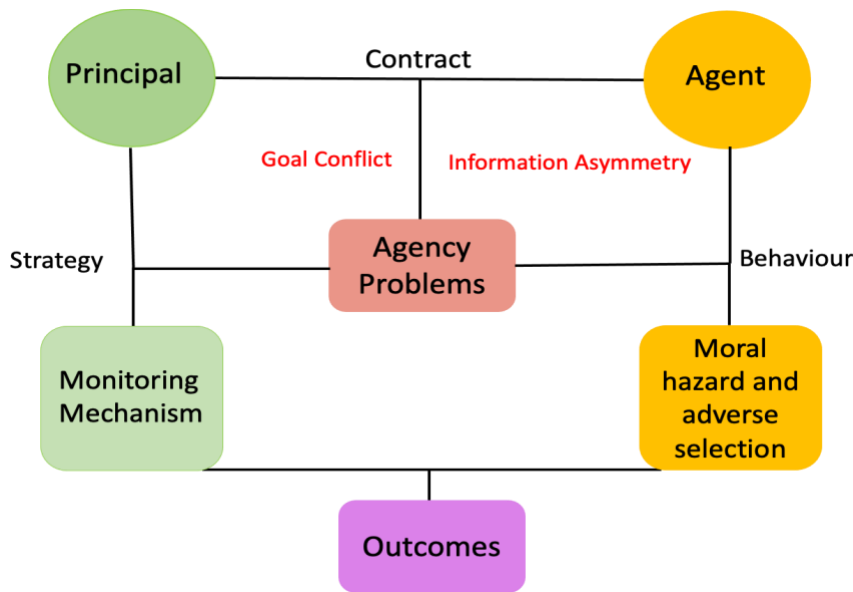


Fig 1-1: Agency Theory framework

Agency theory, originating in economics (Eisenhardt, 1985), serves as the keystone for examining the relations of any two parties. The principal-agent theory has been applied widely in higher education research, especially for exploring governments' relationship with higher education institutions (Kivistö, 2005; Raudla Karol et al., 2015). So, in this multiple case studies research, this framework is well suited to each situation when we want to understand how governments and universities work together because we have all three components required to apply this theory. Those are the government as principals, the universities as agents, and the legislative framework as contract. Further, Agency theory provides a structure for research that seeks to understand a rational phenomenon between both parties in any case.

The rationale for employing this theory in this research lies in its applicability to hierarchical relationships characterized by goal conflicts, information asymmetry, and the need for effective cooperation and control (Perrow, 1986). Using this framework, the study aims to explore both parties' relationships, focusing on the two main indicators to understand the governing structure and the implications for university autonomy. Previous studies in higher education have addressed policies impacting these relations, but this research uniquely contributes by delving into the organizational structure of each university and examining the dynamics of interactions between both parties. The conceptual framework with an agency theory framework provides a robust structure for analyzing government-university relations, specifically in the context of the two indicators proposed as external interference in universities. By consolidating this framework within the literature review, the study aims to contribute nuanced insights into the complexities of these relationships. This study hypothesizes that political interference in universities through these two indicators of organizational autonomy negatively impacts the other three dimensions of university autonomy, which affect the overall operation of the university.

#### Agency Theory Boundaries in the Context of Higher Education

In applying the principal-agent theory framework in the study, the boundary between both parties, principal and agent, was established within the context of the Government-University relations, mainly focusing on the university governance structure and environment in which the university operates. Usually, the university is considered the agent in each higher education system, and the government is labelled as the principal. In this context, the Chancellor, typically a provincial Governor in all four cases and the Vice-Chancellor, as a principal officer of each university, play key roles. After the 18<sup>th</sup> amendment, this federal representative provincial Governor had a ceremonial head of the province who only acted on the government's advice, a symbolic figure in the province.

However, before the 18<sup>th</sup> amendment, when the concurrent list was not abolished from the constitution, the application of agency theory could be impacted when the Chancellor was the provincial Governor, and the Vice-Chancellor was selected by a government-appointed committee. In the current scenario, the key consideration lies in the potential influence and control exerted by the government through these appointments. The Chancellor's role is to notify the appointment and play a role not more than this to receive and notify here. The study explores the extent of government influence over the university's decision-making processes, leadership selection, and overall autonomy.

### **1.3 The objective of the Study**

This exploratory multiple-case study examines the relationship between each provincial government and the universities in Pakistan's four provinces. Specifically, the principal agency theory framework provides the perspective for exploring these relationships. Principal-agent theory is generally used in research to analyze relationships between key actors labelled principal and agent. It evolves between two key parties labelled as a principal and an agent. In this relationship, one party (principal) delegates tasks to another (agent), ensuring the agent acts in the principal's best interest. Contracts are the key elements and conditions of applying this theory in research after identifying the principal and agent. Other than identifying the basic three main components, Principal, Agent and Contract, there are goal conflicts and information asymmetry, which are usually observed and considered key conditions to apply this theory in research (Fama & Jensen, 1983). This framework provides insight into the way in which the universities of each province function as agents that perform the duties assigned to them by each provincial government, which acts as a principal. The role of this theory is critical in order to achieve the objective of this study as the theory assist in the design of research steps throughout the dissertation. Accordingly, the primary purpose of this study aims to analyze provinces' interference in the organizational structure of the universities through the framework of agency theory. In the post-18th Amendment era, the number of universities has increased in Pakistan, and since provincial leadership directly affects these institutions, this study hopes to uncover issues that affect university autonomy. By highlighting these issues, the results of this study will ultimately impact society through the provision of recommendations that improve the operation of universities.

### **1.4 Significance of the study**

This study represents the first attempt to explore Pakistan's provincial higher education system after the 18<sup>th</sup> Amendment, which designated education as a provincial responsibility. Specifically, the multiple case studies in this dissertation examine the function of each provincial higher education system. This study's outcome will benefit a range of higher education stakeholders within the country and internationally. In addition to informing Pakistani stakeholders, this study will assist foreign institutions, as UNESCO statistics reveal that the number of Pakistani students in developed countries has significantly increased in the last decade (UNESCO, 2018). The growth of Pakistan's population, estimated to reach 403 million by 2050 (UN median range projection), (Ibid.) and the growing number of new universities in Pakistan attest to the significance of this research. Finally, this study will help

policymakers to develop effective strategies aimed at increasing the autonomy of universities, which could ultimately enhance the effectiveness of universities in Pakistan.

### 1.5 Brief Overview of the Research Strategy

Although research reveals various ways of categorizing university autonomy, the most widely cited model involves the four dimensions of university autonomy initially used by EUA (European University Association) (Estermann & Nokkala, 2009). This model incorporates all aspects of university governance established by the European University Association (EUA) and posits four elements of autonomy: organizational, financial, staffing, and academic. Together, these dimensions cover nearly all aspects of university governance and provide a comprehensive framework for the assessment of university autonomy (Ibid). Due to its comprehensive nature, this model facilitates in-depth analysis of university governance and autonomy. The four interrelated dimensions occur frequently in the literature as a means of defining, measuring, and examining university autonomy. In this research project, the multiple case studies of government-university relations focus specifically on the dimension of organizational autonomy and the two indicators of leadership selection and governance structure, as shown in Figure 1 (Clark, 2001; Erdem, 2013, Estermann & Nokkala, 2009, Estermann et al., 2011; Sporn, 2001).

Organisational autonomy	Financial autonomy	Staffing autonomy	Academic autonomy
<ul style="list-style-type: none"> <li>• Selection procedure for the executive head</li> <li>• Selection criteria for the executive head</li> <li>• Dismissal of the executive head</li> <li>• Term of office of the executive head</li> <li>• Inclusion and selection of external members in governing bodies</li> <li>• Capacity to decide on academic structures</li> <li>• Capacity to create legal entities</li> </ul>	<ul style="list-style-type: none"> <li>• Length and type of public funding</li> <li>• Ability to keep surplus</li> <li>• Ability to borrow money</li> <li>• Ability to own buildings</li> <li>• Ability to charge tuition fees for national/ EU students (BA, MA, PhD)</li> <li>• Ability to charge tuition fees for non-EU students (BA, MA, PhD)</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity to decide on recruitment procedures (senior academic/senior administrative staff)</li> <li>• Capacity to decide on salaries (senior academic/senior administrative staff)</li> <li>• Capacity to decide on dismissals (senior academic/senior administrative staff)</li> <li>• Capacity to decide on promotions (senior academic/senior administrative staff)</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity to decide on overall student numbers</li> <li>• Capacity to select students (BA, MA)</li> <li>• Capacity to introduce programmes (BA, MA, PhD)</li> <li>• Capacity to terminate programmes</li> <li>• Capacity to choose the language of instruction (BA, MA)</li> <li>• Capacity to select quality assurance mechanisms and providers</li> <li>• Capacity to design content of degree programmes</li> </ul>

Fig 1-2: Four Dimensions of University Autonomy with its Indicators. Source: Estermann, T., Nokkala, T., Steinel, M., (2011) University Autonomy in Europe II: The Scorecard, EUA, Brussels

The two indicators of organizational autonomy (i.e., leadership selection and governance board structure) constitute mechanisms for provincial government interference in university matters, which, as hypothesized, can impact the effectiveness of universities and harm the other three dimensions (financial, staffing, and academic autonomy) harming the overall performance of universities. Furthermore, researchers have used agency theory to explore government-university relations and problems, thus justifying the use of this theoretical framework for the present study. However, researchers have largely neglected to examine the interference in university matters through these two indicators of organizational autonomy, i.e., university leadership and the structure of university governing boards. In this study, agency theory assists in the design of each research step and helps to analyze each case study under a single theoretical framework. The theoretical framework for this study is summarized graphically below:

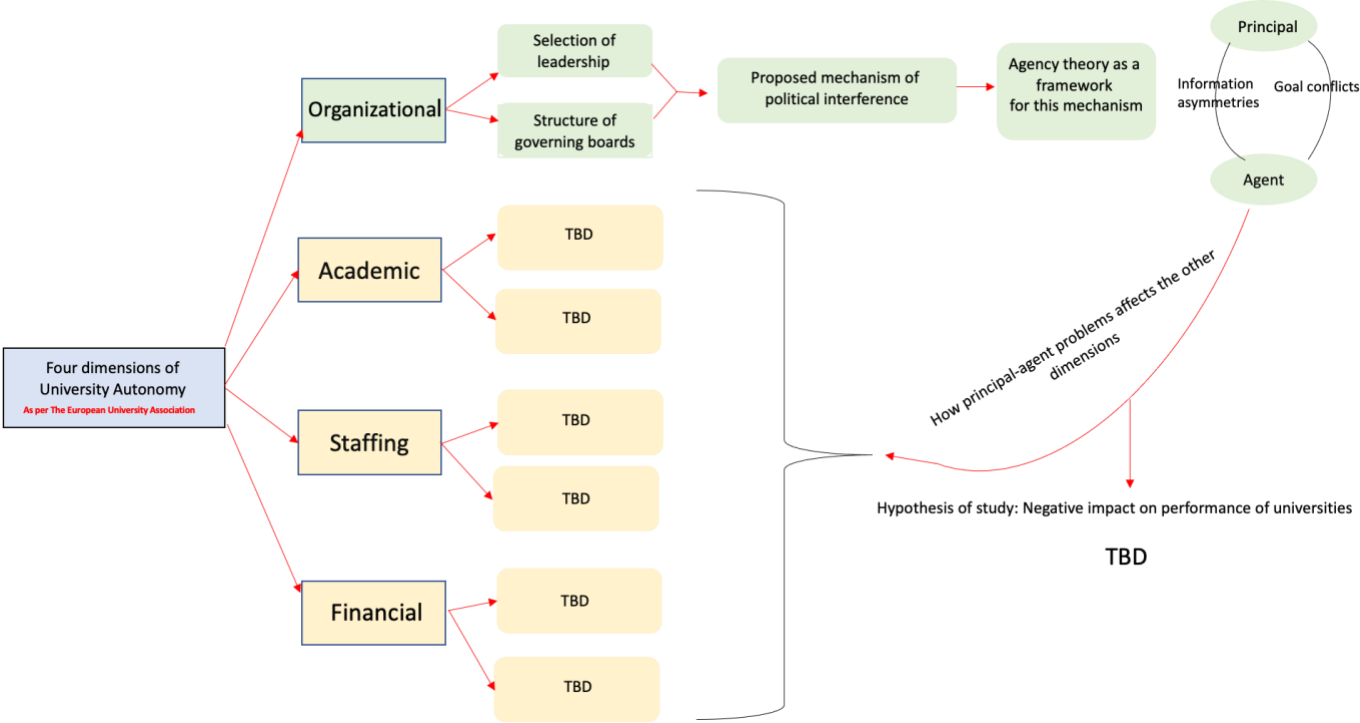


Fig 1-3: Theoretical framework

### **1.5.1 Research Questions**

This study explores the impact of the 18<sup>th</sup> Amendment of the 1973 Pakistan constitution on the effectiveness of universities in each province under the agency theory framework. This research focuses on a few sub-questions:

1. How has the 18<sup>th</sup> Amendment changed the way in which the university operates once the institutions came entirely under provincial control?
2. How do all stakeholders (universities, politicians, and bureaucracy) define university autonomy, and do they feel that recent provincial legislation resulting from the 18th Amendment has positively or negatively impacted the autonomy and the performance of universities?

### **1.5.2 Limitations:**

- **Research Bias:** I had worked for eight years in a few universities in Punjab, Pakistan, which could affect how I see things in the system. However, I didn't include those universities in my study where I worked, and my research covers all four provinces, and I only worked in one province, which is Punjab. I tried to be fair and prevent any influence that could impact the interpretation of the data by being self-aware and critical.
- **Access to Data and Interviewees:** One challenge was collecting data and accessing interviewees, which wasn't easy because of my previous affiliation and connection with the system. Some people didn't participate and got refused because of my contacts in the system. This might limit my study, but this mainly happened and was limited to only one province where I worked.
- **Research Influence:** As I mentioned, I was part of the system, which might have affected how people who participated acted or what they told me, only in one province, Punjab.

### **1.5.3 Delimitations:**

- **Participant Selection:** I chose the participants from each province, but I was very careful in Punjab because of the conflict of interest due to my previous role in the system.
- **Data Collection:** I tried to change how I framed my questions and gathered information differently because of my previous involvement in the system. Even though I tried to be fair, my background

might have shaped how I did things, and again, it is only in Punjab.

Interpretation: My findings could be based on the experience and understanding of the system, but other researchers might see things differently based on their own experiences.

## **1.6 Overview of the dissertation**

This research comprises eight chapters. Chapter One contains a brief overview of the study purpose and research design, while Chapter Two offers a detailed literature review of the subject matter. Chapter Three introduces the main theoretical framework for this research, outlining the methodological approaches that inform this study and providing a rationale for these approaches. Chapters Four to Seven include case studies for each of four Pakistani provinces, including detailed analyses of each case under the framework discussed in Chapter Three. Finally, Chapter Eight concludes the data analysis and answers the research questions with an in-depth discussion of the findings, policy implications and avenues for future research.

## **Chapter 2: Literature Review**

### **2.0 Introduction**

University governance has been an important part of policy debate in many countries concerned with how universities should be led, organized, managed, and funded. The increasing pressure of globalization requires universities to operate with a strategic vision in order to attain world-class status (Salmi, 2009). On the other hand, pressure, influence, and interference in university operations are growing concerns, as they hinder the ability to achieve a university's vision (Maassen & Olsen, 2007). This increasing pressure and growing concern make this area a source of fierce debate and high concern in policy debates. The literature on governance in higher education is extensive. This chapter explores the scholarly debate on university governance and its related issues. It draws on multiple theories and models, focusing on identifying gaps in the literature and how the proposed work plan would address them.

The first part of this review explores the scholarly debate on university autonomy and the four interconnected and interdependent dimensions established by the European University Association. The second part of this essay examines the concept of autonomy by examining the challenges to autonomy and its factors, adopting the approach of *new institutionalism* with its three strands: rational choice, organizational institutionalism, and historical institutionalism. New institutionalism is an increasingly widely used framework in policy research that attempts to address the challenges institutions face while interacting with other organizations. This approach helps explain diverse governance structures, identifying existing and potential threats to university autonomy and explaining why some universities prosper while others do not. The third part of this review illustrates the current state of Pakistani higher education with a brief history of reforms.

### **2.1 University Autonomy**

The theory of institutional autonomy heavily influences the concept of autonomy. There seems to be general agreement in the literature on the definition presented by Feinberg (1989), who defined institutional autonomy as the freedom of an institution and whether institutions can work for the purposes under which they are established without external pressure, direct influence or any kind of manipulation from any level of government (cf. González, 2004; Salmi, 2007; Bleiklie, 2007; Brock, 1997; Clark,



1998; Varghese & Martin, 2013; Fielden, 2007). The institutional autonomy literature broadly covers higher education systems, such as universities. Universities around the world have been changing rapidly and are considered complex organizations (Enders & Fulton, 2002) due to their different goals, visions, missions and expectations (Massy, 1996). This complexity requires universities to develop mechanisms and set new objectives to meet existing and future challenges. Autonomy is crucial to this process. The history of the universities suggests that universities only perform well if they experience less external interference and benefit from autonomy (Berg, 1993; Frolich et al., 2010; Goedegebuure et al., 1994).

University autonomy, in general, is defined as “a condition where academia determines how its work is carried out” (Raaza, 2010). According to King (2015), universities that operate and are governed without any external interference in their decisions are called “autonomous”. University autonomy is considered a highly complex concept and is defined within the context of regional governance, cultural values and traditions. The only consensus on the definition of university autonomy is that it is a multidimensional concept (Estermann & Nokkala, 2009; Tapper & Salter, 1995; Wright & Orberg, 2008). This is why university autonomy is considered a global policy issue (Olsen, 2007) and why the meaning of university autonomy is a source of continuous debate. This issue is at the centre of policy debates aimed at providing diverse models of governance for universities. University autonomy generally refers to universities’ relationships with state regulations and government. A wave of research in recent years has focused on the relationship between higher education and government (Dill, 2001; Ordorika, 2003). Much of the literature acknowledges that the most important factor in university autonomy is the level and nature of state interference in university matters (cf. Grau, 2013; Roversi-Monaco et al., 2003; Mayntz, 1993; Henkel, 2005; Mora, 2001; Lok, 2010; Glenn, 2000; Berka, 2000; Barber, Donnelly & Rizvi’s, 2013; Kennedy, 2003; Eastman et al., 2018; Hasan, 2019; Bess & Dee, 2008; Ginsberg, 2011; Sufean & Soaib, 2010; Fuenzalida, 2018), which is widely considered to be a major concern globally.

Kennedy (2003) described governance as one of the challenges facing universities because universities have shared governance, which often is a source of conflict between universities and governments. Most scholars are united in their belief that universities should not be swayed by external political interference (Crittenden, 1980). Some government policymakers also consider universities as independent entities instead of government departments (O’Neill, 2010).

Governments often justify interference by pointing out that all public universities use public funds and consider it their prerogative to ensure the good use of public funding to meet key challenges. Many scholars note that governments are the primary funding source for public universities, and they should

always try to monitor institutions and hold them accountable for outcomes (Duckett, 2004). They also support the government in that autonomy does not mean sovereignty; universities cannot be separated from the government (Narro, 2011). Some scholars consider interference to be the government's rights and see this relationship as productive for society. In this view, it is the prerogative of the state to create mechanisms of accountability for government expenditures to protect the interests of taxpayers (Mora, 2001). According to Fielden (2007), governments can positively impact the performance of universities by exercising their legal power to control the decisions of publicly funded universities. It is evident in many countries that state intervention has made higher education possible for everybody. Fielden (2007) further supports state authorities in holding institutions accountable and encourages governments to retain control over the higher education sector which means that sometimes new accountability requirements, quality assurance systems and performance-based funding mechanisms can be used for universities to improve their performance, but it all depends on the intentions and actions of the governments.

According to one study, the degree of university autonomy is tied strongly to government policies and the volume of legislation imposed (Neave & van Vught, 1994; Van Vught & Westerheijden, 1994), which makes this concept region or jurisdiction specific. The efficiency of educational institutions is influenced by the level of interference they experience, as less interference usually means more autonomy and better results (Exavier Grau Vidal, 2013; Fuenzalida, 2018; Ritzen, 2016; Estermann & Nokkala, 2009). Several models for analyzing the governance of universities and autonomy are found in the literature. The first was proposed by Kerr (1963), who coined the term 'multiversity' to analyze the diverse functions of university governance. Since then, researchers have proposed different models, including shared governance models (Kezar, 2015), shared authority (Smith, 2015), substantive and procedural autonomy (Berdahl, 1990), the eight dimensions of university autonomy (Iwinska & Matei, 2014), the Humboldtian model of *Lernfreiheit* and *Lehrfreiheit* (Altbach, 2001; Berdahl, 2010; Huber, 2016), the two dimensions of campus autonomy (Volkwein, 1986), the two dimensions of autonomy (Enders, de Boer & Weyer, 2013), the six dimensions of university autonomy (Stichweh, 1994), the coordination model (Clark, 1983), and the four dimensions of university autonomy set by the European University Association (Estermann & Nokkala, 2009, Erdem, 2013, Estermann, Nokkala & Steinel, 2011; Sporn, 2001; Clark, 2001). Many of these aforementioned models have complex components and overlap. For example, Clark (1983) discussed one well-known coordination model involving the main actors of university governance, in which the term 'academic oligarchy' was used to symbolize the strong

authority of academia. However, after several decades, another scholar (Ginsberg,2011), expressed concerns about the growing authority of bureaucracy and the lessening of the authority of faculty in academic matters in universities.

Few models covering all aspects and activities have been widely used to discuss university autonomy. The most widely cited model in the current era is the four dimensions of university autonomy, which covers all the aspects of university governance established by the European University Association (EUA) and is further discussed by Thomas Estermann, Terhi Nokkala, Enora Bennetot Pruvot & Monika Steinel. According to this model, there are four types of university autonomy: organizational, financial, staffing and academic. Together, these dimensions cover almost all of the aspects of university governance, providing a broad picture of university autonomy (Estermann & Nokkala, 2009) that is useful for the in-depth analysis of any university's governance and the concept of university autonomy. These dimensions are interrelated and interdependent and have been widely used in the literature to define, measure and examine university autonomy. Below, this paper explores the scholarly debate on each of the four dimensions of autonomy.

### **2.1.1 Organizational Autonomy**

Organizational autonomy is associated with institutional governance and the freedom to control an institution without external interference. The important indicators of this dimension are the capacity to decide on the structure of governing bodies, the selection of their members, accountability mechanisms, and leadership choice. The capacity to decide freely on these indicators helps an institution apply its institutional philosophy in order to achieve its goals and create a productive environment.

The major difference between this dimension of autonomy and others is the legal framework under which their governance structure exists and operates. A legal body established under a legal framework act as the university's owner on behalf of society. Studying this legal body and the legal framework is a core element of organizational autonomy. All the legislative frameworks under which universities operate contain details about the structure and composition of governing bodies, the division of power, criteria for the appointment of their members, duties and responsibilities of members, and appointment criteria for leaders. These vary greatly from state to state and country to country according to the political culture under which the legislation is enacted. In many countries, the legal framework grants a high degree of autonomy, but this does not mean that the government cannot constrain the institutions. The government's influence on different matters is evident, not necessarily because of its legal authority but

because it acts on society's behalf and can withhold funds to express displeasure. Government supervision and control are different phenomena, but in either case, it is not easy to mitigate the role of government in any organization primarily or substantially funded by the state (Mack, 1989). It is difficult to become innovative if the institution has not been released from over-regulation. However, the university should be conditionally subject to being held accountable to society.

Thomas Estermann, a critical scholar on university autonomy, argues that most universities are considered relatively free in their internal academic structure and administration (Estermann & Nokkala, 2009). However, this is impossible if a university's executive governing bodies are not free of influence. A strong academic structure is only possible if the executive boards are strong. There is significant variance in the governance structure of university boards across the globe regarding their composition, power, and operating mechanisms. The governance structures of some universities are unicameral, some are bi-cameral, and some are tri-cameral; however, even in bicameral and tricameral governance structures, the key decision-making authority usually lies with one specific board, which ultimately makes all universities unicameral in terms of their decision-making power and authority. Governing boards are responsible for ensuring the quality of the leadership, institutional mission, financial issues, external relations of the institution and self-sufficiency (Hendrickson & Lane, 2013), which makes these boards the highest authorities of the university. Most leaders in academia want to see the executive body of the university as the final authority rather than the government. It is not appropriate to discount the role of the national legislation through which university governing boards are established and operate. In this context of organization autonomy, governing boards have a significant element, and indicators refer to the freedom and capacity of universities in decision-making processes, policy formulation, and control of overall management. According to many scholars that more powerful boards mean more autonomy, which highlights the connection between the influence of university governing boards and the level of autonomy universities may have. The idea is that the more autonomous governing boards with less external representation in universities enjoy more autonomy and greater authority. Ultimately, more autonomy allows universities to have more control over their internal matters without external interference, but the effectiveness of this autonomy depends on the composition and structure of these boards, which become important and required to examine, assess and analyze the university autonomy. The composition of governing boards, i.e., board members, their selection processes, and their selection criteria, become important to shaping the autonomy afforded to universities and that is way some scholars says that more powerful boards mean more autonomy, but the level of autonomy depends on the

members and structure of these boards. The only way to influence directly university matters is through these boards by way of the representation of their members. This takes place under the law, and this topic has been widely discussed in the literature, but little research directly discusses the structure of boards, the behaviour of their members, their selection, their relationships with leaders and the effect of these elements on the effectiveness of boards, except for a few efforts on the mechanisms of boards and other key elements of effective boards (Minor, 2008; Knott & Payne, 2001).

All members of executive boards are supposed to be competitive, free of political affiliation and qualified. Knot & Payne (2001) researched the composition of governing boards of universities and found that university governing boards with members who were not appointed by the state were highly productive. In contrast, Lowry (2001) argues that public universities that had state-appointed members charged much lower tuition fees than other universities, but in both cases, members' competency is highly important. For instance, if the members of governing boards are not able to expertly execute their legal responsibilities and have no idea about the importance of higher education institutions' goals, they cannot be involved in management decisions, which is an essential part of their duties. This results in the failure of the boards (Hendrickson & Lane, 2013). In addition, if the state starts appointing members based on political affiliation rather than on the institution's needs, autonomy will be diluted because the university's governing board is considered the university's highest authority and has decision-making power over all matters and provides policy guidelines. This is a key element of ensuring organizational autonomy because the most highly autonomous systems choose their own board members, and there is no direction, restrictions, influence or interference in these selections.

To understand the level of autonomy of any university, the structure and composition of its executive board must be examined. The following indicators are important to understand the board structure: how many members are government appointees, how many members are chosen internally, how many people are appointed externally, the representation of alumnae, student representation, the quorum for the meeting of these boards, the frequency of meetings, provision conditions, term length, etc. Although there is little research on the appointment criteria of government nominees and external members for university executive boards, there are only two ways of appointing in general: either the process is controlled by the university itself or by the government through its ministry under the legal framework.

The appointment and removal of higher education institutions' leaders is another fundamental aspect of organizational autonomy and has been discussed by various scholars (Chapman & Austin, 2002). The university's leadership is the primary player and acts as the face of any educational institution (Cook,

1998). According to Gumport & Sporn (1999), the leader of an institution plays a significant role in bridging the internal and external environment. For an appointment, removal, qualification, or a term of appointment, the process of appointment of the institution's leadership is either controlled by the university (through their executive boards) or by the government through its ministry under the law and legal frameworks. It is understood that the accountability and dismissal of any member of a governing body and the leader of an institution can be done by the appointing authority, but the procedures involved can vary.

To sum up, the capacity of a university to decide on its governance structure and leadership varies greatly. National and provincial legislative frameworks control it. Different stakeholders' role in each country's society also contributes to this dimension. The nature of this dimension of autonomy is restricted in general, but it varies considerably, which makes it a country-specific or region-specific phenomenon. No ideal model has been established yet, and the level of organizational autonomy will ultimately be determined by the country's political culture. Most of the world's higher education systems face regulatory constraints on organizational autonomy. The most impacted areas are appointing executive heads, accountability, and appointing members to executive bodies. Many scholars agree that public higher education institutions are facing challenges in organizational autonomy, with constraints imposed by regulations established in by-laws (Estermann & Nokkala, 2009; Estermann, Nokkala & Steinel, 2011; Bennetot & Estermann, 2017; Fielden, 2008). The most effective form of university autonomy is generally considered when the institution enjoys more organizational autonomy to the maximum extent possible which means that the university has freedom and full capacity to make organizational decisions at the organizational level, manage all its affairs, and control all its institutional governance without undue external interference. The effectiveness of university autonomy can be seen as linked to different dimensions, but organizational autonomy is identified as a critical dominant dimension as this dimension controls most of the affairs of the university directly and indirectly. So, the ability of the university to govern itself and control all its internal operations without any external interference is important for achieving the most effective autonomy, and this becomes particularly significant in the governing board dimension, where universities with the capacity to decide on the composition of their boards are considered more autonomous.

### **2.1.2 Financial Autonomy**

Another dimension of university autonomy is financial autonomy, which is associated with a university's funding and the ability to generate revenue independently. The important indicators of this dimension are the capacity to use and invest their revenue and profit, secure public funds, control the whole property of the university, and manage financial matters independently of government. Many scholars, such as Grau (2013), used the framework of four dimensions of autonomy and found that financial autonomy is at the heart of an institution's freedom. De Boer et al. (2015) also consider financial autonomy as the most important feature in measuring the autonomy of universities. It is also regarded as having a complex and interdependent relationship with the output of higher education institutions, such as their academic quality and performance (Benneworth, et al., 2011; Ziegele, 2008). According to a World Bank report, financially autonomous universities can provide more incentives to the public (World Bank, 1994) because of the capacity to make strategic decisions about tuition fees, staff and faculty salaries, owning real estate and other financial issues that have a direct influence on other aspects of autonomy such as staffing and academics. Knott & Payne (2004) found a close relationship between academic and financial autonomy in their study. Conversely, Volkwein & Malik (1997) did not find any relationship between academic and financial autonomy and the quality of education.

Knott and Payne (2004) argue that financial autonomy provides more opportunities to universities to develop and set goals and activities freely. Governments are supposed to provide and allocate funds according to the university's needs. However, it is left to the discretion of the government to limit funds according to the state's capabilities. The provision of funding in particular areas by the government is often considered an attempt to alter research directions, which can mean that institutions are forced to focus on efficiency instead of effectiveness, resulting in poor quality and negative impacts on output. Suppose a government intends to influence a specific area according to the needs of society. In that case, it should provide infrastructure and a separate budget instead of cutting grants from other area so that it cannot affect the progress of other research and projects without affecting them. This makes the methods of allocation of public funds to universities an important factor for financial autonomy (Reichert, 2009; Kirtikara, 2001). Financial autonomy also refers to the capacity of universities to freely distribute funding internally according to their needs and institutional goals. There should be no restrictions or external influence on internal funding allocation. Estermann & Nokkala (2009) argue that a university's ability to control and allocate funding is an important element of financial autonomy. Providing and allocating funds to universities is one thing, but instructing universities on how to use that funding is interference.

Universities always rely on government funding, but the issue arises when the government provides funding and starts considering their prerogative to interfere in university matters and tries to control them with instructing how to use those funds.

Most governments are starting to expect autonomous universities to generate their own funds and own income, become less dependent on the government and reduce the burden of the government (Anyamele, 2004). In the meantime, however, these governments expect them to fulfill their mission and achieve certain standards. Many universities need to illustrate and justify their positions based on their performance to convince policymakers and governments to obtain more grants and funds. On the one hand, it is also assumed that if an autonomous institution is not fulfilling society's expectations and not achieving its goals, something is wrong. In this situation, autonomy is being misused. In such cases, accountability mechanisms and monitoring systems are essential, and public institutions need to be accountable to society in general, thereby justifying government interference. Accountability mechanisms ensure the success of institutions' objectives. In the case of universities, these often involve meeting global standards on the quality of education. Some scholars see the greater financial autonomy of public institutions as providing more accountability to society (Brodjonegoro, 2002). Also, according to Askling et al. (1999), financial autonomy is subject to the relationship between the mechanism of accountability and quality assurance. Li-Chuan Chiang (2004) examined the relationship between autonomy and funding in England & Taiwan (which have very different systems of government) and argued that the effect of funding on autonomy is conditional and depends on the context in which the universities exist. Financial restrictions are a major hurdle to restricting innovative minds in institutions, which harms research and restricts institutions in their activities. Financial autonomy means allowing institutions to be creative and open-minded.

Higher education institutions' primary purpose is to focus on teaching and research, but excellence in these areas is heavily dependent on their environment. It can only be possible to provide such a positive environment if the institution is adequately funded. Constraints on financial autonomy may severely affect other aspects of autonomy, such as organizational structures, staffing, and academic considerations (Estermann & Nokkala, 2009). Financial autonomy allows an institution to raise and use funds according to its priorities. Autonomous universities have full power over internal decision-making to use funds according to the institution's goals, and institutions lay out their objectives and how they seek to accomplish them. Institutions' visible performance and achievements should not justify policymakers to control, report or audit those institutions.



### 2.1.3 Staffing Autonomy

The third dimension of university autonomy is staffing autonomy, which is associated with the freedom of an institution to recruit its entire staff (teaching, research and administrative) and its ability to handle all matters related to their employment. The most important indicators of this dimension are the capacity to determine the recruitment procedures for all staff (including setting the terms and conditions of employment), financial aspects related to staff (the capability to decide on salaries) and mechanisms of accountability and promotion for all staff. Any form of external interference in staffing policies can lead to nepotism, favouritism, or corruption, which can cause serious internal problems. on (Hassan, 2011). This can also badly affect the activities of teaching and research staff, which is a significant cause of their distance from the institutional mission and puts universities at risk of declining quality (Susanto and Nizam, 2009).

Staffing autonomy is standard demand globally by all universities. Some universities have full, some have partial, and some have little autonomy in staffing policies under the legal framework of each country's employment legislation. Like the organizational dimension, staffing autonomy is also constrained by strict regulations in some countries (particularly developing ones). Many scholars agree that public universities face many restrictions in staffing autonomy (Bennetot & Estermann, 2017; Eastermann & Nokkala, 2009; Fielden, 2008; Estermann, Nokkala, & Steinel, 2011), and government control is exerted in the form of setting conditions on recruitment processes, salaries and the mechanisms of appointments, which are all subject to final approval of government authority in many Asian countries (Anderson & Johnson, 1998). In some European countries, final approval is needed only for a few key appointments in universities; however, in several parts of Europe, final approval by the government is just a formality (Estermann & Nokkala, 2009).

The government controls the appointment procedures for key administrative and academic posts in universities under the legislative framework. The literature identifies significant differences in staffing autonomy in different countries. An in-depth analysis of this issue is challenging due to the wide diversity in the regulations and norms of each country, but three distinct models determine staffing autonomy according to the literature:

- 1) final approval is needed from the government on all matters related to staffing autonomy, and a broad range of restrictions applies;
- 2) final approval is needed, but it is just a formality (which is based on the advice or recommendation of statutory/executive bodies) and;

3) final approval is not needed by the government, and there are no restrictions (but there is a need to comply with the country's employment and financial regulations).

Almost all universities in the world follow one of these models. The first model refers to all public institutions in which restrictions apply. Their staff are public servants; therefore, they should be subject to state accountability and strict legal regulations. They need to comply with external regulations and restrictions when establishing any staff policies for the institution. All the recruitment processes, promotions and accountability are subject to a rigorous bureaucratic process regulated under law and need final government approval (Nizam & Nurdin, 2014), weakening the efficiency of any university and contributing to system ineffectiveness (Welch, 2007). The second model is referred to as the final authority, which can be any government agency, but is not more than a symbolic figure. The authority endorses the recommendations of the executive body of the university. These institutions have the authority to manage staff and align staff policies with the direction of the university authority. In the third model, the universities have full authority in all elements and have their systems and regulations for staffing policies. However, they cannot go against the national employment legislation guideline and labour laws.

Institutions with full autonomous status in staffing policies are considered more autonomous in general, as the executive bodies of these universities approve all staffing policies, and power is decentralized to a departmental level. The ideal form of staffing autonomy is full freedom from government regulations in all indicators, which can only be seen in some private institutions but is more difficult to achieve in public institutions. Staffing autonomy, in general, is subject to the country's legal environment, which is determined by the country's quality of governance and political culture.

#### **2.1.4 Academic Autonomy**

The fourth dimension of university autonomy is academic autonomy, which is associated with an institution's freedom to freely administer all its academic affairs under its institutional strategy and criteria without external interference. The important indicators of this dimension are the capacity to control all educational programs (language requirements, the content of curricula, accreditation criteria, determining quotas, etc.), determine all academic matters of existing and new students (including the number of students, criteria of admission, awarding of all degree requirements, grading systems, examinations systems, evaluation of qualifications, etc.), and establish the internal mechanisms of quality assurance and assessment without validation by any external authority. In the context of peer review or

external professional bodies, internal mechanisms of quality assurance and assessment without validation by any external authority will provide universities with flexibility in collaboration with internal and external stakeholders, which is essential for a comprehensive quality assurance framework. This step is to gain the capacity to control the internal mechanism and freely collaborate with internal and external stakeholders without ensuring legal compliance. Here is the important factor, and that is public engagement, which is crucial for universities. So, in Sum, while internal autonomy is valuable, there is a need for collaboration with external entities, which ensures that universities meet industry and professional standards. This balanced approach ensures that quality assurance mechanisms reflect internal goals and align with industry standards, legal requirements, and public expectations.

The academic dimension is an important and core dimension among other dimensions (Grau, 2013) because academic autonomy is essential to achieving the institutional mission and goals. There is a growing body of scholarship on academic autonomy. Bleiklie (2007) defines academic autonomy as "the extent to which the institutions are free to make choices regarding their management of teaching and research" (p.397). Another scholar stresses the importance of academic autonomy by stating, "at the very least, universities should get rid of government interference with regards to course written content, methods connected with assessment, the conduct connected with research, the consultation of staff and the free manifestation of sights and opinions" (Mahony, 1992. p. 14). According to Sporn (2002), academic autonomy is the ability of an institution to set its own strategic goals according to its own criteria, which enables universities to be more innovative (Dee et al., 2000) and ultimately ensures academic freedom without any constraints in its activities of research, teaching and expressing views (Prodi, 2003). It was a generally accepted concept that the capacity of an individual to teach, research and express views without any fear is what constitutes academic autonomy (Gornitzka & Maasen, 2004, Altbach, 2001). This underscores its role in promoting an atmosphere where scholars can openly express their ideas without fear. Importantly, in this context where this was used, that freedom was not intended for a broader and unrestricted context, but rather, it was centred around creating a beneficial environment within educational institutions where the faculty can teach, and scholars can conduct research without the fear of constraint. This extension also enables scholars to freely express their views, particularly on any topic, including sensitive or controversial issues, without fearing repercussions. This safeguard ensures an environment that encourages open discourse. So, the nuanced nature of academic freedom, rooted in academic peer review and evidence-based practices, is a focal point of this study.

However, with time, the concept of academic autonomy has changed. It is now understood that academic autonomy is not related to an individual but refers to the freedom of institutions (Varghese & Martin, 2013). This creates an environment in which academics can continue their activities without fear, and scholars have less focus on individual academic freedom (Piironen, 2013). Many scholars argue that most universities enjoy much more autonomy in academic dimensions (Estrmann, Nokkala, and Steinel, 2011; Fielden, 2008; Bennetot & Estermann, 2017; Achwan, 2010), and very few of their actions need final approval from the government, but they need approval from executive bodies. The following actions require adherence to legal guidelines, societal norms, the requirements of society and, to some extent, financial aspects: establishing new academic programs and their content, admission standards, foreign language courses, accreditation criteria, decisions on fees, entrance examinations, the number of students, regulated occupations, quality assurance mechanisms, affiliation issues, establishing sub-campus, etc.

Scholars also identified that an important factor that affects this dimension is quality assurance mechanisms established by an external authority. However, the perspectives of scholars in the literature vary. Academic institutions set their own goals and agendas; it should be their prerogative to establish an accountability mechanism for their system to get the best result. Unfortunately, there are growing concerns about universities' adherence to guidelines and procedures of externally created accountability mechanisms. These new mechanisms are considered autocratic and incompetent by some scholars (Huisman & Currie, 2004). In some instances, voices in favour of institutional autonomy and against externally created mechanisms has been suppressed recently (Knot & Payne, 2004). Governments have used these mechanisms to control academic institutions according to their goals, which has decreased autonomy (Berdahl, 1990). As a result, all mechanisms must run through the bureaucracy, with individuals taking on important positions for only a short period. They often have a limited understanding of university governance. This is an influential tool of government that is directly affecting academic autonomy. In some parts of the world, funding is only granted if the institution meets government-established criteria (Van Vught, 1989; Dill, 2001; Enders et al., 2013; McDaniel, 1996).

Academic autonomy is part of the identity of any institution (Henkel, 2005). Institutions perform better on each task according to their organizational strategy. Universities mainly exist for academic pursuits (Anyamele, 2004). Society's needs often determine a university's goals and mission and attaining these goals should not be challenged. (Asklink et al., 1999).

## **2.2 Institutional Analysis**

This part of the chapter explores the scholarly debate to understand the factors and challenges that diminish the autonomy of any institution and argue that understanding how these institutions operate in different environments is necessary. Every country is unique historically, sociologically and politically. Actors in the government generally act according to previous practices and existing cultural and political environments in order to achieve their goals and agendas and to bring institutions into existence. Institutions consist of formal and informal rules (North, 1991), and they cannot remain the same for long without change. To explain the development of any institution, the institutional literature serves as a guide.

New institutionalism is unique in that it details an institution's behaviour in the context of external and internal environments. The new institutionalist approach, with its three strands, i.e. rational choice, historical and sociological institutionalism (Campbell, 2004), addresses the development level of institutions, focusing on the three main aspects of each society (historical, sociological, and political). This approach helps identify the potential factors and challenges that undermine and constrain university autonomy. This approach allows a more comprehensive framework to be provided through analytical lenses to capture the major challenges faced by universities and offers valuable insights that can help identify those challenges in greater depth.

This analysis identifies the core challenges universities face in achieving autonomy and emphasizes the role of institutional constraints on autonomy. According to rational choice institutionalists, the core challenge to university autonomy is principal-agent problems. For historical institutionalists, this study argues that path dependency is the major obstacle to achieving autonomy. Sociological institutionalists argue that the major challenge to achieving autonomy for any institution is difficulties in responding to changing norms, cultural values, and religious factors.

### **2.2.1 Rational Choice Institutionalism (Principal-Agent Problems)**

Rational actors strive to maximize their preferences according to their priorities. In rational choice institutionalism, actors use institutions to maximize their preferences. Institutions are the product of power struggles, and rational choice institutionalism is based on an idea in which actors try to maximize their utility (Campbell, 2004). Based on rational choice institutionalism, this paper identifies that the core challenge for universities to tackle in achieving autonomy is principal-agent problems.

The principal-agent theory has been developed in the context of rational choice (Coleman, 1990; Ross, 1973) within the framework of "new institutional economics" (Williamson, 1975; Moe, 1984; Miller, 1992). An agency relationship evolves between two actors labelled as a principal and an agent, in which the principal engages with an agent who performs a certain task on behalf of the principal. The theory provides an analytical approach to analyzing the contractual relationship between two parties. The principal delegates authority to an agent in order to achieve a better outcome according to his interest. After the contract, the agent's preferences become detached with time. She starts to follow her interest instead of following the principal's interest due to the rational assumption, which motivates the agent to become an opportunist, but the contract prevents the agent from doing so. On the other hand, if the agent deviates and tries to violate the conditions of the contract, the principal will also try to act rationally and establish oversight mechanisms.

The key conditions for applying this theory in research are identifying the principal and agent in a contract, the goal conflicts between them, and the possibility of information asymmetry. The ideal contract form is impossible due to bounded rationality, and problems arise due to different reasons and factors such as information asymmetries, opportunism behaviour and sunk costs (Fama & Jensen, 1983). In two important works on agency theory, Moe (1984) and Waterman & Meier (1998) emphasize that there must be goal conflicts and information asymmetries in any agency relationship for applying this theory in any research; otherwise, this theory may not provide the proper theoretical insight. Information asymmetry is irrelevant if there is no potential goal conflict because it is understood that the agent will work according to the principal's desire. On the other hand, if there is no information asymmetry; goal conflict does not matter, as the principal will know everything about the agent's activities (Waterman & Meier, 1998). Another core point of analyzing any situation under the framework of this theory is to identify situations in which an agent starts changing its preferences and no longer follows the principal's directions (Shapiro, 2005), which leads them to act with a different strategy.

The use of the principal-agent theory is a growing trend in policymaking research. It has gained popularity in the last two decades because it applies various real-world examples. It also applies to universities. As explained by Abd Rahman Ahmad, "agency problems in higher education can be found in funding arrangements, governance structures, student selection, the appointment of academic staff, and other regulations" (Ahmad et al., 2012, pp.14), which are directly connected with four dimensions of university autonomy discussed above. These two core aspects and assumptions of agency theory mentioned above are relevant to understanding the government-university relationship because

informational asymmetries and goal conflicts can be seen in any such relationship. Lane (2007) studied two American states' higher education governance systems. Using the principal-agent theory as a framework, he argued that there were information asymmetries and goal conflicts between universities and governments. This theory provides a unique perspective and relevant approach for examining the relationships between government and universities.

This chapter presents the different aspects of the principal-agent theory and reviews previous works on higher education institutions under the framework of this theory. This theory is dominant in policy research and is useful for analyzing higher education institutions' relationships with governments. There has been a growing trend in the last couple of decades of applying agency theory in analyzing the relationship between universities and governments. This theory has been applied to understand higher education institutions' relations with states by many authors in the 21st century (Gornitzka et al., 2004; Enders, Boer, et al., 2012; Wilkesmann & Schmid, 2011; Blackmur, 2008; Raudla, Karo, et al., 2015; Cheng, 2014; Engwall, 2007; Hillman et al., 2014; Titus, 2009; Massy, 2009; Bak & Kim, 2015; Lane, 2005, 2007; Kivisto, 2005; Liefner, 2003; Nicholson-Crotty & Meier, 2003; McLendon et al., 2006; Payne, 2003). One studied used this theory to explore organizational autonomy and its impact on university performance, mainly focusing on Dutch universities (Enders, Boer, et al., 2012), but the authors did not identify any specific impact of autonomy on the effectiveness of universities (Ibid.). On the other hand, Nicholson-Crotty & Meier (2003) used the theory to explore whether controlling the organizational structure of universities negatively affects the output of universities. Wilkesmann & Schmid (2011) used principal-agent theory to examine the impact of new public management, discussing many aspects of academic autonomy and several elements of financial autonomy. Raudla, Karo et al. (2015) used this theory to explore many aspects of financial autonomy, including budgeting and the financial management of universities.

Politicians often view education as being designed to prepare people for employment. They emphasize economic objectives and demand quick outcomes due to their fixed and often terms in office, creating conflicts between governments and universities which operate on different time scales. In this situation, the agent must choose whether to follow the principal's goal or its institutional mission (Waterman & Meier, 1998). At this point, the agent (university) can hide any information that can be beneficial to the agent (Perrow, 1993) because the principal (government) lacks access to this information and relies on the agent (university), which reinforces the argument that this asymmetric information is related to the agent's strengths, intentions and knowledge (Saam, 2007). In this situation, the principal,

being an executive authority, can do anything to get access to information and monitor the agent's activities, even if it is expensive. This is a major reason for the need to establish accountability mechanisms for principals to decrease the information asymmetry and limit the independence of an agent (Miller, 2005; Waterman & Wood, 1993). Lane (2007) also discussed the reason for the principal's reliance on other mechanisms as alternatives to supervising, controlling and monitoring the agent's activity with other sources to reduce goal conflicts and information asymmetry. Massy (2009) used this theory to explore how to prevent agents from exploiting and manipulating the situation in their favour s.

The theory is valuable and relevant in a university-government relationship, as it provides a framework to assess the contract (the legal ordinance, acts under which the university is established), the monitoring mechanism and the difficulties faced by both parties to achieve a specific task. Both key conditions of this theory are present here in this relationship, i.e. goal conflicts and information asymmetry, which makes this theory influential in the analysis of university-state relations and also useful in reducing potential agency problems.

### **2.2.2 Historical Institutionalism (Path Dependency)**

Historical institutionalism refers to the historical and evolutionary nature of the institution. This study argues that the core challenges for higher education institutions in achieving autonomy are related to existing institutional governance structures, past arrangements and policy trajectories (Hall & Taylor, 1996), which make path dependency the core concept. Once an institution is established, there is a strong tendency to continue with existing policies (Ibid.) because changing an institution is very hard. Existing "law, rules, and institutions can create heavy disincentives for change because so much is already invested in the existing ways of doing things" (Pierson, 2004; p.33). Actors prefer to continue with the status quo due to risk-averse behavior (Thelen, 1999). According to Douglas North (1991), incremental change is the only way to enhance efficiency. Also, incremental change is considered a basic hurdle in innovation (Johnstone, 2019). Incremental change, along with path dependency, provides insight into the constraints that are obstacles and helps identify different challenges faced by an institution in achieving autonomy.

The purpose of this analysis of the governance of higher education is to explore the obstacles and hindrances that prevent institutions from adopting new governance options. When institutions and governments fail to identify new national and international realities, they fail to meet new challenges and limit their capabilities to change as imposed by path dependency. In the context of autonomy, path



dependence helps explain why different countries have different governance systems. This theory can be used as a framework to understand the changes in institutions and to find answers to questions on how some countries progress and how some countries have been 'locked in' to their systems, which are tied to previous decisions and failures of past reforms.

In the university system, all the indicators of the four dimensions of autonomy discussed in this study are influenced by decisions made in the past. Most of the existing policies impose constraints on the development of institutions (Pierson, 1993), as those policies are inherited from the past with sets of beliefs that are hard to change. Some systems strictly follow existing systems, even with good alternatives, because once a path is chosen, it becomes institutionalized difficult to change (Pailer, 1999). Changing the path generates cost, and actors are generally rational when transaction costs are involved (Coase, 1960; Hall & Taylor, 1996), constraining decisions on reform and development. Transaction costs are associated with setting up a new body or reform within an existing system (Williamson, 1985). In contrast, the basic strength of any good governance system is flexibility in adopting innovations to move ahead and leave traditional approaches behind.

Universities are complex organizations in terms of their goals and missions and always need to be reformed and repositioned according to global competition. Fumasoli & Huisman (2013) describe university positioning as the process in which universities locate themselves in a specific position that is expected to contribute positively to institutional development. Theodor Leiber (2017) argued that the strategic positioning in universities occurs incrementally because of historical legacies, existing relationships, and mental habits to improve and achieve autonomy. The theory emphasizes that all minor and major changes are incremental, but they are not always appropriate and feasible for the university's mission because incremental changes always give an incremental result that does not fulfill the university's mission. Universities need constant reforms, even with the presence of critical junctures and punctuated equilibrium. The historical institutionalism approach argues that the main hurdle to the development of institutions is path dependency, despite the assumption that punctuated equilibrium and critical junctures provide the opportunity for innovation (Hall and Taylor, 1996; Thelen, 2009). Many scholars argue that in the 21st century, higher education systems need new paths of governance and must detach from the paths they have been locked into for decades with the assumption of increasing returns in the future. This, however, is just an assumption and far from reality, and previously defined paths can negatively impact reforms. As Paul Pierson (2000) and Bercovitz et al. (1996) argue, previous decisions constrain the future outcomes and behaviours of governments, institutions and individuals. Thelen's

(2009) work on institutional change and the concept of layers on existing structures for pursuing different goals is also useful but not applicable in university governance because it is also incremental-oriented and focused on evolution instead of revolution. Most developed countries need evolution in their institutions because those institutions have already gained and achieved a high standard in the world. Many developing and underdeveloped countries have not had a chance to achieve that standard level and require major transitions in governance structures.

University systems in many countries need to be repositioned, reformed, rebuilt and restructured, but path dependency is the biggest hurdle to implementing these reforms. Most systems and institutions within governments want to maintain the status quo. The framework of path dependency under historical institutionalism can be a useful approach to identifying the different challenges that undermine university autonomy.

### **2.2.3 Sociological Institutionalism (Norms, Culture, Values)**

In historical institutionalism, institutional reforms are affected and constrained by endogenous factors, particularly past policies, but in sociological institutionalism, reforms are affected by exogenous factors, which are norms, culture, symbols, beliefs, religious faith, values and collective attitudes of society. Critical junctures and punctuated equilibrium occur due to revolutions, invasions, coups, and crises, but the only things that cannot be altered suddenly are beliefs and norms, which require a long period of time to change. According to sociological institutionalism, the core challenge for higher education institutions in achieving autonomy is defusing the policies of adoption, which are not easy because of existing norms, values, and cultures. Generally, sociological scholars consider these factors important for any institution's operation because whenever an institution needs to emerge, reform, reposition and restructure, it needs to be socially legitimate (Hall & Taylor, 1996). Institutions have specific rules, norms, standards, and values with specific implications and identities (March & Olsen, 1989). This strand of new institutionalism helps address the difficulties in changing these existing norms (Koning, 2016; Peters, 1999).

Diffusion can be beneficial, but it can also be harmful. The major challenge is understanding social norms' causal role. According to a recent study (Chang & Sanfey, 2013), social norms play an important role in decision-making. Policymakers attempt to counter these challenges with justifications, assumptions, and examples of successful reform models from outside after policy learning (Olsen, 1997; Scott, 2013). Sometimes, they successfully reform and restructure the institution by adopting policies

from other places, but this is difficult to sustain long-term without transforming themselves according to cultural norms (Olsen, 1997). With the passage of time, these norms sometimes have harmful impacts and bring those institutions back to their previous level. It is not easy to change the "customary beliefs and values that ethnic, religious, and social groups transmit fairly unchanged from generation to generation" (Guiso, Sapienze, and Zingales, 2006. p.23), and changing culture means changing the beliefs of individuals. There are several examples in developing countries where policies were diffused, and institutions developed and changed. Those institutions successfully achieved the mission for the first few years but soon collapsed and became like other institutions in the country. The importance of existing norms and values is undeniable (March & Olsen, 2006; Thelen, 1999), and it has been argued that the perception of the "logic of appropriateness" (the perception of existing norms) has more influence on behaviour than the "logic of consequentiality" (the perception of rational thinking) (March & Olsen, 2006).

The diffusion is an important factor in the higher education system, but it cannot go against the norms of society. Diffusion was an idea discussed initially by Gabriel Tarde in the 19th century (Jussi, 1996); it is not new in the literature, but the modern literature focuses on four mechanisms of diffusion, i.e., learning (understanding the success and failure of policies elsewhere), competition (competing for resources), coercion (international pressure) and emulation (suitability of policies) (Shipan & Volden, 2008; Gilardi, 2012). This framework helps to understand the phenomenon of how and why actors react to decisions that have been made somewhere else. Each dimension of this framework explains different aspects of the actor's decisions in the context of university governance. First is understanding how policy learning helps to spread certain successful models from one place to another (Campbell, 2004); second is competition and how policymakers are influenced by the policies of successful universities for growing global competition (Musselin, 2018); third is coercion and how international pressure for ongoing research impacts universities and influences them to change their policies; and fourth is emulation and policy, which in this mechanism can be spread because of symbolic characteristics. Meseguer (2006) found that countries learn from the effectiveness of other countries, always try to structure their own policies accordingly, and often pursue other policies when they are ineffective.

Universities operate while having to consider different cultural backgrounds, values, and norms and under different expectations, all of which have the potential to influence their operations and decisions. Some scholars suggest that universities should focus less on external society and more on defining their own goals and concentrate on internal norms rather than social norms (Wolff, 1992).

However, some scholars have argued that it is challenging for universities to deal with norms, values, practices and traditional academia (Fumasoli, Gornitzka & Maassen, 2014). It is evident that cultural values and beliefs affect institutional governance, which can be constructive on the one hand, i.e. by promoting merit, integrity, and honesty. On the other hand, it can also promote fundamentalism, corruption, injustice, and nepotism. The diffusion of innovation and adoption heavily relies on society's existing cultures and norms. Podrug (2011) argues that the decision-making style is based on the national culture, values, and norms. Each country has different historical backgrounds, experiences, traditions, and norms. Implementing reforms is easy if they are compatible with the basic cultural norms and vice versa. These rules and norms help explain why some countries have developed high-quality institutions and others have not, which makes the informal rules more important in all four dimensions of autonomy than the formal structure of the institution. Governments demand that universities use public funds for research to mainly focus on societal outputs and benefits (Bornmann, 2013), which is inevitably important in the relationship between universities and society. According to the author, that is the third major mission of institutions after teaching and research (Ibid.), which indirectly creates an environment of institutional autonomy.

### **2.3 The Historical and Contemporary Context of Pakistan**

Pakistan, officially known as the Islamic Republic of Pakistan, is situated in South Asia with the fifth largest population ranking in the world. It is also home to the sixth-largest military and has the sixth-largest stockpile of nuclear weapons. Pakistan's creation followed the conclusion of the British Empire in India in August 1947. Its location is of significant strategic importance due to its placement at the convergence of the West, South, and Central Asian regions. This positioning makes it the quickest route to the sea for all Central Asian states that are landlocked, as well as western China. Surrounded by four important countries (India, China, Iran, and Afghanistan), Pakistan is divided into four provinces, two autonomous territories, and one federal territory. The country is governed through a federal form of government, employing a multiparty parliamentary system. However, Pakistan's political history is fraught with turbulence. The country has experienced numerous military coups and has been under direct military rule for 34 out of the last 72 years, with military influence persisting even in the remaining years. Religious extremism is the most pressing issue facing Pakistan in the current era. This extremist ideology has infiltrated the country's roots and negatively impacted it economically, politically, and socially in the last four decades. Its status as a neighbor to some of the world's most important countries, the influence

of the military in politics, the rapidly growing population, and religious fundamentalism make it a unique and important country to study. The country serves as a critical part of the China-Pakistan Economic Corridor. This economic corridor is a part of the Belt and Road Initiative, China's ambitious plan to expand its economic influence globally. The initiative aims to connect Asia, Africa, and Europe through an intricate network of land and sea routes. Pakistan's proximity to China and the Middle East makes it an essential component in the implementation of the Belt and Road Initiative. Furthermore, Pakistan's military strength and nuclear stockpile make it a significant player in the global balance of power. The country's military is one of the most powerful in the region, and it has historically played a prominent role in domestic politics. Pakistan's political instability has persisted for many years, with military coups and political turmoil frequently impacting its governance.

Instability has had a significant impact on Pakistan's economic development. The country's economy has struggled to grow at a rate comparable to its neighbors, and poverty and inequality remain significant issues. Moreover, the rise of religious extremism has further complicated Pakistan's political and economic situation. Militant groups have targeted religious minorities and engaged in acts of terrorism, destabilizing the country's social fabric. The government has struggled to curb the growth of extremist ideology, and it continues to be a significant challenge for the country. Pakistan is a unique and important country with a strategic location, significant military strength, and a nuclear arsenal. The country's political history has been marked by turmoil, and religious extremism has posed a significant threat to its stability. Pakistan's challenges are significant, but its importance in the region and the world cannot be denied. Understanding the complexities of Pakistan is crucial for policymakers and academics alike, given its strategic importance and the challenges it faces.

### **2.3.1 Higher Education System of Pakistan**

Pakistan, as a developing country, faces numerous challenges in the governance of its higher education system. Despite some improvements over the years, the country still struggles to increase its literacy rate to the level of its neighboring countries. One of the main issues is politicization, which has significantly hindered the economic, social, and political development of Pakistan (Wilder, 2009). At the time of Pakistan's independence in 1947, the country had only one main university. Since then, the provinces have established nearly 200 universities. However, the quality of education offered by these institutions still lags behind that of neighboring countries such as India and Iran. The methods of teaching in Pakistan tend to focus on memorization rather than conceptual understanding, which does not keep up

with global standards (Hoodbhoy, 2009). Hoodbhoy acknowledged that the government has established several universities to develop higher education in Pakistan, but the focus has been on quantity rather than quality. As a result, despite all the reforms, higher education in Pakistan remains vulnerable and ranks poorly according to international standards. The lack of funding, incompetent leadership, and poor governance are major factors that have contributed to this problem. Therefore, Pakistani universities do not currently rank among the world's top-ranked universities. In his article, Muhammad Bilal raised concern about the declining quality of university education in Pakistan, which is a critical issue for all stakeholders. Bilal argued that the ineffective governance of universities, especially in the public sector, is responsible for this situation. Corruption and politicization contributed to this issue (Bilal, 2012). Similarly, Akhtar and Kalsoom conducted a study on the governance of different colleges and universities in Pakistan. Their findings revealed that the government's intervention in the governance systems of universities has increased over the last few decades. This intervention resulted in a lack of autonomy and academic freedom in universities, which, in turn, affects the quality of education (Akhtar & Kalsoom, 2015).

In Pakistan, higher education is provided by colleges and universities. Each college in the country must be affiliated with a university in its jurisdiction. At present, Pakistan has a total of 143 public and 83 private universities with more than 3,000 affiliated colleges. In 2018, the enrolment in these universities reached 1.9 million, according to UNESCO. The history of the development of higher education in Pakistan can be divided into four distinct phases. The first phase (1947-1970) began immediately after the country's independence when there was only one public university with 644 students. During this phase, only a few initiatives were taken to develop the higher education sector in the country. The second phase (1970-1980) witnessed the nationalization of all public educational institutions, with the entire higher education system coming under state control. The government invested significant resources in higher education, and the University Grants Commission (UGC) was established to deal with the challenges faced by the sector. The third phase (1980-2000) saw the government undertake many initiatives, and the private sector was also allowed to operate. The number of universities increased to 19, including a few private universities. The fourth phase (2000-2010) was marked by the upgrade of the UGC to the Higher Education Commission (HEC), an autonomous body founded on the aim of making Pakistan a knowledge-based economy. The HEC was responsible for allocating federal government funds to public universities, overseeing, and ensuring the quality of education, and implementing government policies. It was also responsible, along with provincial governments, for the

oversight of higher education institutions in the country. The core aim of the HEC was to provide autonomy to each university in the country and make them less dependent on the provincial government in terms of financial and administrative matters. Despite these initiatives, the quality of education in Pakistani universities has not improved significantly. The universities have failed to keep pace with global standards due to outdated teaching methods that prioritize memorization over conceptual understanding. In addition, corruption and politicization have hampered effective governance of universities, especially in the public sector. These issues have led to a decline in the quality of higher education, which is a cause for concern for all stakeholders.

The provision of education has been a subject of constitutional debate in Pakistan, leading to several changes in the country's education system. The 1973 constitution provided for provincial responsibility for education, but the concurrent legislative list was added, which meant that the federal government could also legislate on educational issues. Consequently, there was conflict between the federal and provincial governments on the issue of education. The 18th amendment to the constitution in 2010 abolished the concurrent legislative list, giving full control over public education, including higher education, to the provinces. Since the amendment, each province in Pakistan has established its own Higher Education Commission (HEC) and directorates. The role of the already established federal HEC of Pakistan has become limited to directing higher education in the country, providing conditional funding, and guiding universities through various quality and performance tools. This shift in the education system has made it essential to study university governance within the context of respective provincial regulations to highlight the aspect of government control in its governance. Universities in Pakistan are autonomous bodies chartered by provincial parliaments, and the governance structure of each university is established by its charter. Pakistan, a developing nation, has been making efforts to improve its governance in various sectors, including education. The current government has pledged to reform the major governance sectors in the country, such as the police, but the education sector is also in need of reform. The education sector can be reformed without the government sacrificing much of its powers and privileges, making it an area that can be easily addressed.

The history of higher education in Pakistan has been marked by various phases, each with its own set of challenges and initiatives. At this time, there is a need for urgent reforms to address these challenges and promote a quality education system that can compete with international standards. Addressing these challenges will require significant investment and commitment from all stakeholders to create a thriving and globally competitive higher education system in the country.

The 18th amendment to the constitution has given provinces in Pakistan full control and authority over public education, including higher education. There is a need for greater accountability and transparency in the funding of universities, and this should be a priority for the government in Pakistan. The limited research on this specific topic adds to the significance of the current study. The research aims to fill this gap and contribute to the literature on the politicization of universities in Pakistan. The study adopts a cause-and-effect analysis to understand the issue more clearly. The findings of this research could assist policymakers and stakeholders in developing effective policies and strategies to address the challenges related to the politicization of universities in Pakistan.

### **2.3.2 Literature on University Autonomy in Pakistan**

Scholarly debate on institutional autonomy in Pakistan has garnered attention in recent studies. There is a trend of discussing institutional autonomy in the context of the pre- and post-18th amendment era, but very limited attention and trends have been noted specifically towards university autonomy in Pakistan. Before the 18th amendment, the Higher Education Commission of Pakistan, a federally controlled institution, had the authority and oversaw control over all universities in the country. The beginning of the 18th amendment era witnessed the establishment of the provincial higher education commission by few provincial governments, which raised questions about the fate of the federally established commission. The legal battle resulting post-amendment has posed doubts on the continued relevance of the federally controlled higher education commission, as the federal government intends to grapple to retain its influence. While several articles and literature discuss the importance of autonomy for the federally controlled higher education commission, there is a research gap in analyzing the autonomy of Pakistani universities, especially public universities. Existing literature, which is not too much, only primarily focuses on private sector universities, but in the post-amendment era, very few debates are based on provincial-controlled universities.

Public debate on university autonomy has found expression in newspapers as Muhammad (2017) highlighted the need for autonomy in all dimensions of universities and highlighted the collective responsibility of government tiers to ensure university autonomy. He has suggested including and allocating a specific and static percentage of the education budget from each provincial government to higher education. Also, he talks about merit-based mechanisms for the appointment of university heads. Particularly, the challenges faced by universities to gain autonomy in Pakistan were underscored by another 2021 article in *The News*, which emphasized the political interference in the appointment of university



vice-chancellors. The article advocated for the government to reinstate the university's autonomy, citing the need for amendments to existing acts and ordinances. The article also made a plea to stop the political and governmental interference in universities and asked to allow universities to set policies independently. Another critical perspective on the erosion of university autonomy was presented in a 2013 article in The Express Tribune. This article mainly criticized the legislative actions, such as a law empowering the chief minister of Sindh province to assume control over universities.

In sum, the existing literature on university autonomy in Pakistan lacks a specific analysis of the perspective of public universities and their interactions with provincial governments in both scenarios, whether they were in the pre- and post-18th amendment. At the same time, a handful of articles touched upon this subject, but their coverage was notably limited. It is necessary to offer a precise analysis and overview of each system about each province and contribute to the literature by presenting the perspective of a developing country's educational framework.

### **2.3.3 Role of Constructionism**

Constructionism played a critical role in this research process, which involved active engagement and interpretation of the information based on previous experiences living and working in Pakistan and its higher education system. It also helped after reviewing and understanding the relevant literature and closely observing the Canadian university system. First, living in Pakistan, knowing about the country's political culture and history, and having experience in its higher education gave a foundational grasp, a required and important element for this research. Then the researcher had already spent a one-year tenure at GSA (Graduate Students' Association), the University of Saskatchewan, as Vice-President of external affairs. Through that role, the researcher got a chance to be a member of the governance and planning committee at the University of Saskatchewan and was also given an opportunity to sit in other executive bodies of the university, which provided him with a familiarity with the Canadian university governance system. Also, before delving into this project, the successful completion of the comprehensive exam, which involved an extensive literature review on higher education, university autonomy and government-university relations, contributed to the researcher's broad perspective. This multidimensional perspective allowed the researcher to interpret terms and contexts more accurately. This also helped the researcher during interviews where the 30-minute planned interviews were extended to one and a half hours because of the previous knowledge and follow-up questions, which transformed the conversations into fruitful exchanges that deepened understanding.

The research approach involved the creation of a personal understanding based on the researcher's own experiences rather than just a passive recording of all answers. This was also evident in conversations with participants, which delved into the intricacies of each provincial system. Historical and sociological understanding and a prior grasp of regulatory frameworks played a significant role in the research process. Cross-questioning and statement verification, which also seek clarifications from participants, were consistently employed in the process, ensuring a thorough and nuanced analysis of their contributions to the research.

### **2.3.4 Role of Ranking Systems in Performance Evaluation**

It is hard to judge and test the university performance by ranking, but we can draw correlations between university rankings and the level of university autonomy. There are several global ranking agencies, such as QS Ranking, THE Time, and Shanghai Ranking, and each agency employs different methodologies to assess and rank universities. Some noteworthy findings emerged by correlating these rankings with existing data and findings on university autonomy when the researcher worked on the literature review. For instance, Dr. Glen Jones and his colleagues in Canada conducted a project comparing different systems and universities within Canada in which they included around seven Canadian provinces. In my field essay, I explored and analyzed their findings, which showed that Eastern universities in Canada exhibit higher autonomy than their Western counterparts. So, I tried to correlate these findings with global rankings according to the top three ranking agencies; the results were surprisingly consistent and wholly aligned with the autonomy levels Dr. Glen and his team determined. A similar correlation was seen with the European scorecard on autonomy, which yielded consistent results. These observations could lead to a tentative conclusion that universities with less autonomy tend to rank lower, and lower rankings may indicate poorer performance.

## **Chapter 3: Research Methodology**

### **3.0 Introduction**

This study examines how universities in each province of Pakistan through interact with the government. This study is original. Since the 18<sup>th</sup> Constitutional Amendment, it is the first multiple-case study to cover all four of Pakistan's provinces. Qualitative research, particularly when using the case study approach, is unique and valuable when there has not been enough research in a certain area and about a specific topic (Kohlbacher, 2006). This study intends to identify the problems and challenges faced by both the organizations involved in this relationship. This chapter explains the rationale behind using the qualitative research approach and case study methodology in this study.

The researcher employs a qualitative approach with a case study method (Stake, 1995; Yin, 2009) and uses an exploratory multiple case study design. This methodology is best suited to address the research questions. The qualitative approach with the case study design method in research allows one to understand the particular environment. This chapter describes the research design, data collection and analysis procedures and justification for using the qualitative research approach with a multiple-case study method.

### **3.1 Research Strategy**

As shown in Fig 1-1, the proposed research borrows one of the four dimensions of university autonomy and solely focuses on two indicators, i.e., the selection of leadership and structure of governing board as a mechanism for interference in university matters, which, as hypothesized, impact the effectiveness of universities and are a major cause of damage to the other dimensions of autonomy. The agency theory framework is used to explore and analyze government-university relations and problems. Agency theory assists in the design of each research step and help to analyze each case study under the same theoretical framework.

#### **3.1.1 Research Questions**

The main overarching research question is the impact of the 18<sup>th</sup> Amendment on the effectiveness of universities in each province under the agency theory framework. This study focused mainly on the legislative changes introduced by provincial governments immediately after the 18th amendment. Each

government has brought many bills related to universities, which were implemented immediately, and this period witnessed the significant legislative shifts that occurred in each province, which formed the basis for analyzing government intentions and legislative frameworks each provincial government brought. This research question contains a few sub-questions:

1. Since the 18<sup>th</sup> Amendment, what has changed regarding how the university operates since coming entirely under provincial control?
2. How do all stakeholders (universities, politicians, and bureaucracy) define university autonomy, and do they feel that recent provincial legislation resulting from the 18th Amendment has positively or negatively impacted the autonomy and the performance of universities?

### **3.1.2 Case Study Approach**

A research design is a method for organizing information and data to help draw conclusions to the initial questions of a study and ensure coherence in the whole process of research (Rowley, 2002). Yin (2009) argued that the research design must be related to the context of the study. The research questions were designed to test the hypothesis as the qualitative research approach is often used when “individuals construct reality in interaction with their social worlds” (Merriam, 2009, p.22). Furthermore, “the qualitative research builds a complex, holistic picture, analyzes words, reports detail views of informants, and conducts the study in the natural setting” (Cresswell, 1998, p.15). The other benefit of this approach is that it provides a distinct direction and guides the whole process of research.

Based on the research design and objective of the study, this approach was appropriate to adopt. Within this approach, a case study method was used in this research and was found to be a valuable approach for investigating phenomena with the aim of understanding complexity (Hewitt-Taylor, 2002). This dissertation includes four case studies and explores and analyzes the complex information process. The aim of this study is related to the findings of Miles & Huberman (1994) who mention that the major strength of qualitative research and data is that they provide a form of inquiry that explains the complexity of life and events (Barnett-Page & Thomas, 2009). The case study focuses on one particular issue and looks at those issues from different angles (Stake, 2005). It also provides an opportunity to explore the complex nature of a project, policy, or institution in a real-life context.

### 3.1.3 Multiple-Case Designs

There were two options to choose from when deciding on the case study methodology within the qualitative research. Before proceeding, it is important to understand the difference between single-case and multiple-case designs. A single-case design is employed when a researcher needs to explore a unique case and confirm or challenge a theory. On the other hand, a multiple-case study design provides for more analytical conclusions and offers more robust and meaningful data than a single-case design. The primary reason for choosing a multiple-case design is the nature of the research and research design because the researcher intended to generalize findings based on comparative analysis, which can only occur if multiple case studies are conducted. Multiple case studies are used when there is a need for in-depth analysis of more than one case. Yin (2009) suggests that data collected from multiple-case studies are more compelling than single-case study designs. In this study, a multiple-case study design was chosen. The study tests the hypothesis of the study through multiple case study designs. Another reason for choosing a multiple-case study design is that it permitted the exploration of each case individually and analyze the situation in-depth, enabling the generation of more robust and compelling evidence across cases (Yin, 2009).

The proposed study deals with the complex phenomenon of the governance of Pakistani higher education, which includes all four provinces and their policies towards higher education. This method (Fig 3-1) will help in the in-depth exploration of this phenomenon by drawing on information and data. The case study is used to investigate a phenomenon in depth (Yin, 2009; Creswell et al., 2007), and the multiple-case study approach provides insights into “multiple realities, the different and even contradictory views of what is happening” (Stake, 1995. p. 12). For this study, a qualitative research approach was considered in which a multiple-case study design was used as a method of inquiry. This strategy was selected because of the complex nature of the study, which includes different provincial cultures and politics. Also, the purpose of employing the exploratory multiple-case study approach is to understand the relationship each provincial government has with its higher education institutions. A brief view of the methodology can be seen in the figure below.

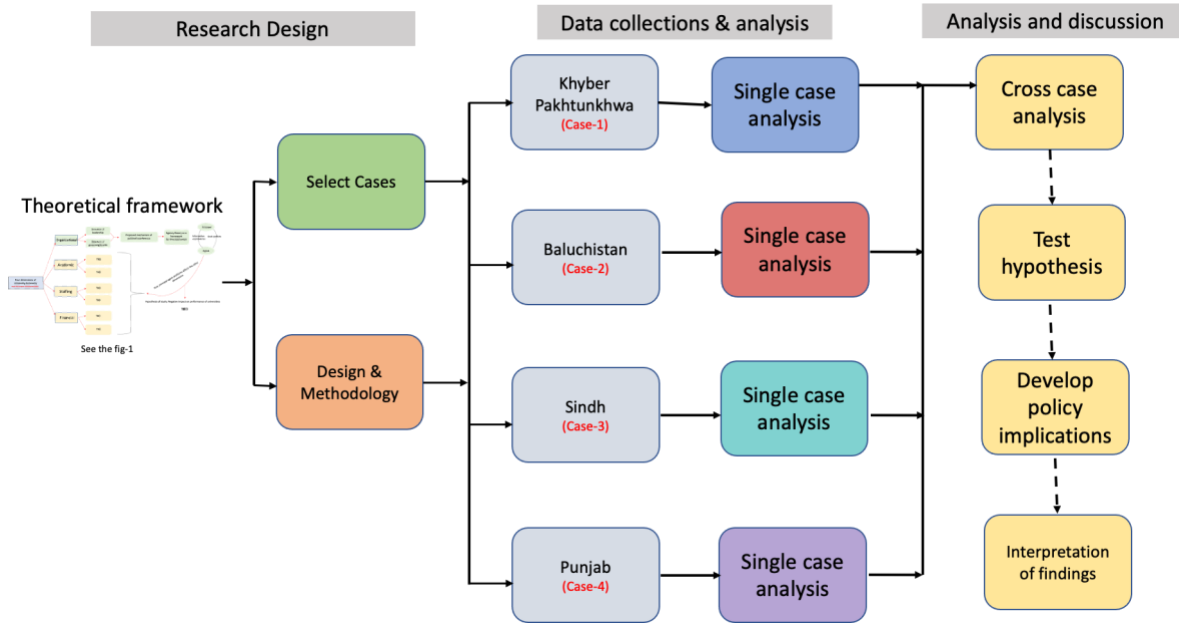


Fig 3-1: Methodology

This design was ideal for comparative cross-case analysis to understand the similarities and differences of each case under the same framework. This study is based on multiple case studies. Each case study includes one provincial government and several of the biggest and oldest universities in the individual provinces to analyze the relations of both parties to generalize the relations between the provincial government and the universities within the province. The findings are then generalized across the country. Another reason for considering this type of methodology is to allow the researcher visit specific sites to more effectively achieve the set objectives.

### 3.1.4 Agency Theory Framework and Connecting to Case Studies

Agency theory provides a promising framework for analyzing the relationship of two parties when they interact with each other for some reason under an agreement; this is called the agency relationship under this framework. Agency theory exists in the context of each province's higher education governance in Pakistan. Each provincial case study, i.e. KPK, Balochistan, Sindh, Punjab, etc., involves an agency relationship between the government (principal) and universities (agents) governed by specific acts (contracts). The study investigates the key components of agency theory while focusing only on the above indicators, i.e., leadership selection and composition of governing boards. The focus of this study is to describe how the leaders of universities and the people working in the ministry express

their views about the governance of higher education, each within the agency theory framework. The key part of this framework is that the principal will put his full effort into controlling the agent's activities. Introducing a new act aimed at reforming the higher education system to make the system more centralized could be a strategy for better controlling the institutions. This scenario makes each Pakistani higher education system a valuable case for analyzing the agency theory framework.

### **3.1.5 Selection of Principal-Agent Theory: Rationale for Theory Selection**

In the past two decades, there has been a growing trend to employ agency theory to analyze government-university relations. The researcher explored and discussed agency theory extensively and delved into its intricacies in literature review. It stems from the new institutionalism approach and its three strands: rational choice, historical, and sociological perspectives. The researcher found these discussions particularly interesting and found the agency theory within the rational choice strand, further deepening my understanding of this theoretical framework.

Selecting agency theory over other theories to analyze the relations between universities and the government has many advantages that make it the best-suited framework for this analysis. For example, this is particularly relevant when analyzing relationships characterized by a hierarchical structure and delegation of authority. So, researcher found that each case has a clear hierarchical relationship where the government, as a principal, delegates some of its authority to universities, which are agents to fulfill the assigned tasks. Another reason is that the theory is designed to address goal-conflict situations. Potential conflicts arise between universities and the government as both entities have distinct objectives. An important feature of the principal-agent Theory is that it is well-equipped to handle situations where there is information asymmetry between both parties. In the case of universities and government, each entity may possess different information and interests.

Lastly, this theory is good for examining contractual relationships, and in this case, it was easy to explore the university governance framework and documents. This theory has been widely applied in the public sector, making it well-suited for analyzing relationships involving government entities. Further, this theory emphasizes issues of accountability and monitoring, which are critical in understanding how the government oversees the actions of universities and ensures they align with broader societal goals.

### **3.1.6 Case Selection**

In this study, there are four provinces in Pakistan, and the researcher wanted to analyze each case to find the answer to the research questions. For this purpose, under the agency theory framework, the researcher needed to choose two parties. One party is the government while the other is universities in the province. As per purposive case selection, to narrow down each case, only the institutions in the capital of each province were included, as most of the biggest and oldest universities are located in each provincial capital. In addition, it was easier to approach bureaucrats and ministry offices while visiting the capital of each province.

### **3.1.7 Participant Selection and Data Collection Procedures**

In terms of selecting the participants, the purposeful sampling technique was used in each case. This qualitative research technique "is a strategy in which particular settings, persons, or activities are selected deliberately in order to provide information that can't be obtained as well from other choices" (Maxwell, 2005, p. 88). The researcher used this technique to obtain information and data and interpret these data according to their needs. Three types of participants were included in this study, and the researcher interviewed people from each category in-depth. For each type, the selection procedure for participants was based on those who belong to a specific group in a particular environment. These were senior university officials (retired and on duty), bureaucrats (who were serving a higher education system in their respective provinces), and legislators (Minister of Higher Education / a member of a provincial parliament with duties related to higher education).

Proper interview guidelines, protocols, and ethical concerns were considered before, during, and after the interviews (As illustrated in Appendix-D). The researcher conducted all interviews in person, and the language of most of the interviews was English, as English is an official language in Pakistan. The proposed participants were highly fluent and had no issues speaking in English. There were a few instances in which the interviewees felt more comfortable speaking their mother tongue, and so the researcher also spoke in this language. In such a case, after translation, the interviewer sent the transcript back to each interviewee for authenticity where necessary. For secondary sources, data were collected from each university and ministry, including the HECs of each province, university ranking agencies, individual research reports, academic journals, findings of think tanks, articles, newspapers, magazines, books, official policy reports, and the internet. As mentioned earlier, all ethical considerations,



guidelines, and protocols were followed for interviews, and during the collection of data through secondary sources the same rigorous process to maintain the integrity of data was used.

**Table 3-1: A brief overview of the case selection, participant selection and details of the purpose**

<b>Case Selections</b>	<b>Participant selection</b>	<b>Purpose</b>	
Khyber Pakhtunkhwa	Formal and incumbent Chief Minister Office staff, Ministry of Higher Education staff, Chancellor Office staff.	Used the purposive sampling technique in selecting the participants. To understand current and past legislation in the post-18 <sup>th</sup> Amendment era, if any. To understand the experience of dealing with universities. To understand how interactions take place. To understand expectations. To understand the procedure of the selection of leadership and nomination of governing boards.	
Baluchistan	Formal and incumbent Chief Minister Office staff, Ministry of Higher Education staff, Chancellor Office staff	Same as above	
Sindh	Formal and incumbent Chief Minister Office staff, Ministry of Higher Education staff, Chancellor Office staff	Same as above	
Punjab	Formal and incumbent Chief Minister Office staff, Ministry of Higher Education staff, Chancellor Office staff	Same as above	
Institutions (Universities): two/three from each province.	Two oldest / biggest universities from each province (formal and incumbent vice-chancellors, officers of these universities, formal and incumbent members of governing boards of each university)	Used the purposive sampling technique in selecting the participants. To obtain an understanding of the challenges faced in these relationships. To understand the changes being felt after the 18 <sup>th</sup> Amendment. To understand the governance structure and mechanism of interaction.	
<b>Respondents from KPK</b>	<b>Respondents from Baluchistan</b>	<b>Respondents from Sindh</b>	<b>Respondents from Punjab</b>
Respondent KPK-01 to 07	Respondent BAL-01 to 05	Respondent SINDH-01 to 06	Respondent PUN-01 to 08

### **3.1.8 Data Collection Overview**

During the field tour, the interviews were conducted with key stakeholders, including vice-chancellors, ministry officials, and senior university representatives. The study also focused on policy documents and interviews conducted in November and December 2021 to ensure a comprehensive understanding of each province's higher education system. This was qualitative-based research in which qualitative data were collected and meticulously categorized based on the proposed framework, mainly focused on autonomy, government-university relations, vice-chancellor selection, and governing board composition. The research followed all ethical protocols while conducting interviews, and all interviews were held in a comfortable environment. Audio recording was employed, but notes were taken for interviews where participants did not allow the recording. Interview questions investigated various aspects of university autonomy, with participants from prominent public universities, ministry officials, and provincial staff contributing insights. This data was categorized accordingly by selecting, focusing, simplifying, and transforming the raw data (Miles and Huberman, 1984) per the proposed framework.

The purpose of the study emphasized and was based on the agency theory's key components explaining how principals (governments) attempt to control agents (universities) by proposing the introduction of new acts that may serve as a strategy for centralized control. Through this framework and insight, the study of each higher education system in Pakistan is a compelling case for analyzing agency theory, which provides valuable insights into the challenges and strategies within the principal-agent relationship in university governance in each province of Pakistan.

#### **Access to Participant & Challenges**

The researcher lived for 25 years in Punjab province, Pakistan, and worked in a couple of universities in Punjab. However, this study was the first time the researcher explored the remaining three provinces. Notably, the universities in Punjab where the researcher had previously worked were excluded deliberately and avoided, including the participants whom the researcher knew before. Securing appointments with senior officials and executives in Pakistan was one of the significant challenges, especially without personal connections. During the field tour, after six years as the researcher had left Pakistan in 2014, he sought assistance from friends to arrange, manage and secure the meetings with participants. The participants didn't respond to the researcher's email first, but when the researcher connected with them through connections and help, the participants reacted positively and provided the time to discuss the matter.

Contacting participants was one of the significant challenges when initiating contact, which became the first challenge when there was no response initially. The other challenge was that the COVID-19 pandemic worsened the difficulties as people hesitated to meet but the challenges posed by the COVID-19 pandemic and the impact on this study were minimal. Although the pandemic introduced a lot of challenges for the researcher, which included the restrictions on travel and in-person interactions, it did not significantly affect the study. All the participants in the study acknowledged the government efforts and policies related to COVID-19 in the entire country, which includes the universities. However, these policies were not seen as a form of interference in the context of this study. The participants' observations were primarily centred around the legislation changes after the 18th amendment, which was a consistent focus throughout the study. Time constraints were another challenge when obtaining appointments, even with connections that often led to prolonged processes, which significantly affected the researcher's schedule and put stress during the field tour. All four provinces had different cultures and conditions. This diverse cultural landscape across provinces came across barriers which prompted reliance on locals and, for that research, managed differently. Initially, many participants raised concerns about the research's intentions, so it needed time to build trust for meaningful engagement. Additionally, there was an issue addressing participants' initial lack of interest. Participants initially showed a lack of interest because of insufficient incentives or a failure to recognize the direct benefits of their involvement in the research, which was another challenge.

### **Ethical Consideration**

It is important to emphasize that the researcher had no prior interactions with those who participated in the study, which minimizes potential biases. While admitting that the researcher's experience in the system of Punjab may have influenced opinions but, it is important to understand that this revisit occurred after many years. During that time, many individuals had retired, and the system had gone through significant changes. So, considering the researcher's relocation to Canada 6 years ago and the 18th Amendment implementation in 2010, which had less familiarity with the new system. Thus, there is no chance of any influence on the analysis, and the findings were negligible or nonexistent.

## **Triangulation in Research**

As it is mentioned in the document methods section, the researcher employed a triangulation strategy to enhance the robustness and reliability of the research findings. The strategy triangulation was achieved with cross-verification, as mentioned earlier, as well as with the use of document analysis and interviews. Here is a brief explanation of how triangulation was implemented:

As mentioned before, the researcher identified and selected relevant legislative documents from each province, which included the university Acts, Ordinances, and regulations, which became the foundation and the primary source for understanding the legislative framework in each province under study. According to the research design, this involved obtaining information related to each provincial university governance. This step guided researcher to formulate my interview questions. As legislative documents lacked specific details, the gaps identified during the analysis informed and helped me gather additional, nuanced information in interviews. As mentioned, for the interview participants, the researcher used the purposive technique to represent key stakeholders. Finally, a comparative analysis was conducted between the information from the documents and the interview insights. This process allowed for cross-verification, ensuring consistency and accuracy in the interpretation of findings. The themes and patterns identified in both data sources were cross-referenced to corroborate critical findings. This methodological triangulation helped validate the reliability of the specified themes.

In sum, where legislative documents left gaps, insights from interviews were utilized to fill these gaps. This combination of document analysis and interviews provided a more comprehensive understanding of the legislative framework and governance practices. When finalizing the analysis, preliminary findings were shared with participants during the respondent validation phase. This iterative process allowed participants to confirm the accuracy of the interpretations, contributing to the overall triangulation process.

### **3.1.9 Data Analysis/Procedure**

Qualitative data analysis is a process that seeks to reduce and make sense of vast amounts of information that are often from different sources. One approach is to examine the findings with a pre-defined framework that reflects the project's aims, objectives, and interests. This approach is relatively easy to use and closely aligns with policy and programmatic research with pre-determined interests. This approach allows you to focus on answers and abandon the rest. This approach is called as 'framework

analysis' (Pope et al., 2000). The data analysis was conducted while following this approach and, in the end, all the data were assembled to address the research question and evaluate the outcomes.

The process of conducting the analysis mentioned above consists of many steps. There are several techniques that can be used to synthesize data and no single correct technique for analyzing data is evident. For this study, however, organizing data in thematic groups for a clear understanding and managing data from interviews and document analysis in sequence seemed most suitable. For example, the data identified from different groups were placed into thematic groups. Notes were made under each thematic heading, as “thematic analysis is a method for identifying, analyzing, and reporting patterns (themes) within data. It minimally organizes and describes your data set in (rich) detail” (Braun and Clarke, 2006, p. 79). This process started with compiling the raw data and transcribing the raw data and field notes. In the second step, the researcher went through the data to gain an in-depth understanding of the data, become familiarized with the data, and label and organize the data in categories per thematic grouping. The final step in the research process is to evaluate the findings, interpret the outcomes, and make conclusions and recommendations. While drawing inferences from data, the researcher reviewed and summarized the findings while looking for explanatory patterns or relationships that helped answer the research questions. The main questions that arose were: Did the data collected answer the research question? What were the study's limitations, and how did they affect the results? And are there any areas that require further follow-up? For validity and reliability, the research was conducted ethically, a triangulation strategy applied, and respondent validation made a priority.

As this was a multiple-case study, the researcher had two options: single-case analysis and cross-case analysis. Single-case analysis was conducted first, and each case was analyzed individually using the constant comparison approach, which is better suited to defining specific phenomena and relationships (Strauss and Corbin, 1998). Once the single-case analysis was done, the researcher answered the research questions with cross-case analysis to compare the characteristics and themes of the various cases. The researcher decided which data were relevant and of interest according to the research question and framework.

### **Challenges in Research Process**

Research faced several challenges throughout this process; each posed distinct hurdles. One of the significant challenges was the limited funding for the project. The impact of the pandemic had multifaceted challenges, including mental interruptions because of lockdown and travel restrictions,

financial challenges, and uncertainty, which made it difficult to balance the Ph.D. demanded considerable effort and determination. Time management also emerged as a significant challenge in balancing research with parenting responsibilities, resulting in occasional stress and burnout. The critical issue was collecting field data, which presented a unique challenge spanning two months, compounded by other difficulties. Then, manual data analysis proved other challenges because of maintaining sensitivity, integrity, and secrecy, which required months of working separately on each case study. Staying updated with the latest research, which itself presented an ongoing challenge, but throughout this process was possible because of the invaluable support and kindness of the supervisor, which played a pivotal role in this whole as that support provided the necessary motivation to persevere through the various challenges, preventing consideration of leaving the project during its early stages.

### **Imbalance in Data Representation**

This imbalance in the inclusion of an equal amount of information and interviews and variation of data in each case study is primarily due to each province's demographic and the educational landscape of each province. Punjab is the most populous province, with a higher number of universities than others, and it also has more participants and relevant data for this study. For example, Balochistan has approximately ten universities compared to Punjab, which has around 50 universities, so there is a smaller pool of participants and consequently less data in that province, which had less participants and fewer universities. So, in sum, imbalance reflects the variations in the size and participation of each provincial higher education system.

### **3.2 Summary**

This chapter provided a brief overview of the research design, objectives and research question and the methodology employed to conduct this research with details on the case selection, participants, data collection procedures and data analysis techniques. Finally, it was assumed that the qualitative research technique with multiple case studies method is appropriate to use to explore the relationship between the two organizations in each case study because of the exploratory nature of the study.

## **Chapter 4: Khyber Pakhtunkhwa**

### **4.0 Introduction**

This chapter begins with a brief overview of the university system of one of the four provinces of Pakistan: Khyber Pakhtunkhwa (KPK). The funneling technique is used throughout this chapter by presenting an overview of the province's higher education system and public universities' governance structure, as well as by giving brief details about the interaction between these two organizations as per the framework. The chapter focuses on the process of the nomination of members of governing boards and leadership selection in public universities of KPK. It analyzes how this process occurs, the expectations between two parties, and the case's connection to the principal-agent theory framework.

### **4.1 The Province in History**

This province was formerly known as Northwest Frontier Province (NWFP) and was renamed (KPK) through a constitutional amendment in 2010. The famous, historical, and strategically important 'Khyber Pass' is situated in KPK, and it is the only groundway connecting Afghanistan to the Indian subcontinent. KPK has a long history due to its role as the gateway to the subcontinent because most of the invasions of India were carried out through this way. More than 80% of supplies to American forces and ISAF (International Security Assistance Force) to Afghanistan used this pass during the American war in Afghanistan (Anwar, 2013).

KPK came under British rule in 1849 and continued until August 14, 1947, when the British left the country and divided India into two Pakistan and India. As per the Indian Independence Act of 1947 passed by the Parliament of the United Kingdom, NWFP (present KPK) was free to join India or Pakistan through a referendum as per the June 3<sup>rd</sup> Plan. In July 1947, through this referendum, the NWFP people voted in favor of joining Pakistan. The province is located in the northwest of Pakistan and shares a 1200-km border with Afghanistan. KPK is a beautiful region with hilly areas and a pleasant climate. Peshawar is the capital of KPK and its largest city. The population of KPK is around 30 million, comprising 11% of Pakistan's population. The local language of the province is Pashto. It covers about 13% of Pakistan's area and is divided into 26 districts, per KPK's official website ([kp.gov.pk](http://kp.gov.pk)).

## **4.2 The University System in KPK**

Since it became part of Pakistan in 1947, education was a provincial responsibility until 1973. In the 1973 constitution, the subject of education was included in the concurrent list; this meant that the federal and provincial governments could legislate on the subject. In that scenario, the federal government dominated KPK higher education. The University Grant Commission (UGC) was established in 1974 to address the challenges of higher education in the country. In 2002, during the military regime, a drastic change and significant attempt at reform were seen in the higher education sector in Pakistan. The UGC was replaced with the Higher Education Commission (HEC). In April 2010, the 18th Constitutional amendment abolished the concurrent list of jurisdictions over different subjects. Education was one of the key subjects delegated to the provinces, which resulted in higher education becoming a provincial responsibility. Despite the issues associated with transferring higher education to the provinces after the 18<sup>th</sup> Amendment, conflicts between the federal and provincial governments on higher education and the legal battle on the jurisdiction of the HEC, universities came directly under the province's jurisdictions constitutionally (Ali & Rid, 2021).

At the time of independence, there was no evidence that even a single university existed in KPK. The University of Peshawar is the first and oldest university in KPK, as it was established in 1950 in the capital, Peshawar. In the next three decades, only one more university, Gomal University, was established in District Dera Ismail Khan in 1974. Two more universities, the University of Engineering and Technology and the University of Agriculture were established in 1980 and 1981, respectively. The whole province continued with these four universities until 2000. As per government officials, there are 27 public universities currently operating in KPK. Currently, in the post-18<sup>th</sup> amendment scenario, the running of the universities in KPK has become a provincial matter. Universities in KPK are directly under the provincial ministry of higher education, and the political leadership directly controls the universities through the provincial bureaucracy.

### **4.2.1 Overview of the Governance Structure in KPK Public Universities**

The provincial assembly of KPK passed the Khyber Pakhtunkhwa Universities Bill 2012 on 10<sup>th</sup> September 2012. KPK Universities Act 2012 was designed to guide how universities operate and govern in KPK. This act comprehensively guides and explains all public universities' governance structures in the province. The act intended to reconstitute and reorganize already-existing universities and future universities to improve the governance of the higher education system in the province of KPK.



The KPK Universities Act, 2012<sup>1</sup> outlines the governance structure of public universities, including details about the executive governing bodies and the authorities of universities. University authorities and governing boards are given different names. According to the study requirement, KPK Universities Act, 2012 was analyzed. It was decided that only the top two university authorities/officers and the top two governing boards would be discussed.

#### 4.2.2 An Analysis of the KPK Universities Act, 2012

The research focused on one of the four dimensions of university autonomy: ‘organizational autonomy’ and focuses on its two indicators, i.e., university leadership and its governing boards. The researcher selected universities' top leadership and governing boards from the Act to analyze the abovementioned indicators.

**Table 4-1: Name of University Leadership and Governing Boards in KPK**

University Leadership	Governing Boards
<ul style="list-style-type: none"> <li>• The Chancellor</li> <li>• The Vice-Chancellor</li> </ul>	<ul style="list-style-type: none"> <li>• The Senate</li> <li>• The Syndicate</li> </ul>

#### University Leadership

##### a) The Chancellor

The role of University Leadership is of utmost importance as they are responsible for setting the direction and ensuring the smooth functioning of academic institutions. In Khyber Pakhtunkhwa (KPK), the Universities Act of 2012 stipulates that the Governor of the province will hold the position of Chancellor for all universities within its jurisdiction. Pakistan is a federal parliamentary republic, and the appointment of the provincial governor is made by the President of Pakistan on the advice of the Prime Minister. Although the Governor of KPK is a ceremonial head of the province, the 18th amendment to the constitution mandates that the Governor can only act on the advice of the Chief Minister and the cabinet. This means that the Chancellor's role is ceremonial and primarily to preside over the Senate, the highest governing body of all universities in the province, and to exercise their powers individually or

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<sup>1</sup> KPK Universities Act 2012, [https://kpcode.kp.gov.pk/uploads/THE\\_KHYBER\\_PAKHTUNKHWA\\_UNIVERSITIES\\_ACT\\_2012.pdf](https://kpcode.kp.gov.pk/uploads/THE_KHYBER_PAKHTUNKHWA_UNIVERSITIES_ACT_2012.pdf)

through the Senate ‘technically on the advice of the Chief Minister’. The Chancellor has the authority to remove the Vice-Chancellor or place them on forced leave for a period of 90 days, which can be extended if required but this power contradicts to the constitution. This allows the Chancellor to ensure that the university leadership is accountable and performing their duties in a manner consistent with the goals and values of the institution. (KPK Universities Act 2012). Overall, the role of the Chancellor in KPK's universities is crucial in maintaining academic standards and ensuring the effective management of these institutions. The position as the highest authority in the university system enables the Chancellor to exercise significant influence in shaping the direction and priorities of the province's higher education sector.

#### **b) The Vice-Chancellors**

The Vice-Chancellor is a critical position in the governance structure of universities in the province, serving as the chief executive and a principal officer. As per the KPK Universities Act, the Vice-Chancellor is responsible for overseeing all aspects of university operations, including administrative, academic, and financial matters. In times of crisis or emergency situations, the Vice-Chancellor is granted certain emergency powers to ensure that the university can continue to operate effectively. These powers may be exercised when a syndicate meeting is not feasible, and include the ability to make appointments, allocate budgets, take action against staff and teaching faculty, grant additional charges, create and fill temporary positions, renew contracts, and appoint academic personnel such as examiners and referees. These emergency powers are granted to the Vice-Chancellor with the expectation that they will be exercised judiciously and in the best interest of the university. While the ability to take decisive action in emergency situations is critical, it is equally essential to ensure that such powers are not abused and are used only as needed to protect the interests of the university and its stakeholders. Moreover, the Vice-Chancellor must work closely with the Chancellor, the Senate, and other university stakeholders to ensure that the institution remains focused on its mission and goals (KPK Universities Act 2012). This requires the Vice-Chancellor to have strong leadership skills and the ability to collaborate effectively with a diverse range of stakeholders, including faculty, staff, students, and external partners. In summary, the Vice-Chancellor plays a vital role in the management and governance of universities in the province.

## **Selection Process of Vice-Chancellors**

As per the KPK Universities Act 2012, the Vice-Chancellor of all public universities within the province is appointed by the Chancellor, subject to the advice of the provincial government. As per the government representative, this appointment process ensures that the Vice-Chancellor is selected based on merit and competence, with the ultimate goal of ensuring that the universities operate effectively and achieve their academic goals. The process for appointing a Vice-Chancellor begins with the formation of an Academic Search Committee, which is responsible for identifying and recommending suitable candidates for the position. The committee conducts a rigorous selection process, taking into account academic and administrative experience, leadership skills, and vision for the future of the university. Once the committee has identified a suitable candidate, they forward their recommendation to the provincial government. The government then evaluates the recommendation and makes a final decision on the appointment, considering factors such as the candidate's qualifications, experience, and alignment with the “*government's priorities for the higher education sector*”.

The appointment of a Vice-Chancellor has significant implications for the university and the wider higher education sector. A strong and effective Vice-Chancellor can provide the leadership and vision needed to drive the institution forward, attract top-quality faculty and students, and ensure that the university achieves its academic goals. On the other hand, a weak or ineffective Vice-Chancellor can lead to a decline in academic standards, a loss of credibility for the institution, and a negative impact on the overall quality of education in the province.

## **Academic Search Committee**

The KPK provincial government outlined the procedure for appointing leaders in universities across the province. As per the universities act, the government establish an Academic Search Committee whose sole responsibility will be to find a suitable candidate for the role of Vice-Chancellor in each university. The committee remains active for a period of two years and continues to perform its duties during that time frame. The government nominates around seven members to serve on the committee, with the higher education department overseeing the entire process and putting forward the name of the final candidate for approval. The criteria and qualifications for the members of the committee are partially outlined in the university act. The convener of the committee should be an academician with a minimum of 50 international publications, but there is no age, rank, or experience requirement outlined in the act. This means that anyone who is currently working in any higher education institution and is involved in

teaching or research and has at least 50 international publications can serve as the convener. Two members of the committee are required to be from outside the province and should be renowned academicians and researchers, but the definition of "renowned" is not clearly stated. However, it is mentioned that they should be equal in rank to chairman, dean, or vice-chancellor. One member will be a renowned academician from KPK, while the other two members will be eminent persons from society, with no further details provided about their qualifications or criteria.

The search committee operates entirely under government control, with no consultation sought from higher education institutions at any point during the selection process. The secretary of the higher education department from the KPK government will also serve as the secretary of the committee. While the universities act outlines the basic structure of the committee and its membership, there are several areas that require further clarification, including the eligibility criteria for each member. The entire process is one-sided, with higher education institutions asked to provide a few names per criterion and asked for assistance only if needed.

The universities act clearly defines the process for appointing a Vice-Chancellor in each university in KPK, with an Academic Search Committee responsible for finding a suitable candidate. The government nominates seven members to serve on the committee, including a convener, two renowned academicians from outside the province, one renowned academician from KPK, and two eminent persons from society, with the secretary of the higher education department serving as the committee's secretary. The entire process is government-controlled, with no consultation sought from higher education institutions. While the act outlines the basic structure of the committee, several areas still require further clarification, including the eligibility criteria for each member.

## **Governing Boards**

### **a) The Senate**

As per the KPK Universities Act, the Senate serves as the highest governing body for all universities in KPK. The chairperson of the Senate is the Governor of KPK who is also a Chancellor of all universities in KPK. The Senate consists of twenty-two members, representing a diverse range of stakeholders from the government, university faculty and administration, and the public. Of the twenty-two members, three members are incumbents from the provincial government, including the Chancellor. Additionally, there are four members from the provincial public service, one retired judge from the Higher Court, and one nominee from the federal Higher Education Commission (HEC). Furthermore,

there are four university faculty representatives from all ranks, one university administration representative, and seven members nominated by the Chancellor. The composition of the Senate ensures that it is a representative body with a diverse range of stakeholders, including members from the government, the university community, and independent experts. The representation of different groups aims to provide balanced and informed decision-making. The Senate plays a crucial role in decision-making and policy formulation for all universities in the province. It is responsible for overseeing and approving academic and administrative matters, including the appointment of the Vice-Chancellor, faculty, and staff. The Senate also approves the annual budget, strategic plans, and policies related to academic and administrative matters. The Senate operates under certain rules and regulations, including a quorum of two-thirds of its total members to conduct business. For the approval of any agenda, only a simple majority is needed. It is important to note that the Senate cannot be chaired by university administrative staff, even in the absence of the Chancellor. In conclusion, the Senate serves as a critical decision-making body for all universities in the KPK province. Its composition reflects the diverse range of stakeholders and provides a representative forum for decision-making. The Senate's role in academic and administrative matters is crucial for the effective functioning of the universities and the overall success of the higher education sector in the province.

The composition of the Senate will be as follows:

- Government / government-nominated representation: 14
- Internal members: 6
- Neutral members: 2

### **Power of the Senate**

The Senate holds several significant powers that enable it to exercise oversight and control over the affairs of universities in the KPK province. One of its primary functions is to hold university authorities, including the vice-chancellors, accountable for any misuse of their powers or authority. This includes taking disciplinary action against them, if necessary. Another critical power of the Senate is the appointment of all officers of universities, including members of the Syndicate. In addition to personnel matters, the Senate also has significant control over financial resources. It has the power to approve budgets, allocate funds, and develop plans for the efficient and effective use of these resources. This includes the development and approval of short and long-term financial plans, the allocation of funds for

capital projects and research activities, and the establishment of policies and guidelines for the management of financial resources.

The Senate has the power to recommend the removal of any university officer, including the vice-chancellor, for any justifiable reason. This ensures that university officers are held accountable for their actions and decisions and provides a mechanism for the removal of officers who are not performing their duties adequately. In conclusion, the Senate has several significant powers that enable it to oversee and control the affairs of universities in the KPK province effectively. Its ability to hold university authorities accountable, make appointments to critical positions, allocate financial resources, and recommend the removal of university officers is crucial for ensuring the efficient and effective functioning of universities and the overall success of the higher education sector in the province.

#### **b) Syndicate**

The Syndicate represents the executive body of the university and stands as the second-highest governing body responsible for internal governance in all KPK universities, as mandated by the KPK Universities Act. The Syndicate is composed of a total of 24 members, each of whom is selected based on specific criteria. Of the 24 members, five are designated as government or government-nominated representation, whose selection is based on recommendations from the provincial government. Meanwhile, the 14 members are internal to the university hold various positions and are selected based on their expertise, knowledge, and experience in relevant fields. In addition to these members, the Syndicate has five neutral members, who are neither affiliated with the government nor internal to the university. The Syndicate plays a vital role in the internal governance of universities in the KPK province. Its members are responsible for overseeing and implementing university policies and procedures, as well as making critical decisions related to academic matters, including curriculum development, program evaluation, and accreditation. Moreover, the Syndicate is responsible for overseeing the financial and administrative aspects of the university, including budgeting, resource allocation, and infrastructure development. They also provide guidance and support to the university's faculty, staff, and students, ensuring the effective and efficient functioning of the institution. The Syndicate serves as a critical body for the internal governance of universities in the KPK province. Its members are responsible for ensuring the smooth and efficient functioning of the institution, with a focus on academic excellence, financial sustainability, and community engagement.

## **Powers of the Syndicate**

In accordance with the KPK Universities Act, the Syndicate stands as the sole governing body responsible for the university's internal administration and holds the power to sanction all internal and external activities of the university. The Syndicate exercises its authority in matters of finance, staff, and academics and its final approval is necessary for all decisions relating to these domains.

## **4.3 Analysis of KPK Government's University Monitoring and Accountability**

### **Mechanisms**

One of the significant components of agency theory is establishing a mechanism for monitoring agent behaviour and making the agent accountable per the terms of a contract that governs the principal-agent dyad. The purpose of establishing the monitoring mechanism and accountability mechanism is to decrease the agency problem, which ultimately improves the performance of any agency (Mallin, 2019). But this agency theory approach can sometimes create adversarial relations between both parties (Knapp et al., 2011) that impact the agent's performance. In the case of the KPK higher education system, monitoring mechanisms exist. These mechanisms play an influential role in these relations because they prevent the universities from acting independently, for which the university would be legally responsible. As per the act, chancellors have the power to remove any vice-chancellor in the province, as stated in the act, "*The Vice-Chancellor shall hold office during the pleasure of the Chancellor*" (KPK University Act, 2012; p.20). The appointment of vice-chancellors in the province will be notified by the chancellor on the government's advice (KPK University Act, 2012; p.19). Although the government will follow the recommendations of a search committee for the appointment of vice-chancellors, the fact is that it is the 'government committee, 'the government constitutes the committee, and there is no consultation or representation from universities.

The supreme body of the university is the Senate, which has only 25% internal representation; the remaining 75% of the Senate is comprised of external representatives. The second executive body of the university, which has the power to deal with university matters, has majority representation from the university. The second executive body of the university is the 'Syndicate,' which has some decision-making authority, but is subject to accountability and monitoring of the Senate. Its purpose is to manage the interests of 'the Senate,' which leaves no sense of autonomy for the institutions in KPK. University leadership and the second executive body of the university, which governs the university, are accountable to the chancellor and Senate. In this case, both (the chancellor and Senate) are considered external

authorities, and higher education governance is not their primary work. These are the monitoring and accountability mechanisms per the University Act.

The reason for analyzing these relations through agency theory is to identify the limitations of the university's effectiveness. A persistent and continued fear of monitoring and accountability leaves few opportunities for the university to attempt to achieve its objectives. These issues are described by agency theory, but they can lead to conflict between both parties based on information asymmetry and force agents to create opportunist behaviour.

#### **4.4 KPK Data Analysis with the Key Components of Agency Theory**

The theory explains the interaction between both parties, i.e., agent and principal, implying that the agent action departs (Shapiro, 2005) from the required principal returns (Fama & Jensen, 1983) through goal conflicts and information asymmetry. Proponents of agency theory agree that goal conflicts and information asymmetry are the core problem between two parties in an agency relationship (Mitnick, 1975; Waterman & Meier, 1998).

##### **4.4.1 Information Asymmetry**

Informational asymmetries exist when one party has more information than the other (Frederickson & Smith, 2003). In the case of the KPK higher education system, informational asymmetry exists. Both parties are not in alignment with one another. The government controls the selection of leadership, and the supreme body of the university has no representation from the university. The government keeps its targets and information secret while making appointments in the province, whether for members of governing boards or leadership selection. On the other hand, university leaders think differently. They want the government and other stakeholders to listen to the actual needs of the university so they can have the university meet global standards. Agency theory assumes in this scenario that due to less information being available in a particular field, it is difficult to assess the efforts of the institution's employees to increase its value (Mallin, 2019). A senior government official was against the autonomy and did not acknowledge the efforts of the institution. He stated that the autonomy given to those in universities is often misused in the province, but his evidence did not support the story he shared (Respondent KPK-4).

The researcher could not get an answer as to whether joint sessions were ever conducted or organized. There was no evidence found whether any information session was ever conducted between



both parties on any issue. In his interview, a respondent from the Government stated that no communication exists between the two parties on consultancy regarding appointing or nominating members of the board of governors and selecting leadership. He said there is a communication gap on these things, which will not be addressed until all the public universities stand together (Respondent KPK-5). In response to the question, "Do you have autonomy?" one of the prominent university leaders responded: "The chancellor is my boss. It was okay if we dealt with his office, but after the 18<sup>th</sup> amendment, the chancellor was bound to follow the government. In this scenario, we deal with different offices, and external interference in internal matters has increased in the last few years." (Respondent KPK-2).

Agency theory assumes that an agent's great efforts will lead to better outcomes for the principal (Saam, 2007). This is what the principal expects in the scenario of the KPK higher education system, but if the university leadership only works for better principal's better outcome that reduces the effectiveness of the university. The concept of autonomy is not as important as it should be in the eyes of a government official dealing with universities. The key reason for is bureaucracy system. An interviewee from the ministry recently transferred from another department that was a very different area. Another senior official who served for many years transferred to another different department. Hence, it was found that the ministry official spoke based on a few years of experience and based on official documents. The official from the government responded that they do everything as per the law and have the power to make decisions for universities as per the law. In this scenario, it is hard to explain the importance of the university to the person who considers all institution as same, at this point leadership think, it is a waste of time to explain university complexities to newly appointed public servants. So, they prefer to manipulate information for their short-term interests. The officer currently serving in the energy ministry suddenly became responsible for higher education. That created a problem, as per the university's official statement. This is very similar to a statement from Eastman et al.'s (2018) study in which a university official stated that "members of the provincial ministry or department responsible for higher education had little understanding of universities." It is also an assumption of agency theory that the existence of information asymmetry can lead to moral hazard and some degree of adverse selection (Eggertsson, 1990).

#### 4.4.2 Goal Conflict

There is always a chance that a conflict can arise when two parties work under a contract, even when both parties want the same output. Both parties' strategies for the same output could be different. A respondent from provincial public services who directly deals with universities of the province said that “the political leaders come into power for a specific term and demand quick outcomes, which he understood is impossible”. (Respondent No. KPK-3). He was against providing autonomy to universities, as he shared stories of how autonomy was misused in the past. The university leader responded that he never views higher education from the perspective of employment and economic objectives. He sees it as a long-term investment and not a technical institution. If the government needs greater employment and quick results, it should establish a technical institution (Respondent KPK-1). Politicians often view education as only for employment and consider it an economic objective. “Techne” is their goal, which, according to Heidegger and Plato, is the lowest form of learning and a major obstacle to wisdom and creativity. One respondent from university mentioned that a problem arises when they deal with multiple offices (Respondent KPK-2). This is not unusual in the public sector context, where situations often arise in which agents deal with multiple principals and each principal has different demands and goals (Waterman and Meier, 1998). This makes the situation more complex for an agent determining who he should follow. The only option left for agents in this scenario, as per the respondent KPK-2, is to consider that their primary focus is to establish good relations with all the offices that would benefit them and extend their tenure. As is mentioned in Section 12(6) of the KPK Universities Act, 2012 that: “The tenure of three years may be extended once for another such term based on performance to be evaluated by the government against the key performance indicators to be set up by the government.” This happened in KPK. A proposal for an extension was initiated sometimes university leadership lobbied for the same purpose.

Each party is likely to choose the goal most closely related to their own goals (Waterman & Meier, 1998). In the KPK higher education system scenario, goal conflict exists between the KPK government, and the universities selected for this study. A respondent from academia and a respondent from the ministry agreed that if a university proposed a name for syndicate members, the government may turn down that proposal and select a different person or even nominate members without consulting the university. This also can happen in the vice-chancellor selection process when academic search committees forward their recommendations. The government picks among of them or sends the proposal back to the committee to repeat it again. The ministry official mentioned that government always gives

reasons for their decision (Respondent KPK-4). However, respondent from academia said it is all in the hands of the government to do whatever they feel is best and that university and government do not work together on these issues (Respondent KPK-2). This relationship has a clear conflict of interest due to the divergence of interests. To minimize and deal with potential goal conflicts in the Syndicate, the second-highest body that oversees most of the internal matters of the university, the majority of the representation is internal but in the presence of strong monitoring and accountability mechanisms that have a minimal impact on the overall governance, which makes it challenging for leaders to concentrate and make decisions freely. This is reflected in agency theory's main theme, in which the interests of both parties are always at stake. As per agency theory, agents always depend less on performance and company; they focus on their own purposes rather than enriching other stakeholders.

On the other hand, the government argued that goal conflict can be mitigated only if it carefully monitors university activity. In the case of KPK, a respondent from the government justified the monitoring and accountability mechanism. He said that is a prerogative of any government (Respondent KPK-4). Another senior official was not in favor of giving autonomy to universities and shared many stories to justify his argument. He argued in favor of transparency but was not interested in university autonomy. He also mentioned that the only interest of the vice-chancellors in universities is their self-interest to promote themselves and give perks and privileges to their people. They accommodate board members and other staff members, as the board member's role is just ceremonial. He was talking about the Syndicate, the second-highest authority of the university (Respondent KPK-3).

## **4.5 Agent's Opportunist Behaviour Scenario**

This section examines the issue of self-interested agent behaviour, which is often associated with opportunistic behaviour in agents. There are two main types of self-interested agent behaviour: adverse selection and moral hazard (Eisenhardt, 1989). These problems can arise when agents conceal essential information from principals in order to achieve their ambitions.

### **4.5.1 Adverse Selection**

Firstly, is adverse selection. This occurs when an agent intentionally misrepresents their performance to receive more benefits and perks from the principal. This problem arises when the principal lacks the capability to verify these claims and to ensure that the agent performs the assigned task. In the context of KPK's higher education system, this issue exists. According to respondents from

the government in KPK, the main executive body responsible for all internal matters is the Syndicate, which is dominated by internal representatives. The government has no other way of validating the information provided by universities. Respondents further mentioned that universities publicly complain about a lack of resources, financial issues and autonomy and highlight their struggles to run the institution while demanding perks, facilities, and other benefits (Respondent KPK-5). On the other hand, university officials stated that universities depend heavily on the government and often have no funds to pay their employees' salaries, let alone money to spend on research. (Respondent KPK-2). This further exacerbates the situation.

#### **4.5.2 Moral Hazard**

Moral hazard is another issue that affects the higher education system in KPK. This refers to the behaviour of an agent that involves a lack of effort, which is prevalent in KPK universities. Operating with what they believe to be with limited resources, most university leaders and administration tend to blame the government, governing board members, and internal university politics for their lack of progress. (Respondent KPK-1, 2, 6 & 7). Similarly, the government also blames universities for not making the most of their many perks and privileges (Respondent KPK-4 & 5). While participants in the study provided examples of moral hazards in the system, concrete examples were not provided.

#### **4.6 Key Findings**

##### **a) Analysis of composition of governing boards**

The Act governing the governance of institutions provides clear guidelines on the appointing and nominating authority for members of governing boards. These guidelines help to ensure that the process of appointing board members is transparent and objective. Additionally, the Act outlines the structure of governing boards, including the representation of members. Furthermore, the Act specifies the definition of the term "board members.". However, the Act does not provide a clear process for the removal of board members. This absence of procedure creates uncertainty and confusion, leading to potential challenges in the removal of board members. To address this issue, there is a need to provide a clear and concise process for the removal of board members to ensure that the process is fair and transparent. The Act also provides guidelines for the meeting procedures of governing boards. These guidelines are crucial in ensuring that the board meetings are conducted effectively and efficiently, and that all members have an opportunity to participate in the meetings. Additionally, the Act specifies the role of the

governing board as a whole, but it does not define the specific roles of individual board members. This can result in confusion and potential conflicts of interest, highlighting the need for clarification on the roles and responsibilities of individual board members to ensure effective governance of institutions.

#### **b) Analysis of Leadership Selection**

The appointment of Vice-Chancellors in universities of Khyber Pakhtunkhwa (KPK) is carried out through the Academic Search Committee (ASC), which is constituted by the provincial government and is fully controlled by the government. The qualifications required for the position of Vice-Chancellor are clearly defined in the Act, which ensures that only highly qualified and competent individuals are considered for this important role. Additionally, the Act specifies the term of appointment for Vice-Chancellors, ensuring that there is no ambiguity in this regard. Furthermore, the Act also outlines the procedure for the removal of Vice-Chancellors in case they are found to be incapable of carrying out their duties effectively. This provision ensures that the Vice-Chancellors are held accountable for their performance and are not allowed to continue in their role if they fail to meet the expected standards. The Act also provides detailed guidelines for the selection process of Vice-Chancellors through the ASC.

This includes the composition of the committee, which must have a chairperson who is an academician with at least 50 international publications, two educationists from outside KPK who are equivalent in rank to chairmen, deans, or vice-chancellors, one academician or researcher from KPK, and two eminent persons from society. The committee members are nominated by the government, and the secretary of the Higher Education Department of the KPK government serves as the secretary of the committee. The Act also ensures that the selection process is fair and transparent by requiring that the ASC follows a rigorous procedure to identify the most suitable candidate for the position of Vice-Chancellor. The committee is required to advertise the position in at least two national newspapers, and it must also seek assistance from the Higher Education Commission and other relevant bodies to ensure that the selection process is carried out in a professional manner. The Act provides detailed guidelines for the appointment of Vice-Chancellors in KPK universities through the ASC. The Act specifies the qualifications required for the position, the term of appointment, the removal procedure, and the selection process.

### **c) Key features of Agency Theory**

When analyzing a particular situation or environment, it is crucial to consider different factors that may influence it. In this context, four important factors are information asymmetry, goal conflicts, adverse selection, and moral hazard. With regards to information asymmetry, it is clear that it exists in the situation being analyzed. This means that some parties involved in the situation have more information than others, which can lead to an imbalance of power or unfair advantages. Similarly, the existence of goal conflicts is also evident in KPK higher education system. This means that the parties involved have different objectives or goals that may be incompatible with each other. Such conflicts may arise due to differences in interests, priorities, or values, and they can have a significant impact on the outcomes of the situation being analyzed. When it comes to adverse selection, the situation is somewhat less clear. While there may be indications that it exists, there is no concrete evidence to support this claim. Adverse selection refers to situations where one party has more information than the other about the quality or risks associated with a particular transaction or product. This can lead to negative outcomes for the less informed party. Similarly, while moral hazard may be present in the situation being analyzed, there is no concrete evidence to confirm this. Moral hazard refers to situations where one party may take risks or behave in a reckless manner because they are not fully responsible for the consequences of their actions. In some cases, this can lead to negative outcomes for other parties involved in the situation. Overall, it is important to recognize that different factors can have a significant impact on a particular situation or environment. By identifying and analyzing these factors, it is possible to gain a deeper understanding of the dynamics at play and develop strategies to address any issues that may arise.

### **4.7 Key Takeaways from KPK**

In November 2021, the researcher embarked on a field tour of the KPK province, focusing primarily on the capital city of Peshawar, as well as three other cities within the region. The researcher engaged with various government officials, ministry of education staff, university leaders conducting a total of six interviews. The interviews included two with incumbent vice-chancellors of universities, two with a university officer, and three with government officials, all of which took place in their respective offices, with the exception of two interviews that were conducted outside of the university setting. In addition to the interviews, the researcher also collected data from various offices. While there are a total of 27 public universities in KPK, the researcher visited five universities and toured different offices,

public libraries, and even had the opportunity to meet with students to gain more insight into the institutions' cultures and views, though these meetings were not originally planned.

All universities in KPK have a bicameral governance structure, which includes a Senate and a Syndicate. The government nominates or appoints 64% of the members of the Senate, while the Syndicate includes 21% government-appointed or nominated members, all notified by the government. The Vice-Chancellor of the university is appointed through a process that involves the Academic Search Committee (ASC), which is controlled by the government of KPK. The ASC plays a vital role in identifying and recommending suitable candidates for the Vice-Chancellor position. It is worth noting that the governance structure of universities in this context is significantly influenced by government involvement, with a majority of members appointed or nominated by the government. Additionally, the ASC plays a crucial role in recommending candidates for the Vice-Chancellor position.

The study focused on examining the relationship between organizational autonomy and university governance, with a particular emphasis on two indicators deemed significant in this regard. To analyze this relationship, the study employed agency theory and explored key issues such as goal conflicts and information asymmetries. The study found that the two indicators under consideration are areas where the government exercises significant control. As the governance structure of each university in KPK is bicameral, with the Senate and Syndicate serving as the highest governing bodies. However, the composition and nomination process for both bodies are complex, and the Universities Act lacks clarity on the role of the members. As a result, the government exercises direct and indirect domination over both governing bodies.

## **Chapter 5: Balochistan**

### **5.0 Introduction**

This chapter begins with a brief overview of Balochistan's university system in another of Pakistan's provinces. The funneling technique is used throughout this chapter by presenting an overview of the province's higher education system and public universities' governance structure and providing brief details about the interaction between these two organizations as per the framework. The chapter focuses on the nomination process of members of governing boards and leadership selection in public universities of Balochistan. It analyzes how this process occurs, the expectations between the two parties and the case's connection to the principal-agent theory framework.

### **5.1 The Province in History**

After the Second World War, the Indian Independence Act of 1947 was passed by the British Parliament, and after its enactment, British rule in India officially ended. India was divided into the two independent states of India and Pakistan. At the time of the partition, there were around 600 princely states and 17 provinces in India. The future of provinces, whether to join India or Pakistan, would be based on a majority vote wherein all princely states were given a choice to join either country or remain an independent entity.

There were four princely states in Balochistan at the time of independence (Lasbela, Kharan, Makran and Kalat). Pakistan started negotiations with all four princely states and successfully convinced all states except Kalat to join (Ahmed, 2019). Kalat was one of the biggest princely states among the four and had a long history of struggle for recognition as an independent state. The Khan of Kalat (Head of the Kalat state) immediately proclaimed Kalat's independence. He instructed his army chief, Brigadier General Purves, to prepare for the fight and arrange the necessary arms and ammunition. The British refused to support the Khan or supply any arms without the approval of the Government of Pakistan. They further warned the Government of Pakistan not to recognize Kalat as an independent state. The Khan then tried to seek help from Indian authorities and the Afghan king, but this help was not received. The accession document with Pakistan was finally signed in 1948 (Baluch, 1987).

Balochistan is the largest province of Pakistan by total area. It covers 44% of the total geographical area of Pakistan but has only 5% of the country's total population (Siddiqi, 1991) because



much of it is uninhabitable. Balochistan has 35 districts. Quetta is the capital of Balochistan and the largest city in the province. Balochi, Brahui, and Pushto are the major languages. The province has considerable undeveloped potential, particularly in non-metallic minerals. According to the Government of Balochistan's website, the following minerals are being exploited: coal, chromite, barytes, Sulphur, marble, iron ore, quartzite, limestone, mineral oil, natural gas, gypsum, copper, and salt.

Balochistan is situated on the western edge of South Asia and shares its borders with Iran and Afghanistan. It has a 700-km long coastline on the Arabian Sea, which includes the strategic port of Gwadar. Gwadar Port has become strategically important due to its geographical location, as it is a point of confluence between China's Maritime Silk Road and the Belt and Road Initiative. The China-Pakistan Economic Corridor (CPEC), one of the most important parts of the BRI, has a 3000-km-long route connecting the west Chinese landlocked area (undeveloped area) through most of Balochistan, starting from the port of Gwadar. This route reduces the distance for China to transport its goods to Africa and West Asia from around 10,000 to 2500 miles. The location of Gwadar is just 120 miles from the Strait of Hormuz, which 30% of the global oil trade passes through. For China, the CPEC project is strategically and economically important. In return, Pakistan expects to transform Gwadar Port into an economic hub, which will ultimately contribute to the development of the province of Balochistan (Taj et al., 2018) and bring economic benefits to the whole country. Other great powers in the world and particularly in the region, have shown their concerns about the presence of China in this strategically important place, as this project (CPEC) will enhance China's strategic capacity in the western Indian Ocean region (Saini, 2022).

The abundant natural resources, strategic importance, and new developments in the region, such as CPEC and the history of integration of Balochistan with Pakistan, have made Baloch nationals more aggressive in demanding their rights. Since Pakistan came into existence, they have been perceived as complaining about the federal government's unfair treatment. Also, small groups have started armed struggles against the central government, resulting in several revolts for independence. Many Balochis still believe in negotiations and have fought for more autonomy while demanding control over their natural resources.

## **5.2 The University System in Balochistan**

Since Balochistan became part of Pakistan in 1947, all levels of education, whether primary, secondary, higher secondary or university, have been in a dismal state due to the problematic relationship

of Balochistan with the federal government. The people of Balochistan live mainly in tribes under the influence of feudal lords who have more power than the government, with some even running their own jails (Lancaster, 2003). They have a strong influence on provincial politics. Balochistan is far behind other provinces in terms of literacy and enrolment in educational institutions.

The first university in Balochistan was the University of Balochistan, established in 1970 through an ordinance by the governor, making it the only higher education institution in the .The University of Balochistan is located in Quetta, the capital of Balochistan. Almost 24 years after establishing the first university, Balochistan University of Engineering & Technology, Khuzdar (BUET, Khuzdar), was established in 1994 under the BUET Act 1994 in the city of Khuzdar. Khuzdar is the third biggest city in Balochistan, located 300 km from Quetta. The whole province continued with these two universities until 2002. As per government officials, there are currently nine public universities operating in Balochistan. In the post-18<sup>th</sup> amendment scenario, the governance of the universities in Balochistan has become a provincial matter, and the province has become more autonomous and is able to control universities directly. In that context, many reforms in the higher education sector are being implemented.

### **5.2.1 The Governance Structure in Balochistan Public Universities**

Each university in Balochistan is currently operated under the Balochistan Universities Act, 2021<sup>2</sup> passed in April 2022 to improve university governance and management in the province. (When the researcher was on the field tour to Balochistan in Nov-2021, the government of Balochistan was working on a bill called the ‘Balochistan Universities Bill, 2021’, which was presented before the provincial cabinet meeting held under the chairmanship of the chief minister of Balochistan on August 26, 2021, and had to go to the Balochistan Provincial Assembly for enactment. The bill got approval from the assembly in April 2022, assented on April 21<sup>st</sup>, 2022).

The Balochistan Universities Act 2021 guides how universities operate and govern the province. This Act will comprehensively guide and explain all public universities' governance structures in Balochistan and intends to reconstitute and reorganize already-existing universities and any future universities to improve the governance of the higher education system in the province (BPU-ACT-2021). The Balochistan Universities Act 2021 outlines the governance structure of public universities, including details on the executive governing bodies and university authorities.

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<sup>2</sup> Balochistan Universities Act, 2021, <https://uot.edu.pk/downloads/balochistan-universities-act-2022>

## 5.2.2 An Analysis of the Balochistan Universities Act, 2021

As per the proposed theoretical framework, the study examines one of the four dimensions of university autonomy: ‘organizational autonomy’ and focuses on its two indicators, i.e., university leadership and governing boards. The researcher selected universities' top leadership and governing boards from the bill to analyze.

**Table 5-1: Name of University Leadership and Governing Boards in Balochistan**

<b>University Leadership</b>	<b>Governing Boards</b>
<ul style="list-style-type: none"><li>• The Chancellor</li><li>• The Vice-Chancellor</li></ul>	<ul style="list-style-type: none"><li>• The Senate</li><li>• The Syndicate</li></ul>

### **University Leadership**

#### **a) The Chancellor**

Per the Balochistan Universities Act 2021, the province's governor is the chancellor of all universities in Balochistan. Constitutionally, Pakistan is a federal parliamentary republic and has a parliamentary system. The president of Pakistan appoints the provincial governors in Pakistan on the advice of the prime minister of Pakistan as per the constitution of Pakistan. The governor of Balochistan is a ceremonial head of the province. He is bound to act on the advice of the chief minister of Balochistan. The governor of Balochistan, as a Chancellor, shall be the chairperson of the Senate (the university's highest governing body) of all the universities of Balochistan as per the Balochistan Universities Act, 2021.

#### **Powers of the Chancellor**

The governor of Balochistan is the chancellor of all the universities and the chair of all senates (the highest governing body of each university) in the province. In his absence, he nominates ‘a person of eminence’ who will perform his duties as chairperson of the Senate and preside over convocation. The act does not give the eligibility criteria for what constitutes ‘a person of eminence’.

Briefly, the chancellor has the following powers in higher education institutions of the province:

- The chancellor will have the authority to remove any person from membership of any authority.
- The chancellor will have the authority to remove any university official on the ‘Review Panel’ recommendation, and the ‘Review Panel’ will also be chosen by him.

- The chancellor will appoint & notify all the members of the Senate (the highest governing body of all universities in Balochistan).
- The chancellor will notify the appointment of vice-chancellors of each university in the province on terms and conditions the Government may determine.
- The chancellor can initiate an inquiry or order an inspection on any matter directly or indirectly connected to the university's affairs per the Act.

According to the Act, the governor of Balochistan in Pakistan serves as the chancellor of all the universities in the province. In this capacity, the governor also serves as the chair of all senates, which are the highest governing bodies of each university in Balochistan. If the governor is absent, he will nominate a person of eminence who will act as the chairperson of the Senate and preside over convocations. However, the Act does not specify the criteria for determining what constitutes a person of eminence. Under this new Act, the chancellor will be granted significant powers in higher education institutions throughout the province. These powers include the authority to remove any person from membership of any authority, as well as the authority to remove any university official on the recommendation of a Review Panel. The Review Panel will also be chosen by the chancellor. Additionally, the chancellor will appoint and notify all members of the Senate, which is the highest governing body of all universities in Balochistan. The chancellor will also notify the appointment of vice-chancellors of each university in the province, subject to terms and conditions determined by the government. Finally, the chancellor has the power to initiate an inquiry or order an inspection on any matter directly or indirectly connected to the university's affairs, as specified by the Act. It is important to note that in Pakistan's parliamentary system, the governor serves as a federal government representative and only holds ceremonial powers in the province. The governor's role is limited to following the direction of the elected government, as stipulated by the 18th amendment. The final authority to notify all the VC's appointments lies with the Governor, who also serves as Chancellor of all Universities in the province. However, after the 18th amendment, the Governor is required to act based on the advice he received from the Government. The whole process involves constituting a search committee by the Government that will identify the potential candidates and then forward their names to the Government. Then, the Government sends the final name to the Chancellor to notify about the candidate's appointment. The Governor is then bound to act on the advice received. This appointment procedure is the same and consistent across all provinces, as also explained in the Balochistan chapter.

## **b) The Vice-Chancellors**

In the province, every university is mandated to have a Vice-Chancellor who will assume a vital role in overseeing the institution's administrative and academic functions. The responsibilities of the Vice-Chancellor are multifaceted and extend to the presentation of the university's annual performance report to the Senate. The Vice-Chancellor is accountable for all university matters, including the efficient operation and management of the institution. In this capacity, they exercise administrative control over all university personnel, regardless of their position, including faculty, administrative staff, researchers, and any other cadre. Furthermore, the Vice-Chancellor possesses the authority to appoint and fill temporary positions for a year and assign additional duties to any university officer as required. This gives them the flexibility to adapt to changing circumstances and ensure that the university functions optimally. Moreover, the Vice-Chancellor has complete control over the university's examination system, ensuring that it functions effectively and efficiently. This includes overseeing the development, administration, and grading of all exams. They also have some financial powers, allowing them to make crucial financial decisions that ensure the smooth running of the university. In conclusion, the Vice-Chancellor holds a critical role in the management of every university in the province, with responsibilities ranging from overseeing the academic and administrative functions of the institution to managing the examination system and financial affairs. They play a crucial role in ensuring that the university runs smoothly and effectively, ultimately contributing to the success and growth of the institution.

### **Selection Process of Vice-Chancellors**

In the context of public universities, the appointment of the Vice-Chancellor will be notified by the Chancellor office. In Balochistan, the Government has taken the initiative to form a 'Search Committee' that will assist the Chancellor in selecting the right candidate for the role of Vice-Chancellor. The process of appointing a Vice-Chancellor is a significant one, as it can significantly impact the institution's performance and success. Therefore, the role of the Search Committee is of utmost importance. This committee consists of individuals who possess significant experience in academia, research, or administration, providing them with the expertise necessary to identify the most suitable candidate for the position of Vice-Chancellor. Once the Search Committee has identified the candidates, they will forward their recommendations to the Chancellor. The Chancellor then evaluates the recommendations and selects the most appropriate candidate for the role of Vice-Chancellor. It is

essential to note that the appointment of a Vice-Chancellor is not just a mere formality. The individual selected for this role will be responsible for managing the entire institution, including academic and administrative functions, financial matters, and personnel management. Therefore, the selection process must be thorough and unbiased, ensuring that the selected individual possesses the necessary skills, experience, and expertise to handle these responsibilities competently. In conclusion, the Government of Balochistan has taken a significant step towards improving the quality of education in public universities by forming a Search Committee to aid in the selection of the Vice-Chancellor. This process ensures that the individual selected possesses the necessary qualifications to manage the university effectively, ultimately contributing to the success and growth of the institution.

### **Search Committee:**

The Government of Balochistan established a Search Committee to identify an appropriate candidate for the position of vice-chancellor. Interestingly, the institution for which the committee was established will not have any representation on the committee, and all the members will be appointed or nominated by the Government of Balochistan. The committee will comprise of several members, including an eminent academician nominated by the Government, the Secretary of the Higher Education Department, one academician nominated and employed by the relevant university, one member of the Senate of any university nominated by the Chancellor, and one Vice-Chancellor of any public sector university. Once the Search Committee has identified three potential candidates, the names will be forwarded to the government, which has the authority to advise the Governor/Chancellor to appoint a specific person and Governor is bound to act on advice per the constitution.

### **The essential elements of the Vice-Chancellor selection and appointment process.**

The new regulations have granted the government with increased power to dismiss any Vice-Chancellor during their term, with no option for renewal their terms and contracts. Additionally, the government holds the discretion to reject any of the three recommended candidates presented by the Search Committee and ask the committee to initiate the selection process again, if deemed necessary. These measures have significantly amplified the government's authority and influence over the appointment and removal of Vice-Chancellors within the province. It is essential to acknowledge that the implementation of these regulations can have far-reaching consequences, impacting the quality of education and the reputation of the universities. The power vested in the government to terminate a Vice-

Chancellor's term can be perceived as a mechanism for ensuring accountability and transparency. However, it can also lead to a lack of autonomy and independence for the universities, and the government's interference in the decision-making processes can stifle academic freedom. Similarly, the government's ability to reject recommended candidates can undermine the efforts of the Search Committee to select the most suitable individual for the role. This could lead to the appointment of Vice-Chancellors who may not possess the necessary qualifications or experience, thereby negatively impacting the universities' performance and growth. In conclusion, the newly introduced regulations have granted the government with significant control over the appointment and removal of Vice-Chancellors, potentially influencing the universities' academic freedom and quality of education. It is crucial to ensure that these regulations are implemented judiciously, with due consideration given to the impact they may have on the universities' functioning and reputation. Ultimately, the aim should be to appoint qualified individuals who can effectively manage the institutions and contribute to their growth and success.

## **Governing Boards**

### **a) The Senate**

According to the Balochistan Universities Act, 2021, the Senate is the highest governing body of all universities in Balochistan. The chairperson of the Senate is the governor of Balochistan, who is also the chancellor of the universities. The Senate comprises 19 members who are appointed by the chancellor. However, the number of members from specific categories can be increased, but it cannot exceed more than 21. The members of the Senate include the chancellor, his principal secretary, the secretary of higher education, six internal members from the relevant university (including the vice-chancellor, pro-vice-chancellor, deans, and faculty representation), four people from society, and the remaining members are from academia. The composition of the Senate consists of eight internal members who are nominated by the Vice-Chancellor, four government officials, three neutral members, and four members from society. However, the nomination authority or process for the members from society is not clearly specified in the Act. The members of the Senate, other than ex-officio members, serve for a term of three years. The Senate is required to meet at least twice a year. For the approval of any agenda, a simple majority of the members present is required. The quorum needed for the Senate to conduct its business is 50% of the total members. It is noteworthy that the Senate cannot be chaired by any university administrative staff, even in the absence of the chancellor. This provision ensures that the Senate's proceedings are conducted independently and without any influence from the university

administration. In conclusion, the Senate holds significant authority in the governance of universities in Balochistan. The Act clearly defines the composition, roles, and responsibilities of the Senate and its members, ensuring transparency and accountability in the decision-making process. The Senate's independence from the university administration ensures that the academic and administrative affairs of the universities are conducted impartially and in the best interest of the institutions and their stakeholders.

### **Power of the Senate**

The Balochistan Universities Act, 2021 designates the Senate as the highest governing body of all universities in Balochistan, conferring numerous significant powers upon this body. Firstly, the Senate is empowered to hold all university authorities, including the vice-chancellors, accountable for their actions. This ensures that these officials remain answerable to the Senate and prevents any misuse of power or abuse of authority. As such, the Senate serves a crucial oversight function in ensuring that the university's operations remain transparent and accountable. Secondly, the Senate is responsible for approving the appointment of senior faculty and staff recommended by the selection board. This enables the Senate to play an important role in shaping the university's academic direction by ensuring that only the most qualified and suitable candidates are appointed to senior positions. This, in turn, can have a significant impact on the quality of education provided by the university and contribute to its overall reputation. In addition to academic matters, the Senate also controls and approves all finance-related decisions and development plans. This includes approving budgets and ensuring proper financial management within the university. By exercising control over financial decisions, the Senate ensures that the university remains financially sustainable and that resources are allocated efficiently and effectively. Furthermore, the Senate has the authority to approve the appointments of Syndicate members, who make up the university's executive body. The Syndicate members are responsible for executing the decisions of the Senate and overseeing the university's day-to-day operations. By having the power to approve the appointment of these members, the Senate ensures that the executive body is composed of individuals who possess the necessary skills, knowledge, and experience to manage the university effectively. Finally, the Senate has the power to remove any person from the membership of any authority other than Senate members. This provides an additional layer of accountability, as it allows the Senate to remove individuals who are not fulfilling their roles adequately or who are engaging in any misconduct or wrongdoing. Overall, the Senate plays a crucial role in the higher education system of Balochistan by serving as the highest governing body of all universities in the province. By exercising significant powers



over academic, financial, and administrative matters, the Senate ensures that the universities in Balochistan remain accountable, transparent, and efficient in their operations (BPU-ACT-2021).

## **b) Syndicate**

As per the Balochistan Universities Act, 2021, the Syndicate is the executive body responsible for the internal governance of all universities in Balochistan. This body will function as the second-highest governing body, following the Senate. The composition of the Syndicate will be comprised of approximately 12 to 14 members, either internal members nominated by the Vice-Chancellor or external members and appointed by the Senate. However, the number of members will vary depending on the size and complexity of each university. The Syndicate will play a crucial role in the day-to-day management of the university. It will be responsible for approving budgets and financial resources, as well as approving the appointment of academic and administrative staff. Additionally, the Syndicate will ensure that all university activities align with the university's mission and strategic plans. The Syndicate will have various powers, including the ability to establish academic programs, approve curricula, and make decisions about academic matters. The Syndicate will also be responsible for ensuring that the university's policies align with the government's regulations and directives. (Ibid.)

## **Powers of the Syndicate**

In the higher education system of Balochistan, the Syndicate holds a crucial role as the executive body responsible for internal governance in all universities except the University of Balochistan, which has its own specific legislation. The Syndicate, which is subordinate to the Senate, is responsible for overseeing all general administration, financial and academic decisions, and approving all internal and external university activities. The composition of the Syndicate depends on the size and complexity of the university, but it typically consists of 12 to 14 members, all of whom are either internal members nominated by the Vice-Chancellor or external members appointed by the Senate. The Syndicate members have a significant role in the day-to-day management of the university and are responsible for approving budgets and financial resources, as well as approving the appointment of academic and administrative staff. One of the most important responsibilities of the Syndicate is to approve the recommendations of the selection board for the appointment of specific posts, including assistant professors, and ranks below assistant professors. This means that the Syndicate has a critical role in ensuring the quality of the academic staff hired by the university. The Syndicate also has the power to approve research programs

and other academic initiatives, ensuring that the university is offering quality education and training to its students. It is worth noting that the authority of the Syndicate is subject to the power given to it by the Senate. In other words, the Syndicate can only make decisions and take actions that are within the scope of its authority as granted by the Senate. Additionally, the Syndicate is required to report to the Senate periodically, providing updates on the university's overall performance, financial status, and academic initiatives. This reporting mechanism ensures that the Senate remains informed and has the ability to oversee the decisions made by the Syndicate.

### **5.3 Analysis of Balochistan Government's University Monitoring and Accountability Mechanisms**

One of the key aspects of agency theory is establishing a monitoring mechanism for examining the agent's performance. Establishing a monitoring mechanism and accountability mechanism lets the principal observe and monitor the agent's activities to ensure that the agent works in the principal's best interests. Establishing a monitoring mechanism is an effective way to decrease the agency problem (Baliga & Jaeger, 1984), which ultimately improves the performance of any agent as per one of the key assumptions of agency theory. The principal usually feels more secure and believes the agent's performance will improve if the agent knows they are being monitored and are accountable for their actions. On the other hand, some think differently and believe a strong monitoring and accountability mechanism can create adversarial relations between both parties that negatively impact the agent's performance (Knapp et al., 2011). It becomes important to analyze the monitoring and accountability mechanism in both scenarios. In the case of the Balochistan higher education system, a strong monitoring mechanism exists as per the act. The researcher focused on two indicators of organizational autonomy, i.e., the selection of leadership and the composition of governing boards. The new Balochistan Universities Act outlines a strong monitoring and accountability mechanism for both indicators.

The government will control the appointment of the vice-chancellor. The Chancellor "*may, at his own.... remove any person from the membership of the any authority*" The Government of Balochistan can also remove the Vice-Chancellor at any time as well "*The government may, at any time during the tenure of the incumbent vice-chancellor, remove him*" per clause 15(6) Balochistan Universities Act, 2021. The process of the constitution the 'Search Committee' is controlled by the Government as the government of Balochistan will constitute a Search Committee, and that Search Committee will put forward three names to the government to appoint any of them, but "*...the government may decline to*

*appoint any of the three persons recommended and seek fresh recommendation of a panel*” (Balochistan Universities Act, 2021, 15(4)). Further, the government will determine any terms and conditions in an appointment of the vice-chancellor as written in the act: *“The government will appoint the vice-chancellor on such terms and conditions as he may determine.”* per clause 15(1). The performance will be evaluated by the Senate, which will be chaired by the chancellor.

The supreme body of the university is the Senate, which has around 40% internal representation; the remaining 60% of the Senate is comprised of external representatives. For the approval of any agenda, the senate only needs a simple majority. The majority of the members of the Senate, whether internal or external, are nominated by the chancellor. As per clause 24(5) of the act, *“The chancellor may remove any member of the Senate.”* However, the second executive body of the university, the ‘Syndicate,’ which has the power to deal with university matters, has majority representation from the university, but it directly reports to the Senate. As per the act, the Senate will appoint the Syndicate members. One significant clause, act clause no. 55(1) notes, *“if any question arises as to the interpretation of any of the act's provisions, it shall be placed before the chancellor, whose decision shall be final.”* This leaves no autonomy for the institution in the Balochistan higher education system.

In sum, university leadership and the executive bodies of the university, which govern the university, are accountable to the government, chancellor, and Senate. In this case, both (the government, chancellor, and Senate) are considered external authorities as higher education governance is not their primary work. Analyzing these relations through agency theory helps identify the limitations of the university's effectiveness. A persistent and continued fear of monitoring and accountability leaves few opportunities for the university to attempt to achieve its objectives. These issues are described by agency theory, but they can lead to conflict between both parties based on information asymmetry and force agents to engage in opportunist behaviour.

#### **5.4 Balochistan Data Analysis with the Key Components of Agency Theory**

The theory explains the interaction between agent and principal, considering that both parties are rational, and assumes that the agent action departs (Simon, 1997) from the required principal returns (Fama & Jensen, 1983) through goal conflicts and information asymmetry. Information asymmetry exists when there is a goal conflict, and goal conflicts occur when there is information asymmetry. Two key issues motivate the principal to design a monitoring and accountability mechanism in a standard agency theory framework. Proponents of agency theory in the extant literature agree that those two key issues are

goal conflicts and information asymmetry, which are the core problem between two parties in an agency relationship (Mitnick, 1975; Waterman & Meier, 1998).

### **5.4.1 Information Asymmetry**

Information asymmetries exist when one party has more information than the other (Frederickson & Smith, 2003) and exploits that information for their own benefit. In the case of the Balochistan higher education system, information asymmetry exists. As per the respondent's statement from Government, they know how to bring reform, transparency, autonomy, uniformity, and improvement to the system (Respondent BAL-2) They are introducing new legislation, the “Balochistan Universities Act, 2022”. This new act included a strong mechanism for monitoring and accountability, a clear effort to control information, and a system that could reduce potential agency problems (Fama & Jensen, 1983). This strategy is the right approach to corporate governance, where companies are directly controlled. If the government wants to run universities in a corporate governance manner, they should remove the word “autonomy” from this new act responded to by the university official (Respondent BAL-5). University leaders believe that universities have much more information about their requirements, results, and strategies, which are not appropriately listened to by the government. What the government brings will be useless in this situation and ineffective if not appropriately consulted.

The new Balochistan Universities Act, 2021, has been approved by the provincial assembly, but it was not approved when the researcher was in field. It was observed during the tour and interacting with both parties that they were not in alignment with one another while drafting the Act. No communication happened before and during the draft of this Bill, as per the university officials (Respondent BAL-5). When the researcher asked government officials whether any discussion or joint session was held on this new act between the two parties, the ministry officials said it would be kept highly secret and confidential until approval was received from the assembly (Respondent BAL-2). On the other hand, one of the university leaders provided a copy of the bill but avoided offering his analysis as he did not want any conflict with the government. University leaders agreed that the word interference could be used when universities are autonomous. They provided examples of the western world, but in the current situation, they responded “that executive bodies and university leaders are controlled, monitored and accountable in the province” (Respondent BAL-4). The government kept the bill secret, even after its approval from the cabinet. In regard to whether it was discussed with other stakeholders, ministry officials questioned

how it is possible to draft the bill without the consultation of the relevant authorities (Correspondent BAL-3).

On the other hand, university officials said they do not remember if they participated in any session, joint discussion, or written correspondence. When the ministry officials were asked the same question, they denied sharing anything. Some of them said they recently transferred to this ministry, so they do not have any other information. It was not clear whether joint sessions were ever conducted or organized. Like other university leaders, Balochistan higher education institutions' leaders also think there should be a joint platform for discussing any matters related to university legislation and listening to the actual needs of the university before proposing or implementing any new reforms. Agency theory assumes in this scenario that due to less information being available in a particular field, it is difficult to assess the efforts of the institution's employees to increase its value (Shapiro, 2005). Considering the suggestion of university leaders to establish a joint platform through which government officials can listen to university leaders, this would make it easy to assess the university's efforts as the government officials could understand the university matters more closely.

University leaders think the bureaucratic system creates a problem, as government officials' attitudes toward university leaders should differ from how they treat other government departments. Ministry officials always consider academic leaders their subordinates, and they deal with them as if they were dealing with another department. In Balochistan's higher education system, the domination of the central government in Balochistan was prominent due to the province's political instability and security situation. Interference from federal institutions in daily operations, the dominant role of federal institutions on university leaders, and the influence on members of the governing bodies were observed and discussed. The leaders and officials openly admitted no interference in administrative matters. However, they did admit the limited role of the university in keeping an eye on the activities of groups to maintain the law-and-order situation in the university, which they think is important and needed. In his interview, a senior university official stated that they did not participate in any consultancy process regarding appointing or nominating members of the board of governors, and even if they did, sometimes that was ceremonial, but in the end, it is the chancellor's office and the government that decides what they want, and their decision is always final (Respondent BAL-1). There is good reason to believe both parties act rationally in this scenario. In the new Act, nothing indicates that the appointment of board members or leadership selection will be made with the consultation that bolsters the argument of university leaders.

In response to the simple question, "Do you have autonomy?", all the prominent university leaders who participated in this study responded with the simple word "NO". The university leaders said the new act gave the government and chancellor the power. The concept of autonomy from the perspective of higher education was not as straightforward as it should be in the eyes of a government official dealing with the university. The key reason for this is the bureaucratic system. An interviewee who was a senior official from the ministry recently took charge, similar to the situation seen in the KPK government. A public service officer only stays in his office for a short time in the bureaucratic system. It was found that the senior ministry official did not say anything about university matters and the governance system and did not know what was going on in the system. People from his staff who were in a much lower ranked positions told him they were working on the university bill in front of the researcher.

The same answer received from all the officials from the government was that they were doing everything as per the law. In this scenario, it is not difficult to understand that the government treats universities in the province no differently than other departments. At this point, there is a good chance for university authorities to hide and manipulate information for their short-term interests.

#### **5.4.2 Goal Conflict**

A rational agent may, at some point, try to achieve goals that provide a better return instead of following the principal's goals. A respondent from Government shared that the university's leaders sometimes attempt to lobby for extensions in tenure, want no interference in hiring staff and faculty, and desire financial benefits (Respondent BAL-3). On the other hand, university leaders who participated in the interviews denied this and said they never asked for anything against the law, but yes, they did not want any interference in hiring staff and faculty (Respondent BAL-1). They also stated that they need financial autonomy. There is always a chance that a conflict can arise when two parties are working under a contract, even when both parties want the same result due to the strategies they opt for. In the case of the Balochistan higher education system, both parties agreed that goal conflict led to poorer overall results and affected the institution's overall performance.

University leaders think there is a lack of comprehensive strategies and a communication gap because of opposing interests, which harms the institution and prevents corporations from achieving common goals. A respondent from the government who directly deals with the province's universities said they are working toward improvement (Respondent BAL-3). He emphasized and praised his office, stating that they are working hard to improve the system. One example is the university bill. He was not

against providing autonomy to universities and emphasized that universities are autonomous in the province. After the assembly approves the bill, universities will become more autonomous. He asserted that none of the universities in another province would have the same autonomous status. He supported his claim by stating that the government tried to avoid interfering in university matters in the proposed bill, but the university leader responded that Chancellor and the provincial government would become the only authority of the university, and he is also a political appointee. Participants in this study from universities think the government in Balochistan was never independent in decision-making and always took direction from the federal government; they asserted that giving authority to the governor means the federal government will have control over all higher educational institutions in Balochistan even after the 18<sup>th</sup> amendment.

Officials further said that after the 18<sup>th</sup> amendment, even though other provinces enjoy the same autonomy, no changes have been made for them. One respondent mentioned that the security issue had increased interference in university matters. It becomes hard to deal with different principals when each office has different demands and goals (Waterman and Meier, 1998) as per the agency theory framework. This makes the situation more complex for an agent regarding whom he should follow. As per the respondent, the only option left for agents in this scenario is to consider that their primary focus is to establish good relations with all the offices (Respondent BAL-4). This makes the agent opportunist and uses those relations for taking personal benefits and lobbying him personally, which could lead to the extension of tenure as per the statement given by a respondent from the Government that they lobby for their benefits. It was evident that few leaders stayed long in their positions.

Each party is likely to choose the goal most closely related to their own goals (Waterman & Meier, 1998). In the Balochistan higher education system scenario, goal conflicts exist between the Balochistan government, and the universities selected for this study. A respondent from academia and a respondent from the ministry both mentioned and agreed that the Government of Balochistan and the Chancellor have the authority to appoint all the key posts in the university. A respondent (BAL-4) from academia said the government follows past decisions, notifications, and practices, and there is no innovation or exploration. They said they work hard to break the status quo in public offices. This relationship has an inherent conflict of interest due to the divergence of interests. The Syndicate, the second highest-ranking body, has some authority to make decisions to deal with potential goal conflicts, but in the presence of strong monitoring and accountability mechanisms that have a minimal impact on

the overall governance. The government argued that goal conflicts could only be mitigated if it carefully monitors university activities through the uniform governance system in which they work.

## **5.5 Agents' Opportunist Behaviour Scenario**

The scenario presented highlights the issue of self-interested agent behavior in the presence of information asymmetry and goal conflicts in agency relationships. In particular, two types of behavior that commonly arise in such situations are moral hazards and adverse selection (Eisenhardt, 1989). Agents are typically associated with these problems because they may hide important information from principals to achieve their own goals through opportunist behavior.

### **5.5.1 Adverse Selection**

Adverse selection occurs when an agent willfully misrepresents his performance to get benefits and perks from the principal. As mentioned above, if information asymmetry exists, which is the case in Balochistan's higher education system, an agent may create a problem by making biased reports about the institution (Williamson, 1987) to achieve low expectations of principals, which will ultimately put less pressure on him regarding the results. Problems arise when the principal may not have the capability to verify those reports and is dependent on the agent to perform tasks.

There was not enough evidence found of adverse selection except exploiting the security situation. But in the presence of information asymmetry, it cannot be fully denied that it will not or currently does not occur. The two organizations do not share information readily and do not even understand the needs of each other. The following comment from a university leader reinforced this notion: "A respondent from the Government doesn't have a good understanding of what we go through because they don't get feedback from us regularly." (Respondent BAL-1).

### **5.5.2 Moral Hazard**

A moral hazard is the behaviour of an agent when being rational; he will put in less effort and become self-centered. The study did not produce information or evidence that moral hazards exist in Balochistan's higher education system. A respondent from Government responded that they understand the challenges and situation of each university in the province and appreciate how the leaders are working with limited resources as they are not expected to perform exceptionally (Respondent BAL-3). Still, transparency and merit in their decisions are expected. It is one of the reasons why the bill is being



proposed, as it would approve the governance system. University leaders also believed that they were doing their best with limited resources. The university also believe that they were working with limited resources and talked about the progress of universities in the national ranking.

## **5.6 Key Findings**

### **a) Analysis of Composition of Governing Boards**

The Act outlines the authority responsible for appointing and nominating members of the governing board, as well as the structure and representation of the boards. It also defines the term 'board members' and outlines the process for their removal. Moreover, the Act provides guidelines for the meeting procedures of governing boards. However, the role of each member in the boards is not explicitly defined in the Act.

### **b) Analysis of Leadership Selection**

The appointment of a Vice-Chancellor is a significant aspect of university governance, and the Balochistan Universities Act, 2021 defines the process in detail. The Act mandates that the appointment of Vice-Chancellor be made through a Search Committee (SC) constituted by the Government of Balochistan. The SC is under the control of the government, and it is responsible for recommending candidates for the position of Vice-Chancellor. The Act lays down the qualifications required for the position of Vice-Chancellor, ensuring that only qualified individuals can apply. The term of appointment for a Vice-Chancellor is also defined in the Act, ensuring that the Vice-Chancellor has a set tenure. Moreover, the Act also outlines the procedure for removing a Vice-Chancellor in case of any misconduct or incompetence. The selection process for the Vice-Chancellor is also identified in the Act, ensuring that the process is transparent and fair. All these provisions in the Act play a crucial role in ensuring that the Vice-Chancellor appointment is made through a rigorous and transparent process, and the person appointed is qualified and competent to fulfill their responsibilities.

### **c) Key features of Agency Theory**

In analyzing the relationships between two parties in the university governance system, it has been determined that there is a clear existence of information asymmetry and goal conflicts. However, there is no indication of the presence of adverse selection or moral hazard. Adverse selection occurs when one party has information that the other does not, leading to negative consequences. Meanwhile,

moral hazard occurs when one party has incentives to act against the interests of the other party. In the context of university governance in Balochistan, it appears that these two problems are not present. However, the existence of information asymmetry and goal conflicts can still have a significant impact on the performance and effectiveness of universities.

## **5.7 Key Takeaways from Balochistan**

The study focuses on the governance structure of public universities in Balochistan and includes five participants from various backgrounds, including university leaders, officials, and government officials. The study uses unstructured interviews or in-depth interviews as the primary mode of data collection. The field tour dates for the study were in November 2021, and it examined the governance structure of nine public universities in Balochistan that are governed under The Balochistan Universities Act, 2021. The study considers various documents, including individual acts of universities, official notifications/correspondence, policy documents, newspaper archives, and any other relevant documents. The governance structure of the universities is bicameral, consisting of the Senate and the Syndicate. The Senate comprises 58% government-nominated/appointed members, and all members are notified by the government. On the other hand, the Syndicate has 20% government-nominated/appointed members, and all members are also notified by the government. The Vice-Chancellor is the university leader appointed on the recommendation of the Search Committee, which is controlled by the Balochistan government. The study highlights the importance of understanding the governance structure of universities to ensure effective management and decision-making. By examining the legal manifesto under which universities in Balochistan are governed, the study sheds light on the power dynamics and accountability mechanisms in the governance structure. Overall, the study provides valuable insights into the governance structure of public universities in Balochistan and the role of various stakeholders in the decision-making process. The study used the qualitative research approach focusing on single case studies and a limited pool of interviews focusing on all the relevant stakeholders. It was done deliberately due to the challenges of finding participants, the size of the provinces, and time constraints. The researcher travelled for two months for these interviews and data collection. The limitations inherent in qualitative research in which a smaller participant pool tried to balance against the depth of their insights, and here, in the case of Balochistan province. However, the study provides valuable qualitative data; generalizability may be constrained due to the focus on in-depth exploration. The research employed triangulation, which combined interview data with document analysis for a comprehensive understanding of the issue. All the

conclusions in this study are based on context-specific information gathered from the selected interviewees and documents. It is important to mention that a broader sample might present a different perspective, and this is because that study acknowledges this limitation.

The researcher in this study employed a theoretical framework based on the figure presented above. Specifically, agency theory was utilized to examine the relationship between two parties and explore potential issues such as goal conflicts and information asymmetries. The analysis presented in the study delved into the concepts of moral hazards and adverse selection and examined whether they existed within the Balochistan university system. The hypothesis proposed in the study was that problems between the two parties could negatively impact university performance. To focus on the impact of organizational autonomy on university governance, the study analyzed the two indicators deemed to be significant in the Balochistan universities system: the selection of leadership and executive governing boards. The assumption was that government interference in these areas indirectly controlled the institutions as a whole and impacted the overall governance. The study hypothesized that these issues had a negative impact on university performance. To gather data for the study, in-depth interviews were conducted with university leaders and officials as well as government officials. The study analyzed relevant documents such as individual acts of universities, the Balochistan Universities Act of 2021, official notifications and correspondence, policy documents, newspaper archives, and any other relevant materials. For the future researcher, the study opens venues and opportunities for future research with larger sample sizes and comparative studies, which could enhance the generalizability of findings. This research will serve as a foundational and base exploration of a unique topic with a unique research design and methodology.

## **Chapter 6: Sindh**

### **6.0 Introduction**

This chapter presents a brief overview of the university system of Sindh, one of the four provinces of Pakistan. The funneling technique is used throughout this chapter by presenting an overview of the province's higher education system and public universities' governance structure and by providing brief details about the interaction between the government and public universities. The chapter focuses on the interaction between universities and the government regarding the nomination process of governing board members and leadership selection in public universities of Sindh. It analyzes how this process occurs, the expectations of the two parties, and the case's connection to the principal-agent theory framework.

### **6.1 The Province in History**

Sindh is the third-largest province by total area and the second-most populous. The provincial capital is Karachi, the most populous city in Pakistan and was the country's capital from 1947 to 1959. Present-day Sindh was once the center of the ancient Indus Valley Civilization. A long series of historical events contributed to how the province of Sindh became part of Pakistan. It has witnessed the Vedic Era, Buddhist rule, Arab Muslim rule, and British rule. Sindh is known as the gateway of Islam into South Asia, as it saw the region's first invasion of Arab Muslims. Arabs conquered Sindh in 712 AD, which gave Muslims a firm foothold in the region. The region remained an integral part of the Arab Muslim empire for two hundred years, and native people then replaced Arab rule. The British took control of the province in 1843 and made Sindh part of the Bombay Presidency. In 1937, Sindh became a separate province in British India as per clause no. 46 of the Government of India Act, 1935 and remained a separate province until the British rule in India ended.

The province is located in the southeastern region of Pakistan and shares around a 1000-km border with India in the east; it comprises one-third of Pakistan's Arabian Sea coastline, and the remaining area in the province shares a border with the other two provinces of Pakistan: Balochistan and Punjab. Sindh is considered an agricultural province, and the main crops produced there are rice, cotton, wheat, and sugarcane. Feudalism exists in rural Sindh and has a powerful impact on the life of the rural inhabitants. The presence of feudalism is considered one of the reasons for the province's backwardness

and is a hurdle in its development (Khan, Dasti, & Khan, 2013). Sindh province currently has a population of around 48 million, and the Sindhi language is the most prominent in Sindh. Shortly after the passage of the Indian Independence Act of 1947, the Sindh assembly was the first British Indian legislature to pass a resolution in favor of joining Pakistan.

## **6.2 The University System in Sindh**

From the inception of Pakistan from 1947 to 1973, education was a provincial subject. In the 1973 constitution, education was included in the Concurrent List, which meant that legislation could be passed on both the provincial and federal levels. During this period, the federal government dominated the subject of education. It took steps to maintain its quality and standards by implementing various planning and policies related to higher education. The federal government established the University Grant Commission in 1974, which then became the Higher Education Commission in 2002 (Jahangir, 2008). To fulfill the long-awaited demand for provincial autonomy, the government proposed the 18<sup>th</sup> Amendment in the constitution, which the National Assembly passed in 2010. The Concurrent List was abolished through this amendment, and the responsibility for higher education was transferred to the provincial governments. The provinces are now solely responsible for managing higher education. Two provinces out of four, Sindh and Punjab, established their own Higher Education Commissions. Sindh became the first province to establish a Higher Education Commission at the provincial level. The Sindh government also became the first to pass legislation on higher education. It introduced the “Sindh Universities Laws Amendment Act 2013” to control all universities' governance by amending the major clauses of existing university Acts. The Sindh government has introduced three amendments to look for consistency in the capitalization of Acts/acts to curtail the autonomy of universities, and it continues to work on different bills to bring all universities under the complete control of the provincial government. Universities have held many protests and even gone to the courts to pressure the government to withdraw from those acts.

Pakistan came into existence in 1947, and the same year University of Sindh was the first institution established in the city of Karachi. The University of Sindh is the oldest university established in any province in Pakistan. The university was relocated from Karachi to Hyderabad, another city in Sindh in 1951. The second university established in Sindh was the University of Karachi, founded in 1951 in Karachi. In 1987, the third university in the province, Shah Abdul Latif University, was established in Khairpur. Several other agricultural and engineering universities were established between

1987 and 2000. A total of eight universities were operational as of 2000, and 26 public universities are currently fully functional in the province, as per the Sindh Higher Education Commission website. Out of these 26 universities, nine are located in the capital of Karachi. The reason for this rapid growth in universities can be attributed to the establishment of higher education commission and the federal government increased focused on the higher education sector following the task force report.

### **6.2.1 Overview of the Governance Structure in Sindh Public Universities**

Each university in Sindh is currently operating under a University Act through which it was established. After the 18<sup>th</sup> Amendment, the provincial assembly of Sindh was the first to establish a Provincial Higher Education Commission (PHEC) through the act in the presence of the Higher Education Commission of Pakistan. After establishing the PHEC, the Sindh government passed three bills through which the government amended the significant clauses of all universities acts in the province. These amendment acts are “The Sindh Universities Laws (Amendment) Act, 2013”, “The Sindh Universities and Institutes Laws (Amendment) Act, 2014,” and “The Sindh Universities and Institutes Laws (Amendment) Act, 2018”. These amendments were introduced to establish uniformity in governance and gain control of public sector universities to improve their governance and performance as per the government officials. The major focus of those amendments was two major indicators of organizational autonomy: university leadership and governing boards. As per official documents, these amendment acts aim to reconstitute and reorganize existing universities and guide the design of new Acts for future universities. The study analyzes all three amendments Acts and focuses on two indicators of organizational autonomy.

### **6.2.2 The Sindh Universities Laws (Amendment) Act, 2013**

Following the 18th Amendment, the control of higher education matters became the responsibility of the provincial governments, including Sindh. As a result, the Sindh government started introducing legislation to exercise control over universities. One of the main goals of the government was to take over the control that the provincial Governor had over universities as a Chancellor. It is noteworthy that governors in Pakistan's provinces are appointed by the president on the prime minister's advice. The first major step taken by the Sindh government was the introduction of "The Sindh Universities Laws (Amendment) Act, 2013". The aim of this amendment act was to make changes to several clauses of each university ordinance. In 2013, approximately 10 sections of each public university Act were amended. A

total of 13 university acts were amended as those universities had been established before the current government. The focus of each section and subsection was to replace the word "chancellor" with "government" and add a few words at the end of many sections, such as "in consultation with government" or "on the recommendation of the government". For instance, section 2 of the Sindh University Act, 1972, was amended as follows: "The Vice-Chancellor shall be appointed by the Chancellor on the recommendation of the Government." In this case, the words "on the government's recommendation" were added to the amendment act. Similarly, the government obtained complete control over the appointment of all other key posts of universities, such as registrar, director of finance, controller of examinations, and chief accountant, through the amendment act of all 13 public universities. This amendment act enabled the government to appoint people to key posts in all public universities. It is crucial to note that the Sindh government's primary aim was to reduce the governor's control over universities and to enhance its authority over these institutions. The Amendment Act of 2013 played a significant role in accomplishing this goal, which paved the way for subsequent legislative changes that further increased the government's control over universities in Sindh.

### **6.2.3 The Sindh Universities and Institutes Laws (Amendment) Act, 2014**

The Amendment Act of 2013, which was passed a year before the Provincial Assembly passed this new amendment act, had already made significant changes to the laws governing public universities in Sindh. However, this new amendment act only made one change to each university's Act, with the addition of the clause, "(1) There shall be a Vice-Chancellor of the University who shall be an eminent academic or a distinguished administrator and shall be appointed by the Chancellor on the advice of Government, for four years, which may be extended for one more term on such terms and conditions as Government may determine." While this amendment was enforced in all public universities and two institutions, there were no significant changes except for the addition of the words "who shall be an eminent academic or a distinguished administrator." However, there was an additional amendment introduced for only two universities - Mehran University of Engineering and Technology and Dow University of Health Sciences. This amendment stated, "(1-A). Notwithstanding anything contained in this Act or any other law, for the time being in force, any person who had ceased to hold office as the Vice-Chancellor in consequence of the enactment of the Sindh Universities Laws (Amendment) Act, 2013 (Sindh Act No.XLIII of 2013), Government may, keeping given the performance of such a person, direct him to continue for not more than two years as the Vice-Chancellor." The fact that this amendment

only applied to two universities - both of which were medical universities - suggests that the government may have wanted to discontinue the service of two vice-chancellors after two years, despite their normal term being four years (The Sindh Universities Act, 2014). In essence, this amendment introduced only one change related to the qualifications of the vice-chancellor in all public universities except two, for which an additional amendment was made. Overall, while this amendment did not introduce many changes, its focus on the qualifications and performance of vice-chancellors underscores the importance of having strong academic and administrative leaders in these positions. The amendment highlights the power dynamics between the government and university leaders, with the government having the authority to appoint and potentially remove vice-chancellors based on their performance.

#### **6.2.4 The Sindh Universities and Institutes Laws (Amendment) Act, 2018**

The Sindh Universities and Institutes Laws (Amendment) Act, 2018, marks a significant milestone in the history of education legislation in the province of Sindh. This latest Amendment Act, which follows the 2013 and 2014 amendments, aims to establish and maintain uniformity in the management and control of all public universities in Sindh, according to the written statement in the Act. It introduces a range of amendments and changes and clarifies various matters for universities. For instance, the Act specifies that the term "chief minister" in university legislation now refers to the chief minister of Sindh, while the "Higher Education Commission" now refers to the Higher Education Commission of Sindh, rather than the Higher Education Commission of Pakistan. These changes reflect the Act's goal of creating a more cohesive and streamlined system of university governance in Sindh.

The Sindh Universities and Institutes Laws (Amendment) Act, 2018 introduced several significant changes to the governance structure of public universities in the province. One of the most notable amendments is the removal of the chancellor's role in the Senate, the highest governing body of each public university in Sindh. Before this amendment, the chancellor presided over the Senate, but through this Act, the chancellor is not allowed to sit in the Senate of any public university. Another significant amendment introduced in the Act relates to the powers of the chancellor. Before this amendment, the chancellor had the authority to make accountable any university authority, remove any authority, and create new posts. However, through this amendment Act, the word "chancellor" is replaced with "the chief minister of Sindh," signifying that the province's Chief Minister will have the power to remove any authority of the university. This change is aimed at ensuring that the chief minister can effectively oversee the management and control of all public universities in the province and promote



uniformity in their functioning. Another one of the major amendments was that the chancellor had the power to direct the Syndicate, the second-highest governing body, for an inspection or inquiry of any university matter, and the Syndicate was bound to give details on any matter to the chancellor. However, after the amendment, all powers were transferred to the chief minister of Sindh, including the authority to remove any university authority. Additionally, the incumbent chief minister can appoint any person from his cabinet as pro-chancellor, and the qualifications, age, and experience were defined for the post of vice-chancellor. These changes aimed to bring uniformity in the management and control of all public universities in Sindh. Another significant change is that in the absence of the vice-chancellor, or if they are unable to perform their duty, the chief minister of Sindh will make arrangements to appoint a temporary vice-chancellor. Additionally, the vice-chancellor will require permission from the chief minister of Sindh to take leave. The chief minister of Sindh also has the power to remove the vice-chancellor in case of misconduct, inefficiency, corruption, violation, budgetary provisions, moral turpitude, maladministration, and mismanagement. Furthermore, the Act also states that the pro-vice-chancellor will be appointed by the chief minister of Sindh from the university professors. This means that the chief minister has the power to select an appropriate candidate for the position based on their qualifications and experience. (The Sindh Universities Act, 2018)

However, for the purposes of this study, the researcher focuses on only two indicators of organizational autonomy: university leadership and governing boards. These indicators are crucial for understanding how universities in Sindh are structured and managed, and how they can operate autonomously within the larger framework of the province's education system. By examining these specific aspects of university governance, the study will provide valuable insights into the ongoing evolution of higher education in Sindh. These changes through this amendment act indicate a shift towards more centralized control over the administration of public universities in Sindh, with the chief minister of the province having significant authority over key appointments and decisions. Overall, these amendments represent a significant shift in the governance and autonomy of public universities in Sindh. By removing the chancellor's role in the Senate and transferring the powers of the chancellor to the chief minister of Sindh, the Act seeks to promote greater independence and accountability in the functioning of public universities in the province. These changes could have a profound impact on the higher education sector in Sindh and could shape the future of the province's universities.

## 6.2.5 An Analysis of all Three Amendment Acts

As per the proposed theoretical framework, the researcher discusses one of the four dimensions of university autonomy: ‘organizational autonomy’ and focuses on its two indicators, i.e., university leadership and its governing boards. The researcher selected universities' top leadership and governing boards of Sindh universities to analyze per the study requirements.

**Table 6-1: Name of University Leadership and Governing Boards in Sindh**

University Leadership	Governing Boards
<ul style="list-style-type: none"><li>• The Chancellor</li><li>• The vice-chancellor</li></ul>	<ul style="list-style-type: none"><li>• The Senate</li><li>• The Syndicate</li></ul>

### University Leadership

#### a) The Chancellor

As per the latest Universities and Institutes Laws Amendments Acts of the Government of Sindh, the province's governor will be the Chancellor of all universities in Sindh, and his role will be limited to presiding over the convocations of the universities and issuing notifications of the appointment of vice-chancellors as per the chief minister secretariat’s advice. The Governor of Sindh / Chancellor has no other roles in the universities of Sindh after the government of Sindh passed these amendment Acts. The government official said this is a step toward greater autonomy for the provinces, as, after the 18<sup>th</sup> Amendment, Article 105 of the Constitution of the Islamic Republic of Pakistan says: “*Subject to the Constitution, in the performance of his functions, the Governor shall act 4[on and] per the advice of the Cabinet 3[or the chief minister].*”

The chief minister of Sindh is not a university leader, but he has a direct role in and control over all public universities of Sindh after the government of Sindh passed these amendment Acts in 2013, 2014 and 2018. The Chief Minister holds the major power and authority over all public universities through those amendment acts, as explained in the above-mentioned Sindh Universities and Institutes Laws (Amendment) Acts, 2014, 2014 and 2018.<sup>3</sup>

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<sup>3</sup> The Sindh Universities and Institutes Laws (Amendment) Act (2014 & 2018) <http://www.pas.gov.pk/index.php/acts/details/en/31/267> & <http://www.pas.gov.pk/index.php/acts/tenures/en>

### **c) The Vice-Chancellors**

In the province, each university will have a designated Vice-Chancellor who will be tasked with overseeing all administrative and academic functions of the university. As per the Acts of the Universities of Sindh, the Vice-Chancellor will have limited financial, staffing, and academic powers. Nevertheless, the Vice-Chancellor is regarded as the principal executive of the university and is thus granted extensive powers to manage and control the university staff, faculty, and all cadres of officers. In addition to these powers, the Vice-Chancellor is also authorized to preside over the convocation of the university in the absence of the Chancellor. This role carries significant responsibility, as the convocation is an important ceremony that marks the culmination of the academic journey of students and represents a significant milestone for the university community. Furthermore, the Vice-Chancellor is expected to ensure that the university operates efficiently and effectively, with the aim of enhancing the academic and research outcomes of the institution. This includes fostering a positive environment for research, supporting the development of academic programs, and facilitating student-centered learning. In order to achieve these objectives, the Vice-Chancellor is required to work closely with other members of the university community, including faculty, staff, students, and external stakeholders. Overall, the Vice-Chancellor is a vital component of the university's leadership team and plays a critical role in the success of the institution.

### **The Selection Process of Vice-Chancellors**

The selection process for Vice-Chancellors in Sindh's higher education institutions is governed by a set of rules and regulations. As per the latest directives, the Vice-Chancellor of all public universities in the province will be appointed by the chief minister of Sindh and notified by the Chancellor/Governor of Sindh. To facilitate this process, the chief minister of Sindh will establish a 'Search Committee' that will be responsible for identifying and recommending suitable candidates for the role of Vice-Chancellor. According to a ministry official, the chief minister Sindh secretariat will create the 'Search Committee' through the Universities and Boards Department Sindh and suggest a panel of three eligible candidates to the chief minister. The chief minister will have the discretion to choose from these three candidates or reject all of them if he feels that none of the candidates are competent enough after interviewing them. Despite the importance of the 'Search Committee' in the selection process, ministry officials did not disclose the composition of the committee, stating that it is the responsibility of the chief minister's secretariat to determine who they want to include on the committee. It is worth noting that the

appointment of the Vice-Chancellor is a critical decision that will have a significant impact on the institution's academic and administrative outcomes. As such, it is important that the selection process is fair, transparent, and based on merit, with due consideration given to the candidate's experience, qualifications, and leadership abilities. In conclusion, the selection process for Vice-Chancellors in Sindh's higher education institutions is complex because of the involvement of number of political offices and authorities.

## **Governing Boards**

### **a) The Senate**

According to the universities Acts, the Senate is the preeminent governing body of all public universities in Sindh. The esteemed position of the chairperson is held by the chief minister of Sindh, reflecting the critical role of the provincial government in shaping the educational landscape of the region. Comprising over fifty members, the Senate is composed of all deans, directors, principals, twenty-four teachers, and representatives from student unions. This diverse representation ensures that all key stakeholders have a voice in the decision-making process, promoting transparency, and accountability. The Senate is expected to meet at least once a year, and the presence of at least one-third of its members is necessary for a quorum to be established. In this way, the Senate ensures that its decisions are reflective of the collective will of its members and that all voices are heard and considered. As the highest governing body, the Senate plays a crucial role in shaping the academic and administrative direction of the public universities in Sindh. Its powers extend to matters such as approving budgets, setting admission criteria, and establishing academic programs, among others. Given the Senate's considerable responsibility and influence, it is imperative that its decisions are made with the utmost diligence and transparency. By providing an open forum for discussion and decision-making, the Senate can ensure that its policies and practices align with the best interests of the universities and the broader academic community in Sindh.

### **Powers of the Senate**

The Senate, as the highest governing body of public universities in Sindh, wields considerable power in shaping the academic and administrative direction of these institutions. However, it is worth noting that its powers are not unlimited, and there are certain limitations on its scope of authority. One of

the primary functions of the Senate is to appoint Syndicate members, who make up the second-highest governing body of the university. This critical role reflects the Senate's importance in ensuring that key university officials are appointed by a fair and transparent process. In addition to appointing Syndicate members, the Senate is responsible for constituting committees to oversee various aspects of the university's operations. These committees may include academic committees, finance committees, or other bodies charged with specific tasks, such as reviewing student complaints or managing research projects. Another key responsibility of the Senate is to review annual and budgeting reports. By carefully examining these reports, the Senate can ensure that university resources are being allocated in a manner consistent with the institution's goals and objectives. Despite these powers, the Senate's authority is not absolute, and there are limitations on what it can do. For example, the Senate may not have direct control over some aspects of university operations, such as the hiring and firing of individual faculty members. Nonetheless, the Senate's role as the highest governing body of public universities in Sindh is critical in ensuring that these institutions are effectively managed and that the interests of all stakeholders are represented.

#### **b) Syndicate**

The Syndicate, which is the second-highest governing body of all public universities in Sindh, plays a critical role in overseeing the internal governance of these institutions. As the only executive body of the university, it is responsible for a range of tasks related to managing the day-to-day operations of the institution. The Syndicate is chaired by the Vice-Chancellor of the university, who serves as the head of the institution. With a total of 20 members, the Syndicate includes a mix of internal and external members, as well as representatives from the student body. The internal members of the Syndicate, who make up four of its members, are typically senior university officials, such as the Pro Vice-Chancellor, the Registrar, or the Dean of Faculty. These members are responsible for providing input and guidance on a range of internal governance issues, such as academic policy, faculty appointments, or financial management. In addition to these internal members, the Syndicate includes two representatives from the student body. These members are typically elected by the student body and serve as a voice for student concerns and interests within the university. The remaining 14 members of the Syndicate are external members, who are nominated by the government. These members may come from a range of professional backgrounds and are typically chosen for their expertise and experience in areas such as finance, law, or academia. Overall, the Syndicate's composition reflects a balance between internal and

external perspectives, as well as the interests of both the university administration and its student body. By working collaboratively and effectively, the Syndicate can help to ensure that Sindh's public universities are managed in a way that promotes academic excellence, financial sustainability, and the overall welfare of all stakeholders.

### **Powers of the Syndicate**

In Sindh's higher education institutions, the Syndicate serves as the only executive body responsible for the internal governance of the university. It operates under the oversight of the Senate, which is the highest governing body. The Syndicate has the authority to approve all internal university activities, including staffing, financial, and academic decisions, subject to certain conditions. Under the Universities Acts, the Syndicate is composed of 20 members, with the Vice-Chancellor serving as the chairperson. The Syndicate consists of four internal members, two student representatives, and 14 external members nominated by the government. As the only executive body of the university, the Syndicate plays a critical role in overseeing and approving all internal activities of the university. Its authority extends to staffing decisions, financial decisions, and academic decisions, subject to certain limitations. The Syndicate operates under the oversight of the Senate, which provides guidance and supervision to ensure that the university is operating in compliance with applicable laws and regulations.

## **6.3 Analysis of Sindh Government's University Monitoring and Accountability**

### **Mechanisms**

After the contractual relationship is established, the framework focuses on how principals mitigate agency problems by monitoring the agents' actions (Kiser, 1999). Some scholars consider the adequate monitoring and accountability mechanism a critical part of the agency theory framework for mitigating agency problems (Fama & Jensen, 1983), while others say it is the heart of control (Baliga and Jaeger, 1984). The monitoring mechanism is considered an effective tool for monitoring the agent's behaviour so that the agent does not become an opportunist and works under the fear of accountability, which will keep the agent working in the principal's best interests. The principal feels more secure and believes the agent's performance would improve if the agent knew he was being monitored and held accountable for his actions. On the other hand, some think differently and believe the solid monitoring and accountability mechanism can create adversarial relations between both parties that can negatively impact the agent's performance (Knapp et al., 2011).

In the Sindh higher education system, a strong monitoring and accountability mechanism exists according to the three amendment acts enforced in all universities of the province. As per the proposed research work, the research focused on two indicators of organizational autonomy, i.e., the selection of leadership and the composition of governing boards. All three amendment acts outline a strong monitoring and accountability mechanism for both indicators. The chief minister of Sindh directly controls the appointment of the Vice-Chancellors. The chief minister's secretariat forms a search committee through the Universities and Boards Department Sindh, and that search committee puts forward three names to the chief minister. The chief minister may select the most suitable candidate after interviewing all three candidates and considering their abilities necessary to perform the job. This is the final stage of appointing the vice-chancellor. But after going through this lengthy process, the chief minister will determine in an interview with each candidate whether the candidate can perform the job.

Interestingly, the chief minister will decide to appoint any three candidates, or to determine if none will be considered suitable for the post. The search committee will then be directed to restart the process and forward another list of three names. When the researcher attempted to determine the criteria, the chief minister uses in this process, the researcher could not find an answer except that the chief minister has the sole authority to decide which candidate is suitable for the job. With so much power, the CM's control over the system prevents the agent from making decisions without the government's consent.

The Vice-Chancellor is appointed for four years and may be extended for one more four-year term by the government as per the amendment acts. Further, the Vice-Chancellor can get a leave of absence only with the approval of the Chief Minister's secretariat, and the Chief Minister has the authority to remove any vice-chancellor in the province. In this scenario, the Chief Minister's secretariat and the chief minister himself play a strong monitoring and accountability role in public universities. As per the Universities Amendment Act 2018, the Chief Minister has complete control over university executive governing bodies, as is written in the act: *“The chief minister shall have the power to assent to such statutes as are required to be submitted to him by the Senate or withhold assent or refer them back to the Senate for reconsideration.”*

The chief minister also chairs the Senate, the university's highest governing body. Furthermore, the chief minister can direct and give notice to the Syndicate, the second-highest governing body of the university. *“The chief minister shall give notice to the Syndicate of his intention to cause an inspection or inquiry, and the Syndicate shall be entitled to be represented thereat.”* The chief minister of Sindh holds

the authority to control the governing bodies and leadership of each university in Sindh. With the clauses mentioned above in the University Act, external and internal representation are of limited concern in this scenario in the presence of the solid commanding authority of the chief minister over the higher education system of Sindh. A persistent and continued fear of monitoring and accountability leaves few opportunities for the university to attempt to achieve its objectives.

## **6.4 Sindh Data Analysis with the Key Components of Agency Theory**

Agency theory explains the interaction between both parties, i.e., agent and principal; however, there are problems associated with this relationship. The major issue is that one party has different goals and objectives due to goal conflicts and asymmetric information. These are the two core agency problems embedded in these agency relationships (Kivisto, 2005). Information asymmetry exists when there is a goal conflict, and goal conflict exists when there is information asymmetry. These two key issues motivate the principal to design the monitoring and accountability mechanism in a standard agency theory framework. Proponents of agency theory in the extant literature agree that goal conflicts and information asymmetry are the core problems between two parties in an agency relationship (Mitnick, 1975; Waterman & Meier, 1998).

### **6.4.1 Information Asymmetry**

Agency theory assumes that information asymmetries exist when the agent has information about the results of his activities that are unknown to the principal, which impacts the principal's authority (Attila, 2012). This situation can be worrisome for the principal because if it happens, he will lose his grip on the agent, and this is the point at which trust between the two parties begins to wane. Both parties begin to stray from the contract they initially agreed upon. It is assumed in this framework that because the agent has experience and ability in his field that could favor the agent (Baker, 1992), the fear that the agent may deceive or use anything to his advantage makes the principal more conscious about his role and allows him to act from day one to keep the agent under his control.

In the case of the Sindh higher education system, the principal (the government of Sindh) takes all the necessary steps to keep the universities under its control and does not allow the universities to take control of the key decisions. Per the statements of a respondent from the Government, they attempted to establish a uniform administrative structure after the Eighteenth amendments. They claimed that the government knew how to run the institution (Respondent SINDH-6). When asked about autonomy, a



respondent from the Government's was clear: they do not interfere in academic matters and what else the university needs except academic autonomy (Respondent SINDH-3). He was not in favor of giving autonomy to the university in other dimensions, i.e., organizational, staffing, and financial. He was not convinced that universities need autonomy in any other dimension except academia. He claimed that the purpose of introducing amendment bills is to make the system more transparent and efficient. But in fact, all three amendment bills effectively put the management of the university in the hands of the incumbent government. Amending the specific clause of each university act is a step toward taking complete control of the whole institution. When asked if other stakeholders were consulted while preparing these amendment bills, the respondent said he did not have information on it. (Respondent SIND-4)

On the other hand, in response to the question of whether they have autonomy in academia, as stated by the government official, a prominent university officials responded by saying that they do not have complete autonomy in academics. (Respondent Sindh-5). In support of his argument, he said that the government monitored and controlled all the key posts of universities. The chief minister's office fully controls university leaders and other executive officers. Also, governing body members work under the influence of the government, which indicates that there is no autonomy in any of the dimensions.

University leaders said in interviews that the universities have much more information about their requirements, results, and strategies (Respondent SINDH-1). In this scenario, if the government introduces more amendment bills without consulting university leaders, how could that bring change in the system? One interviewee said that they always protested. They protested against each amendment on the record and asked what else we could do except complain. In all three amendment bills, both parties did not align with one another while drafting the bill, as per the university officials. When the researcher asked the government official whether any discussion or joint session was held on this proposed bill between the two parties, the government officials did not respond. (Respondent Sindh-3)

On the other hand, one of the university leaders said that he does not remember or know if any session or joint session was ever held (Respondent SINDH-1). All government officials were quiet in response to whether the amendment bills were discussed with other stakeholders. The researcher could not find an answer as to whether joint sessions were ever conducted or organized. Like other provincial university leaders, Sindh higher education institution leaders thought there should be a joint platform to discuss any matters related to university legislation and learn about the actual needs of the university before proposing or introducing any new reforms. In all three amendment bills, there is no indication that

the appointment of board members or leadership selection will be made with the consultation of both government and university officials, bolsters the university leaders' argument.

One of the university leaders agreed that interference from the government happens and said that all executive bodies and university leaders are fully controlled, monitored, and accountable to the government for their actions. In response to the simple question, "Do you have autonomy, and does political interference happen in university matters?" one of the incumbent university leaders who participated in this study responded that they have NO autonomy in these two indicators, and YES, interference does happen (Respondent SINDH-5). But surprisingly, one of the other university leaders, with pictures of one political party leader displayed in his office, said NO, there is no political interference at this university. The university leaders were not happy dealing with public service offices; the same situation in other provinces was observed when university leaders shared their experiences working with these officials. They shared their stories and experiences in working with this bureaucratic system. When the researcher mentioned during the interviews with Sindh universities leaders that similar situations are occurring in other provinces, one of the university leaders said it is worse in this province compared to others, as public service officers only stay in their office for a few years and sometimes for only a few months. In this scenario, it is not hard to understand why government treats the universities in the province no differently than other departments. At this point, there is a good chance universities and university leaders will hide and manipulate information for their short-term interests.

### **6.4.2 Goal Conflict**

In agency theory, goal conflicts refer to the differences in interests and desires between two parties where both parties prefer a different course of action (Petersen, 1995). A respondent from Government and university leaders in the government of Sindh believe that goal conflict leads to poor overall results (Respondent SINDH-6). Participants agreed that when both parties' interests diverge, it leads to weaker governance, and they emphasized that everyone should work together to improve institutions. But it is always difficult to do practically what we say. This is happening in the Sindh Higher Education system when a university leader of Sindh higher education says that there are no comprehensive strategies and a communication gap due to contrary interests, which harms the institution and prevents organizations from achieving common goals. They further said that amending the specific clause of each university act, which is the most important one, is an unambiguous indication that government does not want the universities to have autonomy. He referred to the Amendment Bill 2014,

which was only introduced to reduce the tenure of a few vice-chancellors of some particular universities. A respondent from Government denied these allegations and said they are working to make improvements, which was part of bringing transparency. Most government officials said they wanted to work together for the betterment of the institution but opposed giving full autonomy to the institution (Respondent SINDH-6).

A respondent from academia thinks universities in the government of Sindh were never autonomous and will not get autonomy in the western style for a variety of reasons. One of these factors is the political culture in this province (Respondent SINDH-1). They further said that political leaders say that introducing the 18<sup>th</sup> amendment will bring prosperity and make the province autonomous, but in fact, it will make them freer to act on their own wishes without any fear. He said the goal was clear: to get control of all universities in the province so they could run the universities as they wished (Ibid.). Like other provinces, the university leaders in Sindh province think each government office have different demands and goals (Waterman and Meier, 1998). This makes the situation more complex for an agent regarding whom he should follow, and this is a similar situation in other provinces. Still, the situation in this province was worse as the university leader said they already did not have power. Still, even then, they try to oblige and accommodate all the leaders who come to their office with their constituency's student, faculty, and staff issues. The only option left for university leaders (agents) in this scenario, as per the respondent, is to consider that their primary focus is to establish good relations with all the government offices that would benefit them personally, including extending their tenure. As stated in the proposed amendment bills, the chief minister will have the power to extend the four-year term of the vice-chancellor as the sole decision-maker and reduce the current tenure if required. The university official said in this scenario; any rational person would dare to do anything against the government's will (Respondent SINDH-2). The researcher also noted that around half of the public universities in the province are under the name of political leaders. This is considered normal in the province, as one party has ruled in the province for many decades.

Government officials think university leaders used to work more for their own interests than the institution's benefit, and there is a dire need to make them accountable. This was partially done through amendment bills. On the other hand, university leaders who participated in this denied that they ever tried to achieve their own goals and came into power with no hidden agenda except to serve the people. In the Sindh higher education system, goal conflict exists between both parties. This relationship has an apparent conflict of interest due to the divergence of interests.

## **6.5 Agent's Opportunist Behaviour Scenario**

The scenario mentioned above raises adverse selection and moral hazard problems. As discussed above, the premise of agency theory is that agents are self-interested, risk-averse, and rational actors who always exert less effort (moral hazard) and exaggerate their capabilities and skills (adverse selection). This makes it important to discuss these two significant types of self-interested agent behaviors that arise in the presence of information asymmetry and goal conflicts in agency relationships (Eisenhardt, 1989). These problems are typically associated with agents because agents often hide essential information from principals to achieve their ambitions in opportunist behaviour.

### **6.5.1 Adverse Selection**

Adverse selection occurs when an agent willfully exaggerates his capabilities and exploits his performance; the agent may manipulate reports and misrepresent the facts to get more benefits and perks from the principal. This becomes more likely in the presence of information asymmetry and goal conflicts where the agent may create a problem by making biased reports about the institution (Williamson, 1987) to achieve low expectations of the principals, which will ultimately put less pressure on him regarding the output. The agent will only focus on his interests rather than institutional priorities. There was the evidence of adverse selection observed and participants provided supporting arguments as well. The two parties do not share information readily and do not even understand each other's needs. In this scenario, there is a chance that any party could focus on maximizing their interests.

### **6.5.2 Moral Hazard**

A moral hazard is the behaviour of an agent when being rational; he puts in less effort and becomes more self-centered. Participants provided the evidence of moral hazards in the Sindh higher education system, and a respondent from Government believes the performance could be better. Still, university officers said that when the government has complete control of an institution, it is the government's responsibility to form a strategy to get the desired result, making it clear that moral hazards exist in the system.

## **6.6 Key Findings**

### **a) Analysis of Composition of governing boards**

The composition of governing boards is a topic of interest in many organizations, as it can have a significant impact on the effectiveness of the board. In this context, it is important to note that the Act does not define the nominating authority of the governing board members. This means that organizations must determine who has the power to nominate individuals to serve on the board. However, the Act does describe the structure of the boards, including how members are represented. It also defines the term "members of boards" to provide clarity on who can be considered a member. On the other hand, the Act does not define the process for removing board members, leaving it up to organizations to establish their own protocols. The Act does specify meeting procedures for governing boards, which is crucial for ensuring that meetings are conducted effectively and efficiently. However, it does not define the role of each member on the board. This means that organizations must determine the responsibilities and expectations of their board members, which can vary depending on the organization's goals, structure, and needs.

### **b) Analysis of Leadership Selection**

The appointment of a Vice-Chancellor is a critical decision for any academic institution, and the process for selecting the right person for the job is of utmost importance. In this context, it is important to note that the Vice-Chancellor is appointed through the Search Committee (SC) as per the guidelines set forth in the Act. The Search Committee is fully controlled by the Government of Sindh, which constitutes the Appointment Selection Committee (ASC). The Act also defines the qualifications required for the position of Vice-Chancellor, ensuring that the candidate has the necessary academic and administrative expertise to effectively lead the institution. Additionally, the term of appointment for the Vice-Chancellor is also defined in the Act, ensuring that the leader has a clear understanding of their role and responsibilities for the duration of their tenure. Moreover, the Act also outlines the procedure for removing a Vice-Chancellor in case of any misconduct or negligence. This ensures that there is a transparent and fair process for addressing any issues that may arise during the Vice-Chancellor's tenure. However, while the Act does provide clarity on some aspects of the selection process, it does not go into detail regarding the actual selection process. Therefore, it is up to the Search Committee and Appointment Selection Committee to develop a rigorous and transparent selection process that aligns with the Act's guidelines and ensures that the best candidate is chosen for the position. In conclusion, the

Act provides a framework for the selection of Vice-Chancellors, outlining the qualifications, term of appointment, and removal procedure. However, the detailed selection process is not identified in the Act, which means that the Search Committee and Appointment Selection Committee must work to develop a process that is fair, transparent, and effective in selecting the best person for the job.

### **c) Key features of Agency Theory**

Agency theory is a widely studied concept in economics and management that examines the relationship between principals (owners or shareholders) and agents (managers or employees). The theory suggests that there are four key features of agency relationships that can impact the effectiveness of the relationship: information asymmetry, goal conflicts, adverse selection, and moral hazard. The first feature, information asymmetry, refers to the situation where one party (typically the agent) has more information than the other party (typically the principal). In the context of agency theory, this means that managers or employees may have access to information that shareholders or owners do not have. This can create challenges in aligning incentives and making decisions that benefit both parties. The second feature, goal conflicts, arises when the goals of the principal and the agent are not aligned. For example, shareholders may be primarily interested in maximizing profits, while managers may prioritize employee satisfaction or personal interests. These differences in goals can create tensions in the relationship and make it difficult to achieve mutually beneficial outcomes. The third feature, adverse selection, occurs when the principal is unable to determine the quality or ability of the agent before hiring them. This can lead to situations where the principal hires an agent who is not qualified or who has ulterior motives, resulting in poor performance or negative outcomes. The fourth and final feature, moral hazard, occurs when the actions of the agent are not fully observable or controllable by the principal. This can create a situation where the agent has an incentive to act in their own self-interest rather than in the best interests of the principal. In conclusion, agency theory identifies four key features that can impact the effectiveness of principal-agent relationships. These include information asymmetry, goal conflicts, adverse selection, and moral hazard, all of which have clear implications for how principals and agents interact and how they can best align their incentives to achieve mutually beneficial outcomes.

## **6.7 Key Takeaways from Sindh**

The study focuses on the governance structure of public universities in Sindh, Pakistan, with a particular emphasis on the legal framework under which they operate. In December 2021, a field tour

was conducted for the study, during which unstructured, in-depth interviews were conducted with total six participants comprising of university leaders, officials, and government officials. It is noteworthy that there are currently 26 public universities in Sindh, which are governed by the Individual Universities Act, which in turn underwent three amendment Acts between 2012 and 2018. The study's document analysis includes the individual acts of universities, three amendment Acts, official notifications/correspondence, policy documents, newspaper archives, and any other relevant documents. The governance structure of the universities is bicameral, consisting of a Senate and a Syndicate. The Senate is primarily composed of internal university representatives, with the process of nomination not defined, while the Syndicate is made up of 70% external representatives. The Vice-Chancellor, who is appointed based on the recommendation of the Search Committee (SC), serves as the university leader. However, it is important to note that the SC is entirely controlled by the Sindh government. Furthermore, the study identifies that the legal manifesto that governs the universities in Sindh has undergone significant changes. Before the amendments, the Chancellor presided over the Senate, but after the changes, the Chancellor was not allowed to sit in the Senate. Also, the Chancellor had the authority to hold university authorities accountable, remove authorities, and create new positions, which was replaced with the Chief Minister of Sindh's power to remove any authority of the university. Additionally, the power to order or direct the Syndicate for an inspection or inquiry of any university matter was transferred to the Chief Minister of Sindh after replacing the word "Chancellor" with "Chief Minister of Sindh."

Agency theory focuses on the relationship between the principal (in this case, the government) and the agent (the university leaders), exploring the core problems of goal conflicts and information asymmetries that arise from this relationship analyzed the extent to which moral hazards and adverse selection take place within this context. Moral hazards refer to situations where the agent has an incentive to act against the principal's interests, while adverse selection refers to situations where the principal lacks information about the agent's behavior. The analysis explored whether these problems were present in the Sindh universities system and how they impacted university governance. The research found that the government had a significant influence on the university leaders and governing boards, leaving them with limited autonomy in decision-making. The university leader was the ultimate decision-maker, but the government controlled the search committee that recommended candidates for this position. This examination concludes that while agency theory provided useful insights into the relationship between the government and university leaders in Sindh, it was limited by the government's significant control over the universities' autonomy.

## **Chapter 7: Punjab**

### **7.0 Introduction**

This the university system of Punjab, one of Pakistan's four provinces. The funneling technique is used throughout this chapter by presenting an overview of the province's higher education system and public universities' governance structure by providing brief details about the interaction between the government and public universities. The chapter focuses on the interaction between universities and the government regarding the nomination process of governing board members and leadership selection in public universities of Punjab. It analyzes how this process takes place, the expectations of the two parties, and the case's connection to the principal-agent theory framework.

### **7.1 The Province in History**

The word “Punjab” derives from the Persian words PUNJ (five) and AAB (water), as it is famously referred to as ‘the land of five rivers’ as five major rivers flow through this region. Punjab has a long history of resistance against foreign invasion. It has been ruled by different empires, including the Aryans, Mongolians, Persians, Greeks, and Arabs. It faced several foreign invasions by Afghans, Pathans, Turks, Iranians, many central Asian nations and eventually the British. Punjab was one of the last areas of India to fall to the British Empire, and it was considered a frontier state in British India .... “Because it was a frontier region through which successive waves of invaders had entered the plains of central India from the time of Alexander the Great onwards” (Talbot, 2011, p.4). In 1947, British India was partitioned into two separate states, i.e., India & Pakistan, on religious grounds, and Punjab was also divided into these two countries on religious grounds. The partition of British India caused one of the largest mass migrations in human history; estimates of the death toll vary, but the highest number estimated is one million (Kaul, 2002). This partition of India powerfully affected Punjab, which became an epicentre center of bloodshed and displacement. The total population of the undivided Punjabi province was around 33 million at the time of partition in 1947. According to the Government of India, about 12 million out of these 33 million had crossed the border by June 1948.

Punjab is the most populous province of Pakistan, with 55% of the country’s population. It is the second-largest province by total area. It shares a border with all other provinces of Pakistan and is bordered by Indian Kashmir, Indian Punjab, and Indian Rajasthan. The capital of Punjab is Lahore, the largest city in Punjab. Punjab has many colorful traditions, and most people who live in Punjab speak



Punjabi. Agriculture is the main source of income and employment in Punjab. Punjab is excessively hot during the summer, as the temperature often reaches 45°C. The most commonly grown crops are wheat, rice, pulses, sugarcane, and cotton.

## 7.2 The University System in Punjab

The country had only one higher education institution at the time of independence: the University of Punjab. Immediately after independence, the first national conference on education reforms was organized in 1947–48, and eight policy reforms on education followed before the 2001–02 reforms. The 2001–02 reforms were coordinated by the Task Force on Improvement in Higher Education and resulted in upgrading the University Grant Commission to the Higher Education Commission (HEC) in 2002 (Jahangir, 2008). Establishing the HEC is one of the milestones in the history of Pakistan's higher education system. The HEC is a statutory body formed by the federal government of Pakistan and continues to dominate the higher education governance of the country. However, the HEC of Pakistan is still operational and continues to provide guidelines and directions to institutions, but its role has become limited, dubious and blurred as there has been extensive legal debate on the role of the federal HEC with all the provinces after the 18<sup>th</sup> amendment of the constitution, which delegated the subject of higher education to the provincial level. The provinces are now solely responsible for managing higher education. Two provinces out of four, Sindh and Punjab, have established their own HECs. In Punjab, the Punjab Assembly passed “The Punjab Higher Education Commission Act, 2014” and established the Punjab Higher Education Commission in the province<sup>4</sup>. As per the Act, the commission's primary responsibility is to evaluate the regulation of the higher education institutions of the province and to provide guidelines to universities on governance and management. This act is one of the several attempts to decentralize the system at provincial level and establish full provincial control of higher education after the 18<sup>th</sup> amendment at federal level.

The University of Punjab was established in 1882 by the British in India. The second university, the Agriculture University in Faisalabad, came into existence after about 26 years, and the third university was the University of Engineering & Technology in Lahore in 1974. In 1975, two more universities were added in Punjab: Baha-Uddin Zakariya University and Islamia University of

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<sup>4</sup> The Punjab Higher Education Commission Act (2014).  
<https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/99331/118492/F70917348/PAK99331.pdf>

Bahawalpur. These five public universities were the only universities in the whole province of Punjab until 1994. From 1994 until today, 43 universities have been established in the province of Punjab. Currently, around 48 public universities<sup>5</sup> are fully operational, aside from one or two that are still evolving. One of the reasons for this rapid university growth is the Higher Education Commission's establishment, increased federal government focus post the task force report and 18th amendment.

### **7.2.1 Overview of the Governance Structure in Punjab Public Universities**

Almost every university in Pakistan has a bicameral governance structure: the Senate and the Syndicate. Both governing boards have ultimate authority and share responsibilities in running university affairs. Like other provinces, universities in Punjab had a bicameral system in the first five universities, with a senate and syndicate in their governance structure. Later, however, in all other 42 universities, a unicameral governance structure was introduced, and the Syndicate became a university's highest authority.

Each public university in Punjab currently operates under a university act through which it was established. After the 18<sup>th</sup> Amendment, the Provincial Assembly of Punjab was the second provincial assembly to establish its Provincial Higher Education Commission, the name of Punjab Higher Education Commission (PHEC), in 2014 through the PHEC ACT 2014. According to the PHEC website, the PHEC aims to improve the quality of higher education institutions in Punjab and bring provincial higher education up to par with modern needs. The PHEC Act did not mention any authority of the commission on universities, so it had little effect on university governance. After establishing the PHEC, the Punjab government amended the existing Universities Acts through “The Public Sector Universities (Amendment) Act 2012<sup>6</sup>”. In this amendment act, the Punjab government amended the significant clauses of all 14 public universities in 2012. For two agriculture and two medical universities, the government introduced amendment acts separately, but the purpose and focus for the agriculture and medical universities amendment acts were in the same clauses. As per a Higher Education Department official, this amendment act and other amendment acts (for the agriculture and medical universities) were needed at the time because the province had become responsible for all universities. The aim of

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<sup>6</sup> PUBLIC SECTOR UNIVERSITIES (AMENDMENT) ACT, 2012, [https://punjabcode.punjab.gov.pk/en/show\\_article/UGRSZFFgUmE-](https://punjabcode.punjab.gov.pk/en/show_article/UGRSZFFgUmE-)

introducing this amendment was to provide a uniform governance system to all existing universities and produce a guideline for the management of future universities.

### 7.2.2 An Analysis of The Public Sector Universities (Amendment) Act, 2012

In the 18<sup>th</sup> Amendment, all matters of higher education became provincial, and the Punjab government introduced this act to bring uniformity to the university system. The purpose of this amendment act was to amend several clauses of 14 universities' ordinances/acts. There were around 18 universities fully operational at that time: 14 universities were general, 2 were medical, and 2 were agricultural. For the medical and agricultural universities, separate amendment acts were introduced, but the focus of all the amendment acts was to amend the same specific clauses of each university act. These amendment acts dealt with the basic eligibility criteria of the vice-chancellor, constituting the search committee for making recommendations for the appointment of all public sector universities vice-chancellors in the province of Punjab, the role of government in determining the terms and conditions for each vice-chancellor, and the role of the pro-chancellor and pro-vice-chancellors in the university system. These amendments have been inserted in each university act, so each act has been updated province-wise.

As with the other provincial case studies, the Punjab University demonstrated the four dimensions of university autonomy and focuses on its two indicators, i.e., university leadership and its governing boards.

**Table 7-1: Name of University Leadership and Governing Boards in Punjab**

University Leadership	Governing Boards
<ul style="list-style-type: none"> <li>• The Chancellor</li> <li>• The vice-chancellor</li> </ul>	<ul style="list-style-type: none"> <li>• The Senate</li> <li>• The Syndicate</li> </ul>

#### University Leadership

##### a) The Chancellor

In accordance with the university act, the Governor of Punjab, who holds the highest constitutional office in the province, is designated as the chancellor of all universities located therein. Pakistan operates under a federal parliamentary republic system and a parliamentary form of government. As per the Pakistani constitution, the President of Pakistan appoints the provincial governor based on the

advice of the Prime Minister of Pakistan. In line with this framework, the chancellor of each university in Punjab is responsible for chairing convocations and, in the case of universities with a bicameral system, presiding over the Senate meetings.

### **Powers of the Chancellor in the University System of Punjab**

The Punjab university system in Pakistan operates under the purview of the Chancellor, who is responsible for exercising a range of powers that help maintain the governance and administration of the universities. Despite the 18th Amendment, which decentralizes power from the federal government to the provinces, the Chancellor still retains many significant responsibilities. One of the most critical powers the Chancellor possesses is the authority to chair all Senates of each university. The Senate is the highest governing body of each university, comprising members from various academic and administrative departments, as well as external stakeholders. As the chairperson of the Senate, the Chancellor plays a crucial role in shaping the direction of each university, guiding decision-making, and overseeing the overall functioning of the institution. Another key responsibility of the Chancellor is to issue the notification of the appointment of all Vice-Chancellors in the province. The Vice-Chancellor is the chief executive of each university, responsible for managing day-to-day operations and implementing the policies and decisions of the Senate. Overall, the Chancellor remains a critical figure in the governance and administration of the Punjab university system in Pakistan. Their powers and responsibilities ensure that the universities operate efficiently, effectively, and with a focus on academic excellence. Despite the 18th Amendment, which has led to significant decentralization of power, the Chancellor's role continues to be an essential part of the higher education landscape in Punjab.

The individual acts of each university and amendment acts, the Chancellor holds significant powers. These powers enable the Chancellor to oversee the governance and administration of universities, ensuring they operate in accordance with the law and in the best interests of the academic community. One of the most important powers of the Chancellor is to issue show-cause notices to any authority whose proceedings are not in compliance with the Act. Additionally, the Chancellor may call any authority to his office for an explanation of any issue related to university affairs, and request reports to examine the record of any proceedings, inspection, or inquiry. These powers allow the Chancellor to ensure that the universities are functioning effectively and transparently. The Chancellor is also responsible for approving any proposal to confer an honorary degree, which is a significant honor for any academic institution. Furthermore, the Chancellor holds the final approval and assent to any statutes or

cases submitted to him by the university. This could include the nomination of members of governing boards, appeals, and other matters. If the governing board fails to act on the Chancellor's advice, he can issue directives to the Vice-Chancellor to ensure compliance with the Act. In certain circumstances, the Chancellor may remove any person from the membership of any authority if they are found to be involved in activities beyond their authority. These circumstances are detailed in the Chancellor section of each university act and enable the Chancellor to maintain high standards of conduct within the university community. Despite these extensive powers, there is one clause in each act that eliminates the effect of all the Chancellor's authority. This clause states that *"In the performance of his functions under this Ordinance, the Chancellor shall act and be bound in the same manner as the Governor of a Province acts and is bound under Article 105 of the Constitution of the Islamic Republic of Pakistan."* Article 105 of the Constitution of Pakistan outlines that the Governor must act on and per the advice of the Cabinet or the Chief Minister. Thus, the Chancellor's authority is ultimately constrained by the Constitution of Pakistan, ensuring that his or her powers are exercised within the framework of the country's legal and political system.

#### **b) The Vice-Chancellors**

Each university in the province will have a Vice-Chancellor who will act as the principal executive officer of the university. The Vice-Chancellor holds a significant amount of power and responsibility in ensuring that the provisions of the Act are faithfully observed in the university. To effectively carry out these duties, the Vice-Chancellor is granted full administrative control of the university and has additional powers outlined in each university act. One of the most important powers of the Vice-Chancellor is to preside over all meetings of executive bodies of the university. This allows the Vice-Chancellor to oversee the governance and decision-making processes of the university and ensure that they are in line with the provisions of the Act. The Vice-Chancellor is also authorized to direct any officer, employee, or faculty member of the university to undertake any additional assignments that are necessary for the effective operation of the university. This power allows the Vice-Chancellor to allocate resources and responsibilities as needed, ensuring that the university operates efficiently and effectively.

Furthermore, the Vice-Chancellor has the authority to make temporary appointments and take disciplinary action against any staff or faculty member of the university. This power enables the Vice-Chancellor to ensure that the university operates in compliance with the Act and that any misconduct or non-compliance is addressed promptly. In cases of emergency, the Vice-Chancellor has the power to take

any action necessary, even in areas that are not within their usual competence. However, any actions taken must be reported to the Pro-Chancellor (usually a provincial minister under the act) and requires approval from the Syndicate. This power allows the Vice-Chancellor to respond quickly to urgent situations and ensure that the university's operations are not disrupted in critical circumstances. In summary, the Vice-Chancellor of each university in the province holds a significant amount of power and responsibility. In addition to their academic responsibilities, the Vice-Chancellor has extensive administrative powers that enable them to ensure that the provisions of the Act are faithfully observed, and that the university operates efficiently and effectively. Their powers include presiding over executive body meetings, directing staff and faculty members, making temporary appointments, taking disciplinary action, and responding to emergency situations. However, all actions taken by the Vice-Chancellor must be in compliance with the Act, reported to the Pro-Chancellor, and approved by the Syndicate, ensuring that their powers are exercised within the legal framework of the university and the country.

### **Selection Process of Vice-Chancellors**

The process for selecting vice-chancellors for public universities in Punjab begins with the chancellor notifying the relevant individuals of the government's advice. It is a requirement for individuals seeking the position of vice-chancellor in any public university to be no older than sixty-five years of age. The government of Punjab is responsible for establishing the qualifications, experience, and other pertinent criteria necessary for the post of vice-chancellor, in accordance with each university's governing act. The selection process for vice-chancellors in public universities is of paramount importance, as the position holds significant responsibility in shaping the academic environment and institutional direction. The requirement that candidates be no older than sixty-five years of age may be seen as a way to ensure that individuals appointed to the position have the necessary vitality and energy to perform their duties effectively. The determination of qualifications, experience, and other necessary criteria for the position of vice-chancellor by the government of Punjab is aimed at ensuring that only the most qualified and capable individuals are selected for the position. These requirements may vary depending on the specific university and its unique needs, as outlined in the university's governing act. In conclusion, the selection process for vice-chancellors in public universities in Punjab is guided by specific legal provisions and government regulations, which are intended to ensure that only individuals who meet the required criteria are appointed to the position. This process is designed to guarantee that the

universities are led by competent, qualified, and experienced leaders who can drive academic excellence and foster a positive institutional culture.

### **Search Committee**

In accordance with each university act, the government of Punjab is required to establish a Search Committee comprising a minimum of three members and a maximum of five members, to oversee the selection of vice-chancellors for public universities. The Search Committee will remain active for a period of two years and will be responsible for recommending a list of three potential candidates to the government for consideration. The key responsibility of the Search Committee is to ensure that only the most qualified and capable individuals are selected for the position of vice-chancellor. To this end, the government of Punjab is responsible for determining the qualifications and criteria for Search Committee members, as well as the procedures for selecting vice-chancellors in the province. The committee will operate under the mandate given to it by the government, and its recommendations will be made in an impartial and unbiased manner, without any preference or merit. Once the Search Committee has compiled a list of potential candidates, the Government of Punjab will select one individual from the list and advise the chancellor for notification of the appointment. It is important to note that the government is responsible for establishing the terms and conditions of the vice-chancellor's appointment, including the duration of the appointment. Any extension in the vice-chancellor's term beyond the established period is strictly prohibited as per the acts of each university. The Search Committee plays a critical role in ensuring that the selection process for vice-chancellors in public universities in Punjab is fair, transparent, and merit based. The government's involvement in establishing the qualifications and criteria for committee members, as well as the selection procedures, helps to ensure that the committee operates in accordance with the highest standards of integrity and impartiality. This, in turn, helps to ensure that the universities are led by competent, qualified, and experienced leaders who are committed to driving academic excellence and promoting a positive institutional culture.

### **Governing Boards**

#### **a) The Senate (which exists in only 6 of the 48 universities of Punjab)**

In Punjab, there are only six universities that utilize a bi-cameral governance structure, which consists of two executive governing bodies, namely the Senate and the Syndicate. These six universities are also the oldest in the region. In contrast, the remaining 42 universities have a unicameral governance

structure, with the Syndicate serving as the sole governing body. As per the universities' acts, the Senate is the highest governing body for universities that employ a bi-cameral governance structure in Punjab. The chancellor serves as the chairperson of the Senate, and its membership includes all members of the Syndicate, deans, directors, principals, full professors, principals of affiliated colleges, and student representatives. In total, the Senate is comprised of over one hundred members, and it is responsible for overseeing and guiding the academic and administrative functions of the university. The existence of the Senate in these six universities provides a unique and more robust governance structure that allows for a greater level of oversight and guidance. With its diverse membership, the Senate offers insights and perspectives from a broad range of stakeholders, ensuring that decisions made align with the university's overall goals and objectives. However, it is important to note that most universities in Punjab operate with a unicameral governance structure, which may have implications for the level of oversight and guidance provided to these institutions.

### **Powers of the Senate**

The Senate, which serves as the highest governing body for universities that employ a bi-cameral governance structure in Punjab, has certain powers and responsibilities. However, the scope of its powers is limited, primarily focused on the appointment of Syndicate members and the constitution of committees, as well as reviewing annual reports and budgeting reports. While the Senate's role in appointing Syndicate members is a critical component of the university's governance structure, its other responsibilities are equally important. Constituting committees allows the Senate to ensure that the university's operations align with its goals and objectives, while reviewing annual and budgeting reports allows the Senate to monitor the financial health of the institution. Despite its limited powers, the Senate serves as a vital component of the university's governance structure, offering oversight and guidance to ensure that the institution is operating effectively and efficiently. Its responsibilities may be focused on specific areas, but the impact of its decisions and actions is far-reaching, affecting the academic and administrative functions of the university. As such, the Senate's role should not be overlooked or undervalued.



## **b) Syndicate**

The Syndicate serves as the most powerful governing body among all public universities in Punjab, despite being the second-highest governing body. Most universities in Punjab operate with a unicameral governance structure, but even universities that have a bicameral structure (only 6 universities) still have only one powerful governing body, the Syndicate. In essence, the Syndicate handles all matters pertaining to the university's operations, rendering it the sole authority in running the institution. For universities established before 2012, the vice-chancellor serves as the chairperson of the Syndicate, while for universities established after 2012, the provincial minister of education, who also serves as the pro-chancellor, assumes this role. In the absence of the provincial minister, any Syndicate member nominated by them may preside over a meeting. The Syndicate consists of several internal and external representatives, including three internal members (one of whom is the vice-chancellor), nine members nominated by the government, and nine members nominated by the chancellor. To convene a meeting of the Syndicate, the quorum required is 50%, and all decisions require the majority vote of the members present. The presence of internal and external representatives, as well as government and chancellor-appointed members, ensures that the Syndicate has a diverse range of viewpoints and expertise to inform its decision-making. Given its broad responsibilities and extensive authority, the Syndicate is an essential component of the university's governance structure. Its decisions impact a range of areas, including academic programs, financial management, and administrative operations. As such, it is crucial that the Syndicate operates effectively and efficiently.

## **Powers of the Syndicate**

The Syndicate holds the highest authority in all public universities in Punjab and serves as the only executive body. Its responsibilities extend to approving all internal and external activities of the university, supervising all university affairs, and implementing effective measures to enhance the standard of teaching and research. According to the university ordinances and acts, the Syndicate is responsible for managing the university's property and funds, approving the annual report and budget, establishing and executing contracts, and carrying out or canceling any contracts on behalf of the university. Furthermore, the Syndicate is vested with the power to create, appoint, suspend, punish, promote, remove, or transfer any employee or student in the university. It is the sole authority that handles the university's financial, academic, and staffing matters. In essence, the Syndicate's role is vital to ensuring the smooth functioning of the university and maintaining its reputation.

### **7.3 Analysis of Punjab Government's University Monitoring and Accountability Mechanisms**

Under the agency theory framework, when contractual relationships are established, the principal attempts to keep the agent under their control and uses a monitoring and accountability mechanism so that the agent cannot behave opportunistically. Establishing a monitoring mechanism and making agents accountable for their actions is one of the most significant components of agency theory. A general argument under this framework is that these mechanisms usually help mitigate and avoid potential conflict between the two parties (Eisenhardt, 1989), but some scholars think that strong monitoring and accountability mechanisms create adversarial relations between both parties that negatively impact the agent's performance (Knapp et al., 2011). The principal never wants that agent to become an opportunist and attempts to establish a strategy and make all possible arrangements to take complete control of the agent. One of the tools he relies on is the monitoring and accountability mechanism.

The Punjab government, after the 18<sup>th</sup> Amendment, took many steps to control the system. Monitoring and accountability were the key subjects of each step taken by the Punjab government after the 18<sup>th</sup> amendment. In Punjab's higher education system, a strong monitoring and accountability mechanism exists in the form of the Punjab Higher Education Commission (PHEC), Higher Education Department of Punjab and the Public Sector Universities (Amendment) Act 2012. The research focused on two indicators of organizational autonomy, i.e., the selection of leadership and the composition of governing boards. The Higher Education Department of the Punjab Government is directly involved in university governance; the department is responsible for constituting the search committee for the selection of vice-chancellors, running the whole process of selecting vice-chancellors and playing a key role in nominating the members of governing boards. The purpose of establishing the PHEC and introducing the Public Sector Universities (Amendment) Act, 2012 after the 18<sup>th</sup> Amendment was to make the system more uniform and transparent per the government officials. On the other hand, a senior university official said that the purpose was to control, monitor and make universities more accountable to the government.

The first monitoring mechanism in Punjab is the Punjab Higher Education Commission, which is responsible for monitoring higher education institutions' performance and quality per the "The Punjab Higher Education Commission Act, 2014" clause 10 (a); it is the commission's responsibility to *"formulate guidelines and recommend policies in line with national standards prepared by the Higher Education Commission under which public and private institutions may be opened and operated in the*

province”. Further, clause 10 (e) of the PHEC provides “*Guidelines to ensure good governance and management of institutions to maintain high standards of higher education in Punjab.*” The chief minister of Punjab appoints the chairman of the PHEC, and the chief minister supervises all the affairs of the PHEC and controls the PHEC through its chairperson as the PHEC Act states that the controlling authority of the PHEC is the chief minister. These mechanisms play an influential role in these relations because they prevent the universities from acting independently, for which the universities would be legally responsible. As per the Universities Act, chancellors have the power to remove any vice-chancellor in the province. As is stated in Act 9(6), “*Chancellor may remove any person from the membership of any authority*”. On the other hand, 9(7) states that “*In the performance of his functions under this Ordinance, the chancellor shall act and be bound in the same manner as the Governor of a Province acts and is bound under Article 105 of the Constitution of the Islamic Republic of Pakistan.*” This causes some confusion as to whether the chancellor has power or if he is only a ceremonial head, but in both cases, the university is not autonomous, and it is not hard to believe that the government controls universities through strong accountability mechanisms.

For the selection of the vice-chancellor, the government is fully responsible for controlling the whole process of vice-chancellor appointments. According to the university’s acts, the government constitutes the committee as per clause 12 (3): “*The Government shall constitute, for a term of two years, a Search Committee consisting of not less than three and not more than five members for making recommendations for appointment of the vice-chancellor.*” The search committee follows the government directions as per clause 12 (4): “*The Search Committee shall follow such procedure and criteria, for selection of the panel for the post of the vice-chancellor, as the Government may, by notification, determine*” and recommends three names in alphabetical order to the government to appoint any suitable person per clause 12 (5): “*The Search Committee shall recommend to the Government, in alphabetical order without any preference, a panel of three persons who, in its opinion, are suitable for appointment as the vice-chancellor.*” The researcher tried to find out why the search committee forwarded their names alphabetically instead of based on other criteria such as experience and qualification but could not find the answer. Further, as per clause 12 (7), the government determines the vice-chancellor's terms and conditions of service. Thus, this makes it easy to understand that the government fully controls the selection of leadership in all universities in Punjab. During a vice-chancellor’s tenure, he has to follow the direction of different offices, i.e., the Higher Education Department, Government of Punjab, PHEC, Chancellor’s Office and Chief Minister’s Office.

The Syndicate is the most powerful governing body of all public universities in Punjab. The government fully controls the chairing and membership of the Syndicate. The total average number of Syndicate members is around 21; out of 21, 18 are nominated by the government. The Syndicate of all new universities established after 2012 will be chaired by the provincial minister of Punjab. According to government officials, this practice will continue for all incoming universities (Respondent PUN-5). So, considering that the governance structure of universities is unicameral, and the provincial minister chairs only the executive body of those universities, then, in the words of the senior university official, no autonomy any longer exists (Respondent PUN-2). He further stated that it would be okay if he could chair the Syndicate (the only executive body of the university), but three members of the provincial assembly are also part of the executive body of the university, which makes this the only executive body with full of external and irrelevant people (Ibid.). In a statement by the provincial minister of education in 2018 given to the media, he said that the government is planning to abolish the pro-chancellor (provincial minister) slot to ensure the autonomy of universities<sup>7</sup>. If this happens, the chairmanship of the Syndicate will be given to the vice-chancellors as per previous practice. This statement was given in 2018, but the researcher did a field tour in December 2021, and as of that time, no bill like this had been initiated. On the other hand, a respondent from the government also confirmed that he had not seen or was aware of anything like that until now (Respondent PUN-5).

A former vice-chancellor stated that, during admission time, he remembers his office received a list of prospective students from provincial assembly members who were also a member of the Syndicate. The member directed us to ‘accommodate’ them, and all of them were not on the merit list (Respondent PUN-3). In the opinion of university leadership, this is open interference in university matters, and the same issues arose in universities' staffing and financial issues. He was told that, “If we don’t follow ‘their’ directions, then they can make us accountable through the government, and it has happened.” He shared the stories of what happened to him. He mentioned that monitoring and accountability mechanisms are usually created to enhance output quality, but here in this system, they are created to control the institutions in Punjab (Ibid.). In sum, it is not difficult to understand that the Government of Punjab holds the significant authority to control the governing bodies and leadership of each university in Punjab. A persistent and continued fear of monitoring and accountability leaves few opportunities for the university to attempt to achieve its objectives.

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<sup>7</sup> News Desk: International. (2018, October 09). <https://www.thenews.com.pk/print/378560-punjab-to-abolish-post-of-pro-chancellor>

## **7.4 Punjab Data Analysis with the Key Components of Agency Theory**

Agency theory is used to understand two parties' relations when they start working under a contract. In higher education, agency theory draws attention to issues related to control (Kivisto, 2007) in which the principal (government) aims to control the agent (universities), thereby making the agency theory framework perfect for analyzing the governance of higher education, which is otherwise referred to as government-university relations. Researchers in the higher education field have widely used agency theory to examine the relations between universities and the government. The key assumption of this theory is that once the relationship is established, the principal encounters problems in controlling the agent, and that is because of goal conflicts, which often start with information asymmetry. Two core agency problems are embedded in these agency relationships (Kivisto, 2005). Proponents of agency theory in the extant literature agree that goal conflicts and information asymmetry are the core problems between the two parties in an agency relationship (Mitnick, 1975; Waterman & Meier, 1998). The key condition for applying this theory is to identify the principal and agent in a contract, the goal conflicts between both and the possibility of information asymmetry.

### **7.4.1 Information Asymmetry**

One of the primary reasons for establishing a monitoring and accountability mechanism is to reduce information asymmetry (Miller, 2005). Information asymmetry exists when one party has more or better information than another. Information asymmetry between both parties is one of the key conditions for applying this theory. After entering into a contract and gaining authority, the principal cannot observe all activities of the agent, which could be problematic for the principal. Therefore, the principal attempts to establish a monitoring mechanism or adopt another strategy to decrease information asymmetry. In the case of the Punjab higher education system, information asymmetry does exist.

According to the Respondent PUN-8, The Government of Punjab takes the necessary steps to stay updated with the university's activities in the province. Another respondent from the government officials mentioned that after the 18<sup>th</sup> amendment, each province's responsibility was to re-organize and re-uniform the system (Respondents PUN-5). Hence, the government knows what precisely the needs of each university are and can gain all necessary information directly from its own resources without relying on universities. With the consultation of renowned educationists, the Government of Punjab took this step, introduced an amendment bill, and took other actions they deemed necessary. The respondent from

the government office favored giving universities autonomy and said that universities need autonomy for a better outcome but within certain limits. He further said that the government could not close its eyes after providing the university with many resources. He shared stories about how university leadership hides and manipulates information. He also shared how the university leadership tried to please every new government with new numbers and information for their own benefit and interests (Ibid.).

On the other hand, university officials responded differently by saying they never tried to hide any information. Especially in this kind of governance structure, this is impossible because the government always has loyal people inside the university, as the government also controls the key post appointments. He gave an example and said that the registrar is the key post in the university, and vice-chancellors run the university through the registrar. The registrar is also called a custodian of the university. The treasurer is responsible for all finances of the university, and the controller of examinations oversees the examination system. The government fills all these positions. Other than these administrative posts, the appointment of all deans also needs the Chancellor's approval (Respondent PUN-2). When the researcher told the university official that the government official said they introduced new legislation with the consultation of a renowned educationist, in response, he said that he was unaware of whom the government official referred to as the 'renowned educationists' consulted before introducing the new legislation. He further said that it would have been easy if they (government officials) had mentioned the names of those renowned people because he said he does not know if this happens at any level (Ibid.). Another senior university official said that, having an economics background, he knew agency theory could be implemented if the agent had more information. But, in this scenario, although they have more information about their system, they (as an agent) cannot use that information to exploit the government (Respondent PUN-7). On the other hand, he said that the government always takes the steps they want and only rarely do they need and rely on the university's information. Another senior university official said that all new universities that have their Syndicate chaired by a provincial minister always wait months for the provincial minister to come and chair their Syndicate (Respondent PUN-2).

One renowned educationist and a former professor said that the university has only a small facilitation role in the selection of leadership and the composition of the governing board. The rest is entirely under government control, and there is no question about whether the university plays any role in these two areas. The government fully controls the selection of leadership, and the supreme body of the university has no true representation from the university. The government does not share any information

about the process of the selection of leadership nor the nomination process of governing board members. The government keeps its targets and information secret while making appointments in universities, whether it is for the members of governing boards or leadership selection (Respondent PUN-4). Another respondent from a university said that the university needs autonomy, as they have much more information than the government about how to run its affairs best if they want to compete with the world's best universities (Respondent PUN-7). When the researcher visited the higher education department in the province, the concept of autonomous universities was perceived positively by senior government officials, but a lower-ranking official who deals daily with university matters did not know what autonomy is or why it matters regarding dealing with universities.

When the researcher asked the government official whether any discussion or joint session was held on the amendment act between the two parties, the government officials said they did talk with all stakeholders but did not organize any joint session. On the other hand, the university leader said he does not remember if anything happened. None of the officials from any other university confirmed that any kind of communication existed in the past between the two parties. Everyone who participated in this study agreed that there should be a joint platform to discuss any matters related to university legislation. In the amendment act, not even a single word indicates that the appointment of board members or leadership selection will be made with the consultation of both government and university officials. It was understood in Punjab higher education institutions that all executive body members' nominations and university leaders' selection are fully controlled and monitored. They are accountable to the government for their actions. In response to the simple question, "Do you have autonomy, and does political interference happen in university matters?" All university officials and leaders said YES, it happens. Like other provinces, this was also the situation in Punjab, where university officials were unhappy with dealing with public service offices. Almost everyone from a university mentioned that they had to deal with different offices and admitted that external interference in matters had increased after the 18<sup>th</sup> Amendment. Many blamed the bureaucratic system and the attitude of public service officers in government who deal with universities and consider this one of the major reasons for the ineffectiveness of universities in Punjab. On the other hand, government officials mentioned that they always do everything per the law, which makes it clear that both parties are not in alignment with one another. At this point, there is a good chance for university authorities to hide and manipulate information for their short-term interests.

## 7.4.2 Goal Conflict

Goal conflicts refer to situations where both “principals and agents” have different interests concerning a specific task conflict and want a different outcome (Petersen, 1995). Goal conflicts are a key part of implementing the agency theory framework because they help to investigate when and why the agent starts to follow their interests and engage in opportunistic behaviour (Shapiro, 2005). In Punjab, both parties (government and universities) emphasized that all higher education stakeholders should be on the same page. Still, unfortunately, this is not happening, and according to one university respondent, the government’s goal differs from the university’s goal. When the government fully controls the university, the government wants to run it as per its own goal. He further questioned whether anyone would believe or imagine that the incumbent minister chairs the university's highest governing body. He further said that it is hard to believe that a university waits for the appointment when the provincial minister is free so he can come and chair the only executive body of the university, considering that there are around 30 universities whose Syndicate is chaired by the provincial minister. There is only one provincial minister, and he chairs each university's higher governing body. He wondered, “Isn’t it funny, and is this practically possible? But this is happening here in Punjab (Respondent PUN-4). The government of Punjab makes no difference between higher education and other departments when dealing with them, and this is because of the bureaucratic system mentioned by a senior university official. The introduction of the Amendment Act, PHEC Act and the role of the Higher Education Department of Punjab leaves no doubt that the government is serious about the system and makes it clear that the goals of both parties differ. The researcher saw the behaviour, attitude, and arrogance of public service officers in Punjab during his visit to government offices, which were not seen in any other province. Government officials said that autonomous universities in the western style are impossible, as we need to deal with universities as per our own customs, traditions, and culture (Respondent PUN-5).

Most importantly, we must do what the political leadership directs us to do. A recently retired senior official said that the 18<sup>th</sup> Amendment made provinces more autonomous but also gave a lot of responsibility to provincial leadership, and they should positively use this responsibility. This is only possible if the government makes institutions more autonomous, including higher education, the police, and other institutions. On the other hand, he also admitted that this is impossible because the goals of institutions and political leaders cannot be the same. He further shared many examples of when the government wanted to use each institution per its own wishes (Respondent PUN-2)



University leaders in Punjab were also worried and annoyed about the behaviour of the government officers; most of the university senior officials said that each office, whether it is a chancellor's office, government higher education department, Chief Minister (CM) office or Punjab HEC, has a different kind of authority over the university. They also mentioned that the National Accountability Bureau and Anti-corruption Department have also conducted investigations and arrested a few vice-chancellors, making the system and environment more difficult for the whole leadership. Other than these departments, he shared examples of when other departments like the police directed him, the Anti-corruption Department, etc., on what to do, which has made it highly difficult to achieve excellence in this situation with the many different principles, demands, and goals (Waterman and Meier, 1998). An ex-vice chancellor mentioned that no one in the higher education system could talk about these interventions because of the fear of accountability and because of their interest, gains, and goals, they need medals, extensions, and other privileges from the government, so they always abide by the bureaucracy, please the political leaders and take direction from provincial assembly members and other authorities. On the other hand, government officials blamed university leaders for promoting themselves and highlighting their achievements instead of their institution's achievements. He questioned whether improving the quality of a university's standing in just a few months is possible. He showed a few advertisements and posts promoting one vice-chancellor through institutional websites in which it was mentioned that "under the great leadership of .... the university achieved that level, etc.". Interestingly, he said that this vice-chancellor had just joined the university as a leader a year before. Instead of focusing on the quality of the university, they focus on their own goals. Both parties accuse the other of working for their own goals and agendas (Respondent PUN-5).

The government fully controls the selection process for leadership (vice-chancellors). Also, the nomination process of members for the highest governing bodies is fully under government control. An ex-vice chancellor mentioned that they have the liberty (with specific limitations) to propose names for the membership of the Syndicate (the most powerful governance body of the university), but it is the government's prerogative whether they will consider their proposed names or not. In the case of the selection of leadership, institutions have no interference in the government process. Some participants agreed that institutions' performance could be improved if they could work freely, but this is not possible in this current scenario. All the government officials who participated in this study mentioned their efforts to improve the system and praised their colleagues and their ministers, but the university leader

responded to the efforts of government officials, stating, “What else would they say?” He mentioned that it is their job to please the authority, which is what they do. (Respondent PUN-4)

In sum, both parties in Punjab are likely to choose the goal most closely related to their own goals (Waterman & Meier, 1998). In Punjab, goal conflict exists between both parties, and this relationship has an apparent conflict of interest due to the divergence of interests. The Syndicate, the vice-chancellor and other university offices have some authority to make decisions, but in the presence of the firm grip of the government, they have a minimal impact on the overall governance. Conversely, government officials do not believe that goal conflicts exist. They only consider that the government runs universities as they want and that universities can only achieve excellence if they follow their directions.

## **7.5 Agent’s Opportunist Behaviour Scenario**

The premise of agency theory is that agents are self-centered, rational, and often exert less effort (moral hazards) and exaggerate their capabilities (adverse selection). To identify these problems in the governance system of Punjab higher education, it is necessary to discuss both problems as this behaviour arises in the presence of information asymmetry and goal conflicts in agency relationships (Eisenhardt, 1989), which motivates principals to increase monitoring and accountability.

### **7.5.1 Adverse Selection**

Adverse selection occurs when poor output is achieved due to misinformation and the exchange of wrong information between two parties (Eisenhardt, 19989). The agent may manipulate reports and misrepresent the facts to get more benefits and perks from the principal. This becomes more likely in the presence of information asymmetry and goal conflicts, where the agent may create a problem by making biased reports about the institution (Williamson, 1987) to set low expectations from the principals, ultimately putting less pressure on them regarding the output. In this situation, the agent only focuses on his interests rather than institutional interests. There was some evidence of adverse selection, which is likely due to the full control and grip of the government on both indicators, i.e., the selection of leadership and composition of governing boards. The government official mentioned that university leadership always promotes themselves and advertises their performance instead of the institutional performance to achieve their personal goals. For that, all they use is the university’s social media, but on the other hand, no solid evidence about could be found (Respondent PUN-5).

## **7.5.2 Moral Hazard**

It is assumed that when both parties work together, both are rational, and, in this scenario, the agent can exert a high or a low level of effort. Therefore, if the agent gives his full effort, being rational, he must do so to maximize his privileges and benefits, but when being rational puts in less effort and becomes more self-centered, it is called a moral hazard problem. This often happens when the principal is not monitoring the agent's activities properly (Eisenhardt, 1989). Participants provided some information and evidence on moral hazards that indicate that moral hazards are taking place in Punjab's higher education system. A respondent from the government believes the universities' performance could be better. But university officers said that when the government has a full grip on the system, it is hard to believe that university leadership puts less effort into the presence of strong monitoring and accountability mechanism.

## **7.6 Key Findings**

### **a) Analysis of Composition of governing boards**

In the study, several key findings were identified regarding the composition and structure of governing boards in the Punjab university system. One of the findings revealed that the nominating authority of governing board members is clearly outlined in the Act. Additionally, the Act also provides a description of the structure of the boards, including the representation of members and their defined terms. However, a significant gap was identified in the Act as it does not define the process for the removal of members from the governing board. This creates ambiguity and could potentially lead to conflicts and challenges in the future. Furthermore, the Act clearly defines the meeting procedures of governing boards. However, it was found that the Act does not clearly define the roles and responsibilities of each member in the board, leaving room for interpretation and potential conflicts. Overall, these findings suggest that while the Act provides some clarity regarding the composition and structure of governing boards in the Punjab university system, there are several areas that need to be further defined to ensure effective governance and prevent potential conflicts.

### **b) Analysis of Leadership Selection**

The process for selecting university leadership was investigated, with a focus on the appointment of vice-chancellors in the Punjab universities system. The appointment of vice-chancellors is made through a Search Committee (SC) that is fully controlled by the government of Punjab. The qualifications

required for the position of vice-chancellor are clearly defined in the Individual Universities Act, which governs the universities in Punjab, and the term of appointment is also specified. However, the Act does not define a procedure for the removal of vice-chancellors. This lack of clarity regarding the removal of vice-chancellors raises questions about the autonomy of universities in Punjab, as it leaves open the possibility of government interference in university leadership. Without a clearly defined process for removal, vice-chancellors may feel vulnerable to political pressure and may be less likely to make decisions that are in the best interests of the university and its stakeholders. Overall, the study highlights the need for greater transparency and independence in the selection and removal of university leaders in the Punjab universities system. By clarifying the procedures for leadership selection and removal, universities can protect their autonomy and promote good governance practices.

### **c) Key features of Agency Theory**

The study examined the key features of agency theory in the context of university governance in Punjab, and identified the following key findings: Firstly, there is a clear existence of information asymmetry, where the government holds more information and knowledge about the university system compared to the university leaders and officials. This information asymmetry can lead to a power imbalance and affect decision-making processes, potentially resulting in suboptimal outcomes for the university. Secondly, there is a clear existence of goal conflicts, where the government has different goals and objectives compared to the university leaders and officials. This can lead to disagreements and conflicts, potentially affecting the implementation of policies and programs. Thirdly, there is an existence of adverse selection, where the government may appoint individuals to leadership positions who may not have the necessary skills and expertise to effectively lead the university. This can lead to a negative impact on the university's performance and outcomes. Finally, there is a likelihood of moral hazard, where the university leaders may take actions that are not in the best interest of the university but are in their own personal interest, such as pursuing personal gain or avoiding risk. This can lead to a conflict of interest and negatively impact the university's performance and outcomes. Overall, the study found that agency theory is highly relevant to the governance of universities in Punjab, and the key features of information asymmetry and goal conflicts are clearly present. The existence of adverse selection and moral hazard are also possible, and thus should be monitored and addressed to ensure effective university governance.

## **7.7 Key Takeaways from Punjab**

The following information pertains to a study conducted in December 2021, which examined the governance structure of public universities in the Punjab province of Pakistan. The study included a total of eight participants, consisting of university leaders, officials, and government officials who were interviewed using unstructured and in-depth interview methods. The study also analyzed various documents such as individual acts of universities, the Public Sector Universities (Amendment) Act of 2012, official notifications and correspondence, policy documents, newspaper archives, and other relevant materials. The study found that there are currently 48 public universities in Punjab, all of which are governed by the Individual Universities Act. This act was amended in 2012 with the Public Sector Universities (Amendment) Act. The governance structure of most of these universities is unicameral, with a syndicate that has 85% external representation. The university leader, known as the Vice-Chancellor, is appointed on the recommendation of a Search Committee (SC), which is fully controlled by the Punjab government. Overall, this study sheds light on the governance structure of public universities in Punjab and highlights the importance of understanding the legal framework and governance practices in higher education institutions. By examining the perspectives of various stakeholders and analyzing relevant documents, this study provides valuable insights into the current state of university governance in Punjab.

The research study centered on examining two specific indicators of organizational autonomy that have a significant impact on university governance within the context of the Punjab universities system. This is because the government interferes in these two indicators and controls all other aspects and dimensions of university autonomy. The two selected indicators are critical in understanding the power dynamic between the government and universities. The ultimate decision-maker within universities is the university leader, while governing boards possess legal authority and have a legitimate role in university governance. However, the government has a significant influence over both the university leader and governing boards. To explore the relationship between the government and universities, agency theory was used as a theoretical framework. This theory revealed the issues that arise from the principal-agent relationship between the government (the principal) and universities (the agents). The study analyzed the core problems of agency theory, which are goal conflicts and information asymmetries, and discussed the potential for moral hazards and adverse selection to occur. The findings highlight the complexities of the power dynamic between the government and universities in Punjab. The government's control over university autonomy is vast, and university leaders and governing boards must navigate this control

carefully. The study provides insight into the issues that arise from this dynamic and highlights the need for continued research into this topic.

## **CHAPTER 8: Conclusion and Implication**

### **8.0 Introduction**

This chapter identifies the similarities and differences that exist among all four provinces and answers each research question with a cross-case analysis. Using the theoretical framework of agency theory, each answer to the research question includes a brief overview of the findings for each case as well as interprets the findings for all four case studies. Finally, the last section of this chapter discusses the implications of this study for theory and policy practice.

### **8.1 A brief Overview of the Theoretical Framework & Research Design**

This section briefly overviews the theoretical framework and research design of the study. This study hypothesized that the relations, interests, and problems of all four provincial governments and universities affect the overall performance of higher education institutions. Specifically, this hypothesis assumes the existence of goal conflicts and information asymmetry in these two indicators of organizational autonomy: the selection of leadership and the structure of governing boards is the major reason behind these relations, interest, and problems. These two indicators are proposed a mechanism of interference which are used to intervene in university matters that affect other dimensions of university autonomy and impact the overall performance of all universities throughout Pakistan. Using the theoretical framework of agency theory, this study investigated the relationship between two main stakeholders in higher education: government and universities (McLendon, 2003) in each province of Pakistan.

In the 21<sup>st</sup> century, agency theory has become a popular tool for examining two-party relations. This theory constitutes an appropriate framework for understanding the changes that occurred in universities following new government legislation, because, as revealed in the literature review, universities face problems similar to those of agencies. Each province in Pakistan constitutionally gained control of higher education matters after the 18th Amendment. This amendment showcased changing relations between governments and universities, thus highlighting the need to understand the way in which universities responded to the increased authority of provincial governments and operated within this new configuration. Throughout this dissertation, which examined the relationship between different provincial governments and universities under various political cultures, agency theory provided a means

to understand the relationship between both parties. In particular, agency theory guided the analysis of the two main indicators of organizational autonomy: the selection of leadership and the structure of governing boards. The diagram below provides the location of these indicators within the overall framework.

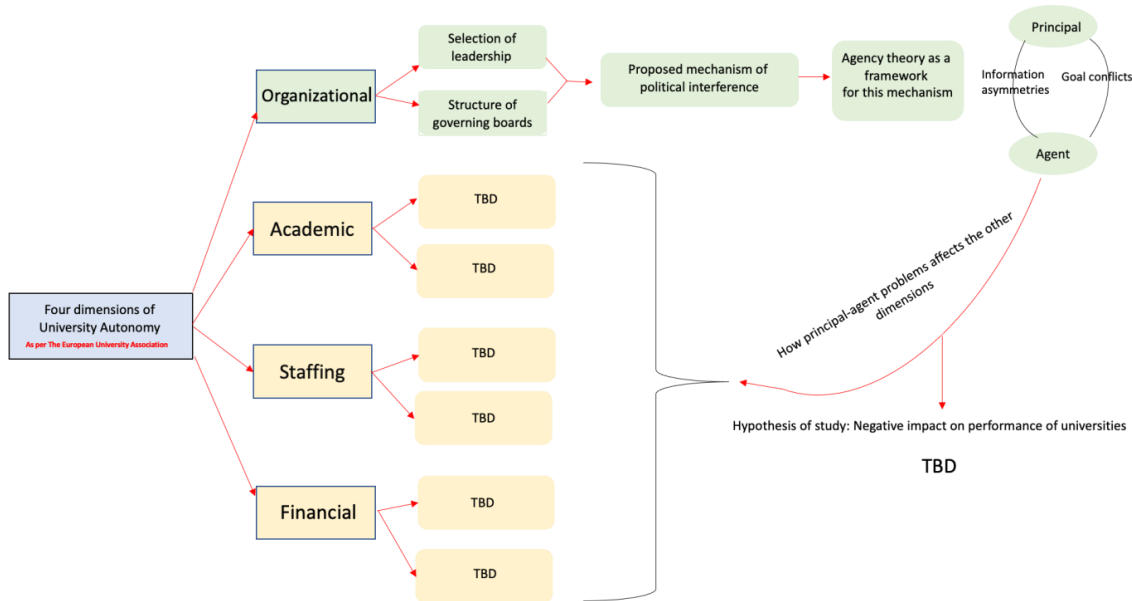


Figure 8-1: Theoretical Framework

The 18th Amendment to the constitution of Pakistan transferred the responsibility for higher education to the provincial governments, thus mandating that all matters of higher education become provincial. After the higher education became provincial and shifted the responsibility for higher education solely to provincial governments, each provincial government started making new laws and introduced new bills in their provincial assemblies. This change prompted the need to identify differences and similarities in each province’s university system and explore any improvements or deteriorations with these systems in the last 12 years since the 18<sup>th</sup> Amendment. Specifically, this current study explored the impact of the 18th Amendment on the effectiveness of universities in each province under the agency theory framework.

### 8.1.1 The study's contextual foundation and its significance

The importance of universities in driving national economic development and innovation cannot be overstated in the modern era. As such, various studies have been conducted to examine university systems and assess their performance, progress, and excellence. It has become clear from these studies



that for a university to be successful, it must demonstrate efficient performance and excellence, as these factors are directly linked to economic growth (Eastman et al., 2018). When a university fails to exhibit these traits, it is essential to understand the system and culture of that particular institution to diagnose the problem. The topic of autonomy has been widely discussed in academic literature, with the prevailing consensus suggesting that it is not only a key determinant of institutional performance but also an essential indicator that cannot be ignored. When an institution lacks autonomy, it can significantly hamper its efficiency (Salmi, 2007; Bleiklie, 2007; Brock, 1997). For this reason, it is essential to assess the level of autonomy a university possesses, as it can directly impact its success. By understanding the degree of autonomy, a university has, stakeholders can take measures to ensure that the institution can operate effectively and efficiently.

Several studies have delved into the importance of autonomy in universities and how it can enhance their performance. However, few investigations have focused on external interference and how this mechanism affects autonomy. To address this research gap, the current study aimed to examine the mechanism through which external interference occurs and its impact on university autonomy. Furthermore, the study hypothesized that this interference could negatively affect the performance of universities. External interference, in this study, refers to government interference. The study found that different provinces operate universities under different government and political cultures. As some provinces having a single provincial act to oversee all universities while others have individual acts to govern each institution. The study aimed to determine the impact of this government intervention on university autonomy. When external interference is present, it can limit the autonomy of universities, preventing them from making independent decisions that can positively affect their performance. As such, the research sought to identify the ways in which external interference can negatively impact university autonomy and how this interference can ultimately harm the performance of universities. By exploring this research gap, the study aimed to provide insights into the ways in which external interference can affect the autonomy and performance of universities. The findings of this study can be important for policymakers and stakeholders in higher education to develop strategies that can enhance the autonomy of universities and improve their performance.

The 18th Amendment to the Constitution of Pakistan, which came into effect in 2010, marked a significant shift in the distribution of power within the country. One of the key changes brought about by the amendment was the abolition of the concurrent list, which had previously granted shared legislative authority to both the federal government and provincial governments. This alteration resulted in a

decentralization of power, as authority previously held by the federal government was now shifted to the provincial level. As universities differ in their political culture, language, traditions, and norms, this study aimed to understand how these factors impact the autonomy and performance of universities. Most of the previous research on government-university relations in Pakistan occurred before the 18th Amendment, which makes this study unique. By focusing on the current state of higher education in Pakistan, this study provides a valuable contribution to the literature. One unique aspect of this research is the use of agency theory to envision universities as agencies. This perspective allows us to understand universities' role as agents that operate within the larger social, political, and economic environment. By adopting this approach, the study identifies the challenges that universities face and the implications of these challenges on their autonomy and performance. Moreover, this study incorporates the aspects of governance as well as the internal and external environment to identify problems with the operations of universities. By examining these factors, the study provides a comprehensive understanding of the challenges that universities face and the potential solutions that can enhance their performance.

### **8.1.2 Influence of Interviews and Documentation on Findings**

Most documents the researcher analyzed were legislative frameworks, including university Acts, Ordinances, and regulations, making each chapter's foundational basis. These documents provided the researcher with a comprehensive understanding of the legislative framework of higher education system in each province, which offered a clear picture of the system. The legislative documents were important in shaping the broader context of each province's higher education system. For instance, when analyzing the selecting a vice-chancellor process, the legislative documents clearly outlined that the government constitutes a "Search Committee." However, the documents did not mention important details such as the search committee's composition, committee member selection criteria, and the authority that selected the committee members. To address these gaps, specific questions were asked and incorporated into interviews with participants from both government and university sectors. Similarly, the legislative documentation in each province clearly indicated the number of members for governing board members and their appointing authority. However, some province's documents did not mention important details like nomination criteria, member perks, and tenure. To dig deeper and gain a more nuanced understanding, these interviews were focused on these gaps, which gave real-time experiences and insights directly from the participants and also gave an idea of how these recent changes and implementations affect university affairs.

Although the researcher did the document analysis, which provided the foundation and base for each case study. However, the most important findings emerged from the interviews, where participants offered valuable insights on the autonomy of the universities, focusing on two main indicators. Participants provided perspectives on external representation on governing boards, and that was in response to research questions on university acts and ordinances (document analysis) and received a response from participants in responses to the question whether "It is written in the documents or the ordinance that these are the representations, so what do you say about it?" This allowed the researchers to explore and analyze the practical implications of governance structures outlined in official documents.

Moreover, the interviews investigated the process of constituting search committees for appointing university leaders. Similarly, participants were asked about consultation and their involvement in the process, and the question was, "It is written in the ordinance that the government will constitute a search committee for appointing university leaders. Did the government consult anything with you while forming a committee or appointing the governance members?" This line of questioning aimed to uncover the level of consultation and participation in decision-making processes. However, each question was asked based on the information the researcher got from documents. Throughout all four chapters, the researcher incorporated direct quotes from participants strategically chosen to reflect various situations and viewpoints. These quotes developed the narrative and served as key indicators for measuring perceived autonomy.

In summary, all the documents included in the study played a foundational role, providing a broad overview of the legislative framework and on the hand, Interviews also served as an important tool, addressing specific questions for a more detailed and real-time understanding of aspects which were not explicitly covered in the documentation. Combining both sources enriched the research findings, contributing to a comprehensive and well-rounded analysis.

### **8.1.3 Descriptive & Causation Analysis: Addressing Confusion**

The researcher utilized a mixed-methods framework merging descriptive and causal components to integrate both causal and descriptive approaches within this qualitative study design. The primary focus of this qualitative was to investigate and delve into the intricacies and nuances of each case. Each case study was unique and meticulously examined, filled with elements of causation, thereby enriching

the study and yielding a more holistic comprehension of the specific circumstances under scrutiny. The research integrated both approaches in each case study in the following steps:

The researcher started with a descriptive qualitative phase in which the researcher explored and understood each case in depth, using qualitative methods such as interviews and document analysis to gather rich and detailed data. The researcher conducted four single case studies, each utilizing a descriptive approach to analyze the situation comprehensively. According to the research design, the focus was on understanding the mechanisms of political interference in the universities of each province. However, the hypothesis was to investigate how this political interference impacts the overall operation of universities.

To test this, researcher used document analysis and interviews for data collection in each case study, which helped to delve into the specifics of how political interference influenced university operations, and this causation approach could be seen in each research question. So, this analysis was not solely descriptive; it aimed to establish causal relationships and explore the broader implications of the observed interference. The feasibility of this mixed-methods approach was evident in the cross-case analysis, where patterns and correlations emerged, providing a more robust understanding of the research question. Based on those understanding and findings from the descriptive phase, the researcher identified key issues, factors and trends that seem to influence the research and brought causation elements within by exploring potential cause-and-effect relationships. After document analysis and interview, the researcher analyzed and understood each case in depth in each case study. Then, it became easy to identify the key issue and test the hypothesis, which helped to probe deeper into how specific interference influences or causes. The researcher also used triangulation by incorporating additional qualitative methods or sources to validate or cross-verify findings related to causation. These mixed methods allowed researchers to capitalize on the strengths of qualitative research in providing depth and context while exploring causal relationships.

## **8.2 Similarities and Differences among all provinces**

### **8.2.1. Similarities among all four provinces**

A brief detail about the similarities in each province's governance structure can be seen in the table below: (Focus is on the two indicators of organizational autonomy i.e., leadership selection & structure of governing boards)

**Table 8-1: Similarities in the governance structure among all provinces**

<b>Organizational Autonomy</b>				
<b>Indicators</b>	<b>Khyber Pakhtunkhwa</b>	<b>Balochistan</b>	<b>Sindh</b>	<b>Punjab</b>
<b>The role of Each member in governing boards</b>	Not defined in the Act	Not defined in the Act	Not defined in the Act	Not defined in the Act
<b>Meeting procedures of governing boards</b>	Defined in the Act	Defined in the Act	Defined in the Act	Defined in the Act
<b>Vice-Chancellor appointment</b>	Through Search Committee	Through Search Committee	Through Search Committee	Through Search Committee
<b>Qualification Required for Vice-Chancellor</b>	Defined in the Act	Defined in the Act	Defined in the Act	Defined in the Act
<b>Term of appointment of Vice-Chancellor</b>	Defined in the Act	Defined in the Act	Defined in the Act	Defined in the Act
<b>Term of members of governing boards</b>	Defined in the Act	Defined in the Act	Defined in the Act	Defined in the Act
<b>University Leader Name</b>	Vice-Chancellor	Vice-Chancellor	Vice-Chancellor	Vice-Chancellor
<b>Structure &amp; Composition of Governing Boards</b>	Defined in the Act	Defined in the Act	Defined in the Act	Defined in the Act

The table above shows the similarities in the governance structure among all provinces in Pakistan. The focus is on two indicators of organizational autonomy, namely leadership selection and structure of governing boards. The data reveals that each province has not defined the role of each member in governing boards. However, meeting procedures of governing boards are defined in the Act for all provinces. The appointment of Vice-Chancellors is through a Search Committee, and the qualifications required for the post are also defined in the Act. Additionally, the term of appointment of Vice-Chancellors and members of governing boards is also defined in the Act. Each province has a Vice-Chancellor as the university leader, and the structure and composition of governing boards are also defined in the Act for all provinces. The analysis of the table indicates that the governance structure among all provinces in Pakistan is relatively similar. The provinces have adopted similar policies and practices to ensure the autonomy of universities. The appointment of Vice-Chancellors through a Search Committee and the definition of qualifications required for the post are steps towards ensuring transparency and merit-based appointments. Moreover, the definition of meeting procedures and the term

of appointment of Vice-Chancellors and members of governing boards provide a framework for effective governance. The structure and composition of governing boards ensure that universities have an appropriate representation of stakeholders, which enhances decision-making and accountability. In conclusion, the analysis of the table indicates that the governance structure among all provinces in Pakistan has similarities in terms of leadership selection and the structure of governing boards. The adoption of similar policies and practices is a step towards ensuring the autonomy of universities and enhancing transparency, merit-based appointments, and effective governance.

The research aimed to investigate the similarities and differences among all four provinces in Pakistan regarding two indicators of organizational autonomy: leadership selection and the structure of governing boards. The hypothesis was that these two indicators are used as a mechanism of political interference in universities, which affects their autonomy in other dimensions (staffing, academic, and financial) and ultimately impacts their overall performance. The research questions were designed to analyze the government-university relations in each province using an agency theory framework. According to the framework, the first assumption was that political and government representation on governing boards and their dominant role in selecting university leadership are prevalent in all four provinces. The research findings confirm this assumption, although the degree of political interference varies among the provinces. In some provinces, political interference is highly dominant, while in others, it is less pronounced. However, it is evident that political interference through the two indicators of organizational autonomy (leadership selection and the structure of governing boards) is widespread throughout Pakistan to some extent. Therefore, the hypothesis that political interference through these two indicators affects the autonomy of universities in other dimensions has been proven. The research findings demonstrate that political interference in universities through the selection of leadership and the structure of governing boards negatively affects the autonomy of universities and hampers their performance. The similarities and differences among the provinces regarding this issue provide valuable insights into the government-university relations and the challenges faced by universities in Pakistan. Overall, the research highlights the need for policy changes that can enhance the autonomy of universities and mitigate the impact of political interference.

**Table 8-2: Similarities in Key Findings among all provinces**

	Khyber Pakhtunkhwa	Balochistan	Sindh	Punjab
<b>Govt. official representation on governing boards</b>	YES	YES	YES	YES
<b>Govt. Authority to remove Governing Board members</b>	YES	YES	YES	YES
<b>Role of the incumbent minister on governing boards</b>	YES	YES	YES	YES
<b>Search Committee for Vice-Chancellor</b>	Controlled by Govt.	Controlled by Govt.	Fully Controlled by Govt.	Fully Controlled by Govt.
<b>Government Authority not to follow the recommendations of Search Committee</b>	YES (Conditionally)	YES	YES	YES
<b>Consultation with University authorities on any matter</b>	NO	NO	NO	NO

Table 8-2 presents the similarities in key findings among all provinces regarding government-university relations. The table highlights that all four provinces have government official representation on governing boards, indicating a strong presence of political interference in university affairs. Moreover, the government authorities have the power to remove governing board members, which further reinforces the notion of political control over universities. The table also shows that the incumbent minister has a dominant role on governing boards in all four provinces, indicating the influence of political figures on university affairs. The search committee for Vice-Chancellor is controlled by the government in all four provinces, further highlighting the government's control over university leadership selection. The government authorities also have the authority not to follow the recommendations of the search committee in all four provinces, which implies that the search committee's recommendations may not always be taken into account. Lastly, the table reveals that there is no consultation with university authorities on any matter in all four provinces. This lack of consultation further reinforces the idea that universities in Pakistan are not autonomous and are subject to government control and interference. Overall, the table's findings demonstrate that political interference is widespread in universities throughout Pakistan, and there is a pressing need for policy changes that can enhance the autonomy of universities and mitigate the impact of political interference.

The second assumption was that two key agency theory features cause problems between both parties. This multiple case study also proves that these two key features of agency theory (information asymmetry and goal conflicts) exist in all four provinces, which are the major cause of problems in their relations (government-university relations).

**Table 8-3: Similarities in the key assumptions of the Agency Theory Framework**

	<b>Khyber Pakhtunkhwa</b>	<b>Balochistan</b>	<b>Sindh</b>	<b>Punjab</b>
<b>Existence of Information Asymmetry</b>	YES	YES	YES	YES
<b>Existence of Goal Conflicts</b>	YES	YES	YES	YES

Table 8-3 presents the similarities in the key assumptions of the Agency Theory Framework in all four provinces. The Agency Theory Framework assumes that two key features, information asymmetry and goal conflicts, cause problems between both parties. The table shows that both key features exist in all four provinces, which confirms the presence of problems in government-university relations in Pakistan. The first key feature, information asymmetry, exists in all four provinces. This means that there is an uneven distribution of information between the government and universities, which can result in misunderstandings, miscommunications, and conflicts. The government may not have all the information necessary to make informed decisions, and universities may not have access to critical government information. As a result, both parties may make decisions that are not in each other's best interests. The second key feature, goal conflicts, also exists in all four provinces. This means that the government and universities may have different goals and objectives that may conflict with each other. The government's primary goal may be to ensure that universities align with their political agendas, whereas universities may prioritize academic and research excellence. These differing goals and objectives can result in conflicts and misunderstandings, which may affect university autonomy and performance. Overall, Table 8-3's findings demonstrate that the Agency Theory Framework's key assumptions apply to all four provinces in Pakistan, and these key features can result in problems in government-university relations. This highlights the need for policy changes that can improve communication, enhance transparency, and promote cooperation between the government and universities to mitigate the impact of these problems.



Another assumption of this research was that political interference through organizational autonomy affects other dimensions of university autonomy, which include staffing, academic, and financial dimensions. The study found that in all four provinces, universities have limited staffing autonomy, as the government directly and indirectly controls the key posts of universities. The impact of political interference is also observed in academic and financial autonomy dimensions. For instance, in academic autonomy, universities have an academic council that oversees all academic matters. However, the academic council is under the direct and indirect control of the government, as it works under the Syndicate, Senate, and Vice-Chancellor, all of which are under government influence. The government also controls the authorities responsible for financial matters in universities, who are appointed by the Syndicate and Senate and report to them. Therefore, all university matters related to staffing, academic, and financial autonomy need to be reported and approved by the Syndicate or Senate. In addition, the study found that the Vice-Chancellor holds visible authority in making decisions and appointing and nominating authorities in all indicators of other dimensions. The table below summarizes the control of all three dimensions of university autonomy in each province.

In summary, the study found that political interference through organizational autonomy affects all dimensions of university autonomy in all four provinces. The government's direct and indirect control over staffing, academic, and financial matters limit the autonomy of universities, ultimately affecting their overall performance. The Vice-Chancellor holds visible authority in making decisions, and all matters related to university autonomy need to be reported and approved by the Syndicate or Senate. The last assumption was that political interference through organizational autonomy affects the other dimensions of university autonomy. In all four provinces, the universities have limited staffing autonomy as the key posts of universities are directly and indirectly controlled by the Government. The study further found its effect on two other dimensions: academic and financial. For example, in academic autonomy, in all four provinces' universities, there is an academic council which sees all kinds of academic matters of the university. The Government, directly and indirectly, controls the academic council as the council directly works under the Syndicate, Senate and Vice-Chancellor, and all these authorities are under the influence of the government, as shown in Table 8-2.

Similarly, those authorities who control the financial matter of universities are appointed by the Syndicate and Senate and report to Senate and Syndicate. In sum, all the university matters, whether those are staffing, academic or financial, need to be reported and get final approval from Syndicate or Senate. The other prominent aspect is that in all those matters Vice-Chancellor is dominant and has

visible authority in appointing, nominating, and making the decision in all indicators of other dimensions. Below is a table which provides a brief analysis of all three dimensions of university autonomy in each province that how those are controlled in each province.

**Table 8-4: A brief analysis of three dimensions of university autonomy (province-wise)**

Three dimensions of University Autonomy	Khyber Pakhtunkhwa	Balochistan	Sindh	Punjab
Staffing Autonomy	All kinds of staffing through the Selection Board under the supervision of the Vice-Chancellor, Senate, Syndicate and Chancellor	All kinds of staffing through the Selection Board under the supervision of the Vice-Chancellor, Senate, Syndicate and Chancellor	All kinds of staffing through the Selection Board under the supervision of the Vice-Chancellor, Senate, Syndicate and Government	All kinds of staffing through the Selection Board under the supervision of the Vice-Chancellor, Senate, Syndicate and Government
Academic Autonomy	All kinds of academic matters through the Academic Council under the supervision of the Vice-Chancellor, Syndicate and Senate	All kinds of academic matters through the Academic Council under the supervision of the Vice-Chancellor, Syndicate and Senate	All kinds of academic matters through the Academic Council under the supervision of the Vice-Chancellor, Syndicate and Senate	All kinds of academic matters through the Academic Council under the supervision of the Vice-Chancellor and Syndicate
Financial Autonomy	All kinds of financial matters through the Treasurer, Auditor, and Finance committee under the supervision of the Syndicate, Senate Vice-Chancellor	All kinds of financial matters through the Treasurer, Auditor, and Finance committee under the supervision of the Syndicate, Senate and Vice-Chancellor	All kinds of financial matters through the Treasurer, Auditor, and Finance committee under the supervision of the Syndicate, Senate and Vice-Chancellor	All kinds of financial matters through the Treasurer, Auditor, and Finance committee under the supervision of the Syndicate and Vice-Chancellor

The table presents a brief analysis of the three dimensions of university autonomy in each of the four provinces. The staffing autonomy dimension indicates that all four provinces follow a similar pattern of staffing selection, which is done through a Selection Board under the supervision of the Vice-Chancellor, Senate, Syndicate, and Chancellor. The staffing autonomy is limited as all appointments are controlled by the government in Balochistan and Punjab, whereas in Khyber Pakhtunkhwa and Sindh, the government has indirect control over staffing. The academic autonomy dimension shows that all four provinces have an Academic Council that oversees all academic matters of the university. However, the council is directly or indirectly controlled by the government in Sindh, Punjab, and Balochistan, while in Khyber Pakhtunkhwa, the government has conditional control over the council. In the financial autonomy dimension, all four provinces have similar structures, where financial matters are controlled by the Treasurer, Auditor, and Finance committee under the supervision of the Syndicate, Senate, and Vice-

Chancellor. However, the government has direct or indirect control over financial matters in Balochistan, Punjab, and Sindh, whereas in Khyber Pakhtunkhwa, the government has limited control over financial matters. Overall, the analysis shows that the government has considerable control over staffing, academic, and financial matters in all four provinces. This limited university autonomy has implications for the quality of higher education and research in Pakistan, as it restricts the decision-making power of universities and limits their ability to operate independently. The findings of this study suggest that there is a need for greater university autonomy to enhance the quality and standards of higher education in Pakistan.

The provincial government has significant control over the Senate, Syndicate, and Vice-Chancellor, which is already evident. As a result, any decision or matter related to the university requires approval from these officers and authorities. This level of control by the government over university affairs was recognized by 90% of the participants who were associated with the university, as they acknowledged that the government leverages the governing boards and university leadership to interfere in all aspects of university matters. This interference has a negative impact on the autonomy of universities and creates challenges for them to operate independently. The findings suggest that there is a need to address these issues and to establish a balance between the government's role and the autonomy of universities to promote academic excellence and foster innovation in the higher education sector.

It is already evident that the provincial government partially or fully controls Senate, Syndicate and Vice-Chancellor. In this scenario, all the university matters need approval from these officers and authorities. 90% of participants who belonged to the university agreed that the government uses the governing boards and university leadership to interfere in all kinds of university matters.

### **8.2.2. Differences among all four provinces**

Below is a brief detail of some differences found among all four provinces.

**Table 8-5: Differences in the governance structure among all four provinces**

<b>Organization Autonomy</b>				
<b>Indicators</b>	<b>Khyber Pakhtunkhwa</b>	<b>Balochistan</b>	<b>Sindh</b>	<b>Punjab</b>
Governance Structure	Bicameral	Bicameral	Bicameral	The new trend is toward Unicameral (previously, it was bicameral)
Nomination / Appointing authority	Defined in the Act	Defined in the Act	Not defined in the Act	Defined in the Act
Removal of Governing Board members	Not defined in the Act	Defined in the Act	Not defined in the Act	Not defined in the Act
Removal Procedure of the Vice-Chancellor	Defined in the Act	Defined in the Act	Not defined in the Act	Not defined in the Act
<b>Differences in the Key Findings among all four provinces</b>				
	<b>Khyber Pakhtunkhwa</b>	<b>Balochistan</b>	<b>Sindh</b>	<b>Punjab</b>
Members of provincial parliament representation on governing boards	YES	NO	YES	YES
Student Representation on Governing Boards	NO	NO	YES	NO
A direct role of Single Authority in university matters (Unconditionally)	NO	NO	YES	YES
Possibility of extension of Vice-Chancellor Tenure	YES	NO	YES	NO
Termination and Removal of Vice-Chancellor	Not Clearly mentioned in Act	YES	YES	Not Clearly mentioned in Act
<b>Differences in the key assumptions of the Agency Theory Framework</b>				
	<b>Khyber Pakhtunkhwa</b>	<b>Balochistan</b>	<b>Sindh</b>	<b>Punjab</b>
Existence of Adverse Selection	YES	NO	YES	YES
Existence of Moral Hazard	YES	NO	YES	YES

Table 8-5 presents the differences in the governance structure among all four provinces in terms of organization autonomy indicators, nomination/appointing authority, removal of governing board members, and removal procedure of the Vice-Chancellor. Khyber Pakhtunkhwa, Balochistan, and Sindh

have a bicameral governance structure, whereas Punjab has moved towards a unicameral structure. The nomination/appointing authority is defined in the act for Khyber Pakhtunkhwa, Balochistan, and Punjab, but not for Sindh. The removal of governing board members is defined in the act for Balochistan, but not for Khyber Pakhtunkhwa, Sindh, and Punjab. The procedure for the removal of Vice-Chancellor is defined in the act for Khyber Pakhtunkhwa and Balochistan, but not for Sindh and Punjab. There are also differences in the key findings among all four provinces. Khyber Pakhtunkhwa and Punjab have members of provincial parliament representation on governing boards, whereas Balochistan and Sindh do not. Sindh has student representation on governing boards, whereas Khyber Pakhtunkhwa and Punjab do not. Sindh and Punjab have a direct role of a single authority in university matters, whereas Khyber Pakhtunkhwa and Balochistan do not. Khyber Pakhtunkhwa, Sindh, and Punjab allow the possibility of extending the Vice-Chancellor tenure, but Balochistan does not. The termination and removal of Vice-Chancellor is not clearly mentioned in the act for Khyber Pakhtunkhwa and Punjab, whereas it is for Balochistan and Sindh. Furthermore, there are differences in the key assumptions of the Agency Theory Framework among all four provinces. Khyber Pakhtunkhwa, Sindh, and Punjab have the existence of adverse selection and moral hazard, whereas Balochistan does not have the existence of either adverse selection or moral hazard. In conclusion, the study found that there are differences in the governance structure, key findings, and key assumptions of the Agency Theory Framework among all four provinces. These differences can have an impact on university autonomy and the level of political interference in university matters. The study suggests that it is important to address these differences and establish a more uniform governance structure and policy framework for universities in Pakistan.

### **8.3 Discussion of Research Questions**

This dissertation explored the relationship between the governments and universities in each province. Specifically, this research adopted a case study method that assigned one case for each of Pakistan's four provinces. Each of these four cases aimed to understand the amendments and determine the ability to generalize the findings to other areas. The theoretical framework of agency theory provided insights into the interactions between the universities and government offices during the selection of leadership and appointment of governing board members. This section answers each research question with cross-case analysis from the evidence gathered from each case study as per the agency theory framework. The conclusion of this chapter includes implications for research and future practice.

As mentioned above, the main research question sought to explore *the impact of the 18<sup>th</sup> Amendment on the effectiveness of universities in each province under the agency theory framework*. For that purpose, the research questions include the following sub-questions:

1. How has the 18<sup>th</sup> Amendment changed the way in which the university operates since this institution came entirely under provincial control?
2. How do all stakeholders (universities, politicians, and bureaucracy) define university autonomy, and do they feel that recent provincial legislation resulting from the 18<sup>th</sup> Amendment has positively or negatively impacted the autonomy and the performance of universities?

### **8.3.1 Discussion and Examination of the Questions with Cross-Case Analysis**

Each of Pakistan's four provinces underwent examination under a single case study for each province. Agency theory offered a suitable framework for examining stakeholder relationships in each province, including the way in which agency problems, information asymmetries, and goal conflicts helped to understand each province's higher education system. The goal conflicts and information asymmetries in each higher education system vary on the basis of many factors, including sociological aspects.

### **8.3.2 Research Questions**

**The first research question asked: *How has the 18<sup>th</sup> Amendment changed the way in which the university operates since this institution came entirely under provincial control?***

The analysis of this question derives from principal agency theory, which explains the relationship between two parties. Specifically, agency theory describes the optimal way of organizing the relationship between the two stakeholders while navigating issues known as "agency problems." Each case study discussed the expectation of the principal from an agent and the motive of each stakeholder's action. The research found that all four provincial governments and universities interacted in the period before the 18<sup>th</sup> Amendment. However, this pre-amendment interaction varied in each province due to an extra layer of institutional complexity as well as the involvement of multiple non-provincial stakeholders and institutions, such as the federal ministry, federally operated higher education commissions and other regulated authorities. Even after the 18<sup>th</sup> Amendment and subsequent provincial control of higher

education, the university governance system established by each province exacerbated the level of complexity with other provincial higher education systems within the same country due to the increased level of interference and the more significant number of legislations. Since the 18<sup>th</sup> Amendment, each province has taken complete control of higher education governance and has established varying amounts of legislation, most of which relates to the selection of leadership and the nomination of governing board members.

Growing expectations and increasing competing demands from each university have confused these institutions and created uncertainty in university leadership. Each provincial government seems to have increased their assertiveness towards ensuring its representation in governing boards for the purpose of influencing these boards as well as increasing the effectiveness of monitoring and accountability mechanisms. System complexity and confusion also occurred in each scenario. Due to the high level of expectations, the operation of each university in every province experience different tension and system complexities. One major variation occurred in the organizational structure of each provincial higher education system. For example, Sindh's university system encountered the most significant level of interference among the four provincial higher education systems. After the 18<sup>th</sup> Amendment, Sindh's provincial government significantly increased their influence on governance boards and leadership in the province's universities. Accordingly, this province experienced the highest level of government influence in each dimension of university autonomy. Moreover, Sindh's provincial university system has deteriorated, thus supporting the theory that universities with the least autonomy and greatest interference record the poorest performance levels. The other major change in the higher education system occurred in the province of Punjab, where the provincial government greatly enhanced their role.

However, the other two provinces, Balochistan and KPK, have experienced comparatively lower levels of government interference by creating legislation that attempts to implement uniformity in provincial universities rather than amending individual acts. Specifically, Balochistan and KPK created homogeneity through the system by applying the same legislation to all existing and new universities. Under the new legislation in these provinces, greater uniformity in the university system has prevented excessive government inference in higher education. In contrast, the other two provinces, Sindh and Punjab, introduced a new act and bill that modified specific clauses in a way that allowed provincial governments to take firm control over these universities. Moreover, Punjab and Sindh brought legislation that enabled the provincial governments to increase the representation of their incumbent members in the universities. For example, in Punjab, the incumbent provincial minister will serve as chair of the

Syndicate, the strongest and highest governing body of universities in Punjab, which already possess a unicameral governance system. Similarly, in Sindh, the Chief Minister, who serves as the chairperson of the Senate, the highest governing body of Sindh universities, fulfills the responsibility of directly appointing vice-chancellors for the universities. On the other hand, the other provinces, KPK and Balochistan, have introduced new bills or acts that equally serve the whole system. Those new pieces of legislation provide some level of autonomy to the universities for the selection of leadership and the nomination of governing boards, indicating that the provincial government lacks full control of the chairmanship of governing bodies. Thus, compared to Sindh and Punjab, the legislations of KPK and Balochistan provide universities with more autonomy. Despite these interprovincial differences, the research demonstrates that the two indicators of organizational autonomy, leadership selection and board structure, constitute the primary source of political interference in university matters. For example, if talk about funding decisions, to whom will the government speak, typically with the leadership or the university's governing board? Who is involved in any kind of talk with the government? Whether it is about allocating funds, revising budgetary priorities, or making any changes in financial matters. The researcher's main point is that the interaction mainly occurs through the university's leadership or governing board. These two indicators are the primary channels for financial discussions and negotiations. Similarly, if we talk in the context of academic programs or accreditation oversight, any interference or influence from the government is likely to be directed towards these two central bodies, the leadership and the governing board. For example, if there are intentions to influence or alter academic programs, the respondents were very clear that the government always approaches the university's leadership or governing board as the representative face of the institution; there is no other way for the government to interfere in university matters directly. In sum, these two indicators play a vital role and stem from the fact that these entities act as the forefront representatives of the university in interactions with the government. All the legislation changes in each province, including amendment acts, proposed bills, or other acts, focused on the selection of leadership and the governance structure of boards. These legislative changes have increased the difficulty of universities' negotiations with provincial governments. Specifically, the dynamics of authority and power have assumed greater complexity among the layers of government. For instance, the Chancellor constitutes a federal nominee within the university. At the same time, the provincial government has political jurisdiction over universities, which creates a potential conflict between the federal and provincial governments. Since universities interact with both offices regularly, the university system can become a locus of conflict between political



powers. In order to test the study's hypothesis, which maintains that the political interests of governments and universities diminish the performance of these institutions, this research performed a detailed analysis of each of the two indicators of autonomy as per agency theory. This analysis proved the hypothesis in all provinces and answered the question that the 18<sup>th</sup> Amendment era significantly changed the way in which universities operated throughout Pakistan.

*The second question asked How do all stakeholders (universities, politicians, and bureaucracy) define university autonomy, and do they feel that recent provincial legislation resulting from the 18th Amendment has positively or negatively impacted the autonomy and the performance of universities?*

The government and university leadership hold different perceptions of the university not only within each province but also across different stakeholders according to the stakeholders' level of perception, interest, experience, and education. While government members feel positively about the perceived outcomes, university leaders express greater ambivalence about these consequences. Government representatives, who focused on financial autonomy, desired universities to decrease their level of dependence on the government and generate their own funds by increasing fees or starting projects. However, respondents from the government in almost all provinces expressed the impossibility of Pakistan achieving autonomy because of the culture and other sociological factors. Moreover, participants from all provinces held the general perception that the 18<sup>th</sup> Amendment would eventually enhance the capabilities of institutions to enhance national competitiveness and research endeavors. Most respondents cautioned that these improvements would take time, but incremental changes will gradually increase the uniformity and productivity in the system. These participants believe that the nature of provincial-government university relations and the impact of the 18<sup>th</sup> Amendment will become more evident over time. Hence, the research confirms that all participants understood the level of autonomy and its impact on the universities, but respondents from each province viewed the importance of this autonomy at the organizational level in different ways.

Each province features a different culture, language, and tradition emanating from a distinct political culture. The field research found that exogenous factors, such as norms, culture, symbols, beliefs, and values, can affect reforms. The political culture of each province varies due to the presence of different ruling parties, security situations, languages, and values. These factors constitute a core challenge for each province, as Hall and Taylor (1996) contend that institutions require social legitimacy

in order to emerge, reform, reposition, and restructure. Since each provincial higher education system has a different culture, this culture influences government representatives, politicians, and universities in each province to define autonomy in various ways. Additionally, each province values the importance of autonomy in different ways and possesses different expectations of performance. Furthermore, each province's political culture and security situation prevents governments or university representatives from providing their natural input. Although some participants expressed unique opinions, they strictly requested the researcher to refrain from quoting them and asked for their responses to remain confidential. In KPK, a senior government official met the researcher at a public place, where the official openly argued against university autonomy in the current culture and shared stories of his province. However, he insisted on concealing his identity. In Balochistan, one of the participants from academia supported autonomy but similarly asked for his identity to remain confidential. However, these two provinces, as discussed in the first question, demonstrated greater willingness and commitment towards university autonomy in their provinces, as evidenced by the efforts to create new legislation. However, in Sindh, government executives demonstrated an unwillingness to speak and their views on university autonomy as well as university performance differed. These executives failed to view university autonomy as an important issue; in fact, they expressed that the word “autonomy” seemed unique in the context of Sindh’s university system. Finally, the study found that Punjab contains significant issues with bureaucracy. Most of the participants from Punjab demonstrated high levels of education and intellect. All of them seemed to favor autonomy, but they disagreed with the idea of decreasing government representation and involvement in university matters. In particular, these respondents expressed that any government has the prerogative to oversee university affairs closely. Only a few government officials and university leaders assumed that university performance and output constituted priorities. Rather, these participants from both sides focused on gaining the maximum amount of control, and they firmly believed that universities could only attain improvement through their form of governance.

This study identified minor differences in each provincial university system. Agency theory helped to explore the issues as well as the implicit and explicit expectations of both parties. This theoretical framework viewed both parties in each province within an agency relationship, which suggests that agency theory provides a suitable framework for examining this relationship. All four provinces introduced new legislation after the 18<sup>th</sup> Amendment and that each university needs to comply with the system established by each provincial government. Each provincial university responded to the legislative changes differently and to varying degrees, including their experience with various levels of

complexity, interference, and expectations from governments. Specifically, each provincial higher education system experienced different levels of complexity under the new provincial legislation that followed the 18<sup>th</sup> Amendment. The variation in complexity resulted from factors emanating from different political cultures in each province, and this cultural discrepancy explains why certain provinces have experienced different legislative developments. While governments perceive these legislative developments as improvements that promote uniformity, universities, which constitute the agents under the agency theory framework, view these developments as a form of external interference that can damage university affairs.

Provincial governments believe that the new legislation provides some advantages by allowing the provinces to manage the system at the provincial level without involvement from the federal government. At the same time, this new legislation and governance structure provide Pakistan's universities with an additional challenge to encounter with the increasing number of competing demands and extent of interference for the university, which constitutes a common issue in developing countries. Provincial political leadership sought to control the universities for political objectives, influencing university administration in the areas of admissions and employment. Before the 18<sup>th</sup> amendment, legislation prevented provincial governments from directly interfering in the university because of the federal government and its regulatory bodies' involvement in those institutions. However, after the 18<sup>th</sup> Amendment, universities fell under provincial control, enabling local political leadership to interfere with these institutions. Since the amendment, provincial governments considered interference in university matters to be their right. Political leaders began meeting with vice-chancellors and other authorities daily with the hopes of securing employment and admission for members of their constituency and influencing the university on other political issues per the respondents from universities who participated in the study. The university leadership has felt coerced to maintain a positive relationship with provincial leaders in order for their institutions to remain safe and secure and also for their own safety as well.

The research indicates that while universities expect support and confidence from the provincial governments by complying with multiple government demands, universities in all provinces report receiving less support or confidence than they expected from provinces after the 18<sup>th</sup> Amendment. In each province, all participants praised the Higher Education Commission's role and services, a federally regulated body that existed before the 18<sup>th</sup> Amendment. However, provinces provided different responses to the way in which the new legislation that followed the 18<sup>th</sup> Amendment affected the universities. In comparison to participants from other provinces, KPK respondents indicated that the new legislation has

involved a much more positive effect on the governance of universities because KPK introduced the Universities Act in 2012, immediately after the 18<sup>th</sup> Amendment. As the only province to implement this legislation, KPK simplified the management of the university system by providing clear directions for appointments and administrative roles of each authority and process. Consequently, KPK universities reported a lack of direct control from a single authority. As the other province is working on similar legislation to that of KPK, Balochistan has proposed the Universities Bill, which has received approval from the cabinet and recently got approval from the provincial legislative assembly.

The provincial university acts in Balochistan and KPK as well as the university leadership response in both provinces indicate that both governments aim to foster uniformity in the system, which represents a positive step towards enhancing and improving university governance in their respective provinces. On the other hand, Sindh and Punjab introduced amendment acts and amended certain clauses for all existing universities. These acts mainly aimed to revise the selection process and criteria of the university leadership. They also mainly focused on the legislation targeted at the structure of governing boards, which clarified that the aim of the provincial government and which involves concentrating less on uniformity and more on control of the universities. This scenario deprived the universities of the opportunity to perform autonomously in such a controlled system. For example, Sindh's Chief Minister directly selects and appoints vice-chancellors, while in Punjab, the Minister of Higher Education chairs the only executive body of the university and the Chancellor of Balochistan universities can remove any person from any role in the university system unconditionally. Only the only KPK university system does not give any unconditional authority to a single person.

Overall, this research revealed that universities have shifted towards greater provincial government control in all provinces, and the performance of universities in each province, which varies according to the provincial policies, appears in the process of decline. This finding also addresses the question about the way in which the bureaucracy and politicians define and perceive autonomy as well as their views about the performance of universities in the provinces, which varies from province to province. To sum up, each province's new legislation has a wide range of effects on each higher education system. While the influence of new legislation after the 18<sup>th</sup> amendment will significantly impact the evolution of the universities, these changes remain in their infancy, which forestalls the possibility of deriving any conclusions before the systems gain maturity. The research finds that within each legislation, the provincial government intends to build a monitoring and accountability mechanism that enables each province to increase its control over the system, thereby impacting the performance of

universities in each province. However, the degree of this impact will vary among the provinces. Two provinces, KPK and Balochistan, experienced a reduced impact and influence from the legislation introduced after the 18<sup>th</sup> Amendment because of their attempts to bring uniformity to the system. On the other hand, the legislation introduced in Punjab and Sindh aims strictly to control the system.

## **8.4 Introduction to Hypothesis**

The exploration of university performance in this study is rooted in the broader context of how political interference affects the governance of university affairs. For that, the study employs participant interviews as a primary data source to capture nuanced perspectives on the impact on universities of external interference. By gathering experiences, opinions, and observations from stakeholders, the research aims to uncover the multifaceted dimensions of performance decline, considering factors such as faculty morale, academic experiences, research environment, administrative efficiency, and governing structure. In this qualitative study, the case study approach, where the data was gathered from participants in various universities, was utilized. The first part was collecting and analyzing all the relevant documents; then, questionnaires were prepared, which were designed based on these documents. The study explores nuanced perspectives from stakeholders, focusing on their experience with university affairs influenced by the government in the pre- and post-18th Amendment eras. These components collectively assess the decline in university performance attributed to external interference.

## **8.5 Analysis of Poor Performance**

### **8.5.1 Government Interference in Leadership Selection**

After the 18<sup>th</sup> amendment, all four provinces introduced new legislation which focused primarily on controlling the selection process of leadership. After this legislation, the government can now control the leadership selection process, from forming committees to finalizing appointments. The leader of each university in Pakistan is named the vice chancellor, who heads each university's internal affairs and holds significant authority over all officers and staff, as everyone in the university reports directly to the vice-chancellor. Considering his influence on internal matters and the government's move to control his whole selection process highlighted the intentions of the government. The participants in this study, including the Vice-Chancellors who were part of this study talked about the whole process and mentioned that in some certain situations, the government does not leave other options for them except to follow their

instructions, which makes it evident that they always remain work under government influence. Various examples were shared illustrating government interference in various internal matters, particularly mentioned during admissions and recruitment, through the office of the Vice-Chancellor. All participants shared their opinions with examples highlighting government interference in internal issues, particularly during admissions and recruitment.

Academic decisions within Pakistani universities undergo several approval processes, and at each process level, the vice chancellor holds a significant influence. Political considerations in the appointments of university leaders lead to leadership lacking necessary expertise, which affects governance and decision-making, according to participants who were part of the study. Most of the participants in each case study emphasized the pressure from the government during admissions and recruitment of staff and faculty, and these decisions, which are influenced by political considerations rather than merit, have negative impacts on overall performance in the shape of less competent faculty or low merit students in a specific area. Their influences on academic policies, admission policies, and staffing, including nepotism, were evident, according to the participants, which made it challenging to operate the regular affairs independently.

### **8.5.2 Government interference on Governing Boards**

All academic, staffing, and financial matters in the university at any level require approval from the university leader, and then the final approval is always required from governing boards such as the Syndicate and Senate. Participants and document analysis explained that all academic and staffing matters need final approval from governing boards. This is a hierarchical process where decision-making at the departmental level in universities is subject to multiple layers of approval, which start from approval from the university leader. Subsequently, all matters must also need a final endorsement from governing boards, such as the Syndicate and Senate, which impact the performance and focus on the quality of education and merit-based decisions. The degree of government influence varies across provinces; for example, some have the Minister of Provincial Education heading the highest governing body, and in some governing bodies predominantly comprise with government representatives. It is widely debated in the literature review that governing boards responsible for enhanced government representation affect the internal affairs of universities and that boards with non-state-appointed members are more productive (Knot & Payne, 2001).

### **8.5.3 Examples of Political Interference as described by the Participants:**

Participants in the study provided a few examples of Political Interference in Universities. The details vary, and the mechanisms differ across the Provinces and Universities. The participants highlighted examples of political interference in university affairs. There were many they mentioned, but one major concern was the violation of merit criteria in the admission process during the time of admission, which affects academic autonomy; the covert influence of politicians was described and showed concern as it has a direct impact on the principles of merit-based admissions in universities. Another important point was the presence of political student organizations; there were a number of student organizations present, and each political party had its student organization wing in different universities in some provinces. Beyond these problems, there was another major concern about government-launched schemes, participants mentioned that previous governments launched free laptop distribution initiatives in different provinces with criteria prepared at the government level, and implementation mechanisms were based on populist campaigns for political gains. Another concern was the role of the pro-chancellor in universities as typically, according to the university's acts, the incumbent Minister for Higher Education in the respective province serves as the Pro-Chancellor of each university in each province. Another concern was the presence of members of the legislative assembly on the governing boards, and they represented the same constituency where the university was situated. Additionally, the government controlled and monitored the key university appointments, including the Registrars, Controllers of Examination, Treasurers, Deans, and Directors.

### **8.5.4 Effects of Political Interference on University Operations Participants' Perspective**

The above-mentioned political interference poses significant challenges to universities' operations, which harms the quality of education and research. Participants in the study provided insights into how political influence adversely affects the functioning of universities. According to many participants, governments control the selection process for key university positions, which fosters an autocratic environment where loyalty often outweighs professional performance. This kind of nepotistic culture extends and grows favoritism in all dimensions and administrative decisions, which compromises the quality of education. This interference also limits the autonomy of researchers, distorting academic standards and the quality of education. These consequences extend to students, faculty, and staff; political intervention mainly fuels unrest. Student politics, influenced by various political parties, has led

to violent clashes, protests, and disruptions, causing universities to shut down for extended periods, often in many provinces. The suppression of academic freedom is one of them, particularly during the military regimes, a persistent issue in the country. Further, overall, politicians' prioritization of political goals over research objectives badly hampers universities' intellectual growth, emphasizing economic objectives over wisdom and creativity.

### **8.5.5 University performance: Views from Government, Press, and Scholars**

These recent articles and updates collectively point to a common concern over the declining performance of universities in Pakistan and urge the government to take appropriate action. For example, In November 2021, the Senate Standing Committee on Federal Education showed dissatisfaction with the functioning of universities in each province, which was reported in various Pakistani newspapers. This news appeared in response to the Higher Education Commission of Pakistan reports, revealing that the performance of many well-known universities was declining. The Senate standing committee expressed deep concern about the underperformance of 32 major universities in the country; the committee chairman found this disclosure shocking and alarming (Abbasi, 2021). In his recent article, 2023, Dr. Gilani pointed out and criticized the process of appointing the university leaders (Vice-Chancellors) and pointed out the flaws in the bureaucratic exercise of these appointments, with little consideration for abilities, competence, and integrity. Dr. Gilani highlighted the instances where individuals were repeatedly appointed VCs at different universities, which contributed to the deterioration of education quality, and this is what the author discussed about the extension of vice-chancellor being practiced in various universities. He also suggested reforms to address these issues immediately (Gilani, 2023). Another article in 2021 addresses the performance of Pakistani universities in global science, in which the authors emphasize the urgent need for attention from all stakeholders towards higher education in the country. The author warned that the country would be left far behind in the race of science and technology if immediate actions were not taken promptly (Meo & Jawaid, 2021). A month earlier, serious concerns were raised about the declining quality of education in Pakistan. The author highlights an evident decline in education standards at both government-run and private educational institutions (News Desk, n.d.)



### **8.5.6 Wrap-Up of Hypothesis Testing**

This was the qualitative nature of the analysis; the researcher adopted the case study approach to validate the negative effects of external interference on institutions. The primary data collected from documents and participants in each case study offers insight that can be generalized across Pakistan on specific points. As mentioned, this data was mainly obtained through interviews with various stakeholders during field tours utilizing the questionnaires designed based on legislative documents. The analysis focused primarily on these documents, outlining the initial aspect of interference, which was determined through documents and elucidating its impact on performance, as articulated by participants. In each case study, the chapter started by analyzing the legislative framework under which the universities operate in their respective jurisdiction. Then, the study analyzed all the information under the framework of agency theory, in which its four components, i.e., goal conflicts, information asymmetry, adverse selection, and moral hazard, were utilized. Each case analyzed the relations with reference to the participant's views and documents in which the performance and its impact were also discussed in detail. To examine the hypothesis that there is increasing government interference in each provincial university after the 18<sup>th</sup> amendment, the first focus was on each provincial new legislation. Each provincial government brought legislation targeting the two leading organizational autonomy indicators, which was proposed in this study as a mechanism of interference which harmed university affairs in each province, according to the hypothesis. Literature suggests that the efficiency of any educational institution is influenced by the level of interference, which means that less interference usually leads to more autonomy and better results (Exavier Grau Vidal, 2013; Fuenzalida, 2018; Ritzen, 2016; Estermann & Nokkala, 2009). University leaders in higher education institutions is an important aspect of organizational autonomy (Chapman & Austin, 2002). The University's leadership, particularly in Pakistan, where it is named Vice-Chancellor, plays a significant role. Also, in general, it serves as the face of the institution (Cook, 1998). Concerns always arise when the authority of bureaucracy and government grows regarding the lessening influence of university authorities in internal matters, particularly in academic matters within universities (Ginsberg, 2011).

This research intentionally didn't utilize any methodology to measure the performance, such as focusing on academic indicators. This deliberate choice allowed the researcher to focus more on analyzing each case study according to the proposed research design in which the researcher analyzed each case under the main components of agency theory, tried to establish the indirect effect on performance and also considered the participant's views and make assumptions with correlating and

validating with the secondary sources. By adopting this strategy and narrowing the research, the researcher conducted a thorough analysis of each case study and analyzed the government-university relations and external intervention in university matters through leading indicators of organizational autonomy, which gave the researcher a more profound insight into the dynamics at play and required results which were to test the hypothesis.

This interference was observed by document analysis in each case study and participant perspectives, showcasing the influence of government on these key organizational aspects and also can be seen it affects the university's affairs. Legislation from each province introduced by the government mainly targets both indicators of organizational autonomy, coupled with increased control over selection and governance, which signifies a shift toward a more controlled system. Although interventions are causing disruptions in the education sector, the politicians continue to advocate for more similar legislation. All the participants from academia stress the importance of academics raising their voices against recent legislation to maintain professional integrity and safeguard the autonomy of educational institutions.

## **8.6 Implications for Policies and Practices**

This study not only highlights the role of primary agents such as provincial governments and universities in the agency relationship within the Pakistani higher education system but also identifies other key actors that impact this relationship in each province. These actors vary depending on the interests, culture, and history of each province and include civil bureaucracy, military bureaucracy, legislatures, feudalism, and the judiciary. The study underscores the importance of understanding the governance of higher education in each province for decision-makers, including governments and international educational organizations in other developed countries. This knowledge will help them align their policies to benefit students who graduate from these systems. Additionally, the research offers insights for future researchers who wish to explore the higher education governance of each Pakistani province or perform comparative analyses. It also sets a foundation for future research to examine other aspects based on these findings. Overall, the study highlights the complex nature of the higher education governance in each Pakistani province and the need for policymakers and researchers to take these nuances into account. The findings suggest that a one-size-fits-all approach to policymaking may not be effective in improving higher education outcomes in the country. Instead, decision-makers should pay attention to the specific circumstances and actors that affect each province's governance structure. This

study also serves as a steppingstone for future research to explore additional aspects of the Pakistani higher education system that require further investigation.

The 18th Amendment has led to the development of new legislation that is expected to improve the efficiency and effectiveness of universities in Pakistan. However, the present study suggests that the changes resulting from the Amendment yielded a decline in university performance in the short term. This decline may be due to the fact that the provinces are still in the process of adapting to the new legislation. The study highlights the need for a collaborative approach between the government and universities to build trust, improve understanding, and enhance relations. Provincial governments can play a vital role in providing training to officers and staff who deal with universities, creating stable appointments, and making regular presentations to legislatures and political leadership. Agency theory emphasizes the importance of acknowledging the presence of goal conflict and information asymmetry while recognizing the greater interest of society. This approach can help practitioners maintain awareness about the importance of higher education and foster trust between the government and universities, thereby promoting university autonomy. It is crucial to understand that the changes resulting from the 18th Amendment have both advantages and disadvantages, and policymakers and practitioners must work together to navigate the transition period effectively. Moreover, the study suggests that additional research is required to analyze stakeholder relations and the impact of the new legislation on university performance. Overall, the study underscores the importance of recognizing the complex nature of the higher education system in Pakistan and adopting a collaborative approach to improve university efficiency and effectiveness.

### **8.6.1 Introduction to Co-constructing Policy in Higher Education**

Co-constructing policy in postsecondary education refers to the collaborative and participatory approach in which multiple stakeholders can actively contribute to developing policies and participate in decision-making. There are three scenarios so that we can distinguish PSEs into three categories based on the autonomy of universities, i.e. fully autonomous, partially autonomous or no autonomy at all. In the first scenario, if universities have full autonomy, they can establish their governing bodies to include various internal and external stakeholders. These bodies make decisions democratically and consider all factors like quorum of meetings, majority ratio for decision-making, etc. Internal stakeholders could be students, faculty, and staff representatives, while external stakeholders may be drawn from specific fields, such as people from society, renowned educationists, researchers, etc.

In cases where universities have less autonomy, collaboration with the government becomes important. The degree of autonomy, whether partial or nonexistent, will determine the influence universities can have. However, irrespective of autonomy levels, collaboration, inclusivity, and shared decision-making remain key features of this co-constructing policy approach. This approach is widely considered more democratic and inclusive in policymaking. It is also important to recognize that this concept varies, and there's no one-size-fits-all recommendation due to the diverse sociological factors that influence each postsecondary education system.

### **8.6.2 Consideration for Generalizability of Finding Outside of Pakistan**

The autonomy of universities and the governance of post-secondary education vary considerably between countries and within countries, varying from province to province. These findings are intricately linked to specific contexts, which limit their generalizability to other regions and countries. The extent to which these findings can be generalized depends on various factors. However, specific governance frameworks and the impact of external interference may have broader applicability and can be generalized; for example, the theoretical framework and research design employed in my study can have universal applicability potential. Another aspect is the findings, which may hold broader relevance, especially when focusing on research design. Also, the methodological approach, including document analysis with interviews, may apply beyond Pakistan's specific context. Before making and generalizing the findings, it is imperative to acknowledge the influence of diverse factors, which are the sociological factors. However, collaborative efforts or future research endeavors, particularly in collaboration with researchers in Canada, could contribute to and extend the generalizability of these findings.

## **8.7 Conclusion insights, future research, and implementation recommendations**

By conducting a case study in all four provinces of Pakistan, this research examined the way in which external interference happened and affected the effectiveness of the university. An in-depth analysis and discussion of these cases have yielded a few aspects that can provide value to future research: the sociological factors in each province, the bureaucratic system of each provincial government, and university leadership. Although leadership members boast high qualifications, with majority holding foreign credentials, they remain focused on their own interests and welfare rather than the performance of their institutions.

The study identifies and acknowledges the sociological factors, but if the provincial governments want better results from universities, each provincial government should have less representation in the governing boards of universities. Removing the incumbents' ministers and members of legislative assembly from governing boards is recommended. Bureaucratic training is an important factor; all public service officers dealing with universities should also receive proper training before assuming the charge of dealing with universities. The important points and findings were that the bureaucratic system is not responsive and not competent enough to deal with universities. Universities should consider giving more autonomy to their departments for academic and staffing decisions. Governing boards of universities delegate their authority to departments to make choices at their own level.

For selecting the Vice-Chancellor (University Leaders), Government authority, interference, and influence should be less in selecting the university leaders. The search committee should be more autonomous with the increased internal representation from academia, and there should not be any bureaucratic influence in the selection process. The final decision on finalizing the institution's head should not be solely in the government's hands. Universities and the government should collaborate better and consult and understand each other to reduce goal conflicts. There should be an established platform for collaborative decision-making, which will help build trust and collaboration over time. For future researchers, this study suggests exploring each province separately and in more depth with a single case study approach while looking at different dimensions of university autonomy using different theoretical approaches. Communication, transparency, collaboration, and cooperation between both parties are very important, and there is a need for improvement to tackle existing challenges, making the relationship between the government and universities more effective and collaborative. This study serves as a steppingstone for future research to explore additional aspects of the Pakistani higher education system that require further investigation. The study highlights the importance of collaborative efforts between all stakeholders. Further, improving communication, transparency, and cooperation between the government and universities is needed to mitigate existing challenges.

The main strength of this study involved its use of multiple case studies, which provides the ability to generalize findings to broader populations. In addition, using multiple case studies and cross-case analysis provides strong implications for results and theory. Specifically, case studies can encourage researchers to expand the present study with different frameworks and in-depth analysis of the governance system of different scenarios, organizations, and provinces. Future studies can also test the governance system separately in single case studies to obtain a more in-depth understanding of the issues.

From the theoretical perspective, future research can focus on other dimensions of university autonomy, including the way in which other indicators affect the institution's effectiveness and the dynamics of this relationship in different dimensions. Studies can also examine the relationships and influences of both parties to determine the impact on institutional performance, which can increase the understanding of expectations and the interests affiliated with those expectations. This work can occur under the agency theory framework, which provides a complete understanding of the two parties relationship. Future researchers can use agency theory in various contexts anywhere in the world regardless of whether the country is developed or developing. This theory provides an ideal framework for analyzing contractual relationships between parties or entities. Particularly in higher education, it has flexibility, allowing researchers to explore relationships between universities and governments and help investigate the impact of government policies on universities. This theory can also be applied to analyze accountability mechanisms established by the government, understand the impact of new legislation or policies, and further explain relationships between policies and universities. It is still relevant and valuable for investigating significant changes in higher education. The insights gained from using this theory can be generalized and applied in diverse settings.

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## Appendices

### Appendix A: Participant Consent Form



#### **Project Title:**

An analysis of political interference in universities with an agency theory perspective: A case study of Pakistan

#### **Researchers:**

Qasim Shahzad Gill (Student Researcher), Ph.D. Candidate, University of Saskatchewan, +1-306-850-6716 and [qasim.gill@usask.ca](mailto:qasim.gill@usask.ca).

Ken Coates (Co-Applicant/Supervisor), Professor, University of Saskatchewan, +1-306-966-5163 and [ken.coates@usask.ca](mailto:ken.coates@usask.ca).

#### **Purpose and Procedure:**

The main purpose of this study is to investigate and analyze state intervention policies in universities, the dependency of universities on the state, and how this interference has affected the operations of the university. The project examines and analyzes political interference and involvement in the organizational setup of Pakistani universities. Therefore, this study examines issues related to and important to university autonomy, which ultimately positively impacts society.

The data collected will be used for Ph.D. candidate Qasim Gill's thesis and the presentations, discussions, and articles created as part of his dissertation. The summarized data from these interviews will be presented as thematic analysis. The summarized data will further help researchers shape the framework and how to interpret it.

The first preference is to conduct all interviews via video conferencing or over the phone, depending on the availability, and they will be recorded. If the interviews cannot be carried out online, they will be conducted in person during the researcher's visit (a tentative plan is to conduct them from 28 September to 1 November). If these interviews need to be carried out through a video conference, WebEx or Zoom will be used, and the researchers will use the university ID for Webex and Zoom and a password-protected meeting room. The privacy policy can be view at [https://www.cisco.com/c/en\\_ca/about/legal/privacy-full.html](https://www.cisco.com/c/en_ca/about/legal/privacy-full.html)

<https://explore.zoom.us/docs/en-us/privacy.html>

The normal amount of time for each interview will be around 30–45 minutes, but the time will vary depending on your availability and time. Please feel free to ask any questions regarding the procedures and goals of the study or your role.

The following is a summary of this consent form:

- i. I am voluntarily agreeing to participate in this study conducted by Qasim Gill, a Ph.D. candidate from the University of Saskatchewan. I understand that the data will be used for his Ph.D. thesis and could also be used for his presentation, discussion and articles later. I will be one of the 24 people involved in this project as interviewees.
- ii. I may withdraw and discontinue my participation at any time, decline to answer any question, end the interview at any time, and withdraw permission to use data from this interview within 30 days after this interview. In such a case, the researcher will delete all of the material.
- iii. The study has been explained to me in writing, and I will have the opportunity to ask any questions I have about the study. The researcher will take notes and record the interview. If I do not want to be recorded, I will not be able to participate in the study. I understand that the researcher will not identify me by name at any point during his project and my confidentiality in this study will remain secure (unless I give written permission). The researcher is allowed to use the words about my statement accordingly i.e., “ex-official, authority, senior officials” in his research.
- iv. I understand that signed consent forms and audio recordings of this interview will be treated and retained as per the University of Saskatchewan’s policy which has been mentioned at the end of this consent form and that this study has been reviewed and approved by the institutional review board for studies involving human subjects.
- v. I understand that I have got the contact details and information of the concerned authorities related to this project to seek further clarification and information if needed and I am free to contact any of the people involved in the research. I have read and understood the explanation provided to me and have been given a copy of this consent form as well.

**Questions or Concerns:**

This research project has been approved on ethical grounds by the University of Saskatchewan Behavioural Research Ethics Board. Any questions regarding your rights as a participant may be addressed to that committee through the Research Ethics Office: [ethics.office@usask.ca](mailto:ethics.office@usask.ca) or +1-306-966-2975. Out-of-town participants may call **collect** at +1-306-966-2975.

I agree to be interviewed for the purpose mentioned above, I have read and understood all the contents of this consent form, I choose to participate in a virtual interview / In-Person interview (Please tick one).

Please select one option below:

I wish for my identity to be confidential
I wish for my identity to be confidential, but you may refer to me by my organization
You may quote me and use my name, position, and organization
I would like to be acknowledged for contributing to the research

*Name of Participant*

*Researcher's Signature*

*Date*

**The detail of the consent form for further clarification:**

**Potential Risks:**

If the participants in this project criticize any institution with which they are/were associated and choose to be identified, they may face some consequences from these institutions. Participants will interpret what information they believe could be considered speaking poorly of their organization based on the relevant organization's culture. In this project, as the topic is very sensitive, if anyone speaks boldly that could harm them in the future in different ways.

This risk will be minimized and addressed by ensuring that participants have the option to remain anonymous, and they will be allowed to review their recordings and revise the transcript. If any participant is allowed to use his identity in this project, written permission will be obtained, and the participant will be informed about what statements will be used with the full context in detail.

**Potential Benefits:**

The benefit of this project is a framework and findings at the end that can be used by the participant or any other to identify the barriers and difficulties universities are facing in each province and able to correlate each university situation in a different province with other provinces and have an opportunity to have a comparative look of country's higher education system. You can further use this framework to help identify and evaluate which indicators have more impact on the effectiveness of the system and also you can prioritize your advocacy or implementation of these findings and suggestions in the future.

**Confidentiality:**

Recording of the interviews will be transcribed by a researcher and there will be no involvement of any third party. All participants will receive the transcript and have the opportunity to make revisions or withdraw their participation at any stage. Direct quotations of your words will not be used in the final project to avoid any characteristic phrasing.

If you indicate that you want your identity to be confidential, we will hide identities and the researchers will review the transcript to remove any identifying information. Any information sourced solely from you will not be used in the final project unless a second source can confirm it to avoid potentially identifying you as the source.

**WebEx and phone-related issues:**

1. If the researcher is using an online tool like WebEx, it is hard to give the guarantee that the data will be private.
2. We will meet via videoconference in a private area that will not be accessible by individuals outside of the researchers during the interview.

## **In-person meeting**

1. The researcher will obtain proper permission through the proper channels and will follow all the SOP's before making an appointment for an interview.
2. The researcher will be responsible for interviewing at a location where the interviewer feels comfortable and happy and will also offer alternatives (public or private).
3. For safety reasons, the researcher and interviewer will update the contact details of places visited on the day of each interview to a friend or colleague.
4. The interviewer will have the option to stop the meeting at any point, decline to answer any question, voluntarily provide any information related to the project, withdraw his consent at any point, ask about any further details, contact any authority mentioned in this consent form, pause the recording at any time, read/ask about the notes and direct to amend the written notes of that particular interview accordingly.
5. He will have an opportunity to follow up and discuss further to amend/delete any information provided during an interview.
6. The researcher will follow all the SOPs and approach the relevant person through the proper channels every time they need to be contacted.
7. The researcher will follow all the restrictions related to COVID-19 and provincial/federal policy during an interview. The researcher will send the screening questions one day before and will be in a mask and sanitized if required. The researcher can cancel the meeting if the answer to any of the questions below is "yes". The researcher will be fully vaccinated and is also planning to take the third booster shot being offered in Alberta (the researcher is currently residing in Alberta) and also will keep a record of all three shots. The participant will be sent the following screening questions:

### Screening questions

1. Are you currently experiencing any of the following symptoms or any other symptoms of respiratory illness: fever, cough, shortness of breath, difficulty breathing, sore throat, runny nose?
2. In the past 14 days, have you been in close contact with someone with a suspected or confirmed case of COVID-19?
3. In the past 14 days, have you had close contact with a person who had an acute respiratory illness that started within 14 days of their close contact with someone with a probable or confirmed case of COVID-19?
4. Are you or any household members currently waiting for the results of a recent COVID-19 test, or have you or other household members been tested for COVID-19 within the past 14 days?

### **Safety plan:**

1. The researcher will follow all Federal or Provincial quarantining and testing requirements and will also all other restrictions.
2. The researcher will keep be wearing a mask all the time during the meeting.
3. The researcher will keep following all the protocols related to physical distancing.
4. The research will keep the disinfecting wipes, a new pack of masks, and additional sanitizer with him all the time and will prefer to contact him virtually for all other communication except the

meeting.

5. Please note that the researcher will adhere to USask's vaccination/regular testing mandate during any interactions with you. Please refer to this website for more information: FAQ.

### **Storage of Data:**

As per the policy of the University of Saskatchewan, the research data will be stored for five years post-publication. The researcher will store the consent forms separately from the data.

The recording of the interviews will also be stored in the researcher's computer instead of using the internet, iCloud, or any other storage. The researcher will also transfer the data to the PI through USask's OneDrive.

All electronic data will be kept on the principal investigator's university password-protected computer. The security plan for research data that may be temporarily stored in a home due to the COVID-19 pandemic includes.

1. Any audio and video recordings and associated consent forms and transcripts will be stored on a researcher's password-protected computer. Each file will also be password-protected.
2. The electronic devices temporarily used in the home due to the COVID-19 pandemic will be secure password-protected dedicated research devices not accessible by individuals outside of the research team.
3. We will use a USask cloud storage service to back up any data stored in a device in our homes.

Once the data is no longer required and the storage period of five years post-publication has passed, the data will be destroyed beyond recovery.

### **Right to Withdraw:**

Your participation in this study is voluntary, you can answer only those questions that you are comfortable with. You may withdraw from the study at any time without explanation, reason, or penalty of any sort.

Your right to withdraw data from the study will remain in effect until two months after the interview. After this, some form of research dissemination may have already occurred, and it may not be possible to withdraw your data.

### **Follow up:**

After 2 weeks of this interview, you will receive a transcript of this interview by email. The researcher will expect the response within two weeks indicating whether you approve or disapprove of this transcript, an additional time may be given if you need. You are welcome to make any revisions to your words in the transcript. Please send the revisions to the interviewer within the time limit. If you do not respond within two weeks of receiving the transcript, your transcript will be used as-is.

A researcher will send the transcript of the interviews and report on the results of the study to all participants by email.

If any researchers request to use this information for purposes outside of the given anticipated distribution or time frame, participants' renewal of consent will be sought by email. In this case, affirmative consent will be necessary for their information to be used by those researchers.

**Consent to Participate:**

If this interview will occur via WebEx or telephone, we will solicit oral consent rather than written consent at the beginning of the interview; In the event of an in-person interview, I will carry out this whole consent process and provide details before the interview. The participants will have an opportunity to ask questions before giving consent in both cases. This process aims to reduce the burden on participants.

*Name of Participant*

*Researcher's Signature*

*Date"*

## Appendix B: Email Sample Copy

### Email Sample Copy

Dear Sir,

I am Qasim Shahzad Gill, a PhD candidate at the University of Saskatchewan for the Johnson Shoyama Graduate School of Public Policy. I am being supervised by Dr. Ken Coates of the University of Saskatchewan. For my research on university autonomy, I am looking to speak with governments, universities, and political leaders who are stakeholders in higher education system. I have reached out to you because of your role in higher education governance.

As a participant in this study, you would be asked to share your perspective on external interference in the organizational set-up of (relevant university in relevant province) in a one-on-one interview. This can take place at a location in which you are comfortable, over the phone, or online.

Your participation in this study would be approximately one to two hours. This would involve an interview of approximately one hour but can be changed to a length you are comfortable with. You will also be asked to confirm the transcript from that interview, which will take approximately thirty (30) minutes of your time. If you would like to make revisions to the transcript, that is projected to take approximately thirty (30) minutes of your time.

A list of interview questions and a consent form are attached for you to review. Please let me know if you have any questions about either.

If you have any questions about this study, or to volunteer for this study, please let me know. You can reach me by email or at +1 306-850-6716.

Thank you for your time,  
Qasim Shahzad Gill

#### **Researchers:**

Qasim Shahzad Gill (Student Researcher), Ph.D. Candidate, University of Saskatchewan, +1-306-850-6716 and [qasim.gill@usask.ca](mailto:qasim.gill@usask.ca).

Ken Coates (Co-Applicant/Supervisor), Professor, University of Saskatchewan, +1-306-966-5163 and [ken.coates@usask.ca](mailto:ken.coates@usask.ca).

## Appendix C: Participant Abbreviations:

Here is a list of the participants who took part in this research. This list is represented by fictitious numbers and kept anonymous for confidentiality because almost all interviewees requested anonymity and did not permit using their real names. Instead, we have used respondent numbers and provincial abbreviations to reference their contributions throughout the thesis.

### Respondent KPK:

Respondent KPK-1 (Ex/Incumbent University Leader)  
Respondent KPK-2 (University Leader)  
Respondent KPK-3 (Ministry of Higher Education)  
Respondent KPK-4 (Ministry of Higher Education)  
Respondent KPK-5 (Ministry of Higher Education)  
Respondent KPK-6 (University staff)  
Respondent KPK-7 (University staff)

### Respondent Baluchistan:

Respondent BAL-1 (Vice Chancellor)  
Respondent BAL-2 (Ministry of Higher Education)  
Respondent BAL-3 (Ministry of Higher Education)  
Respondent BAL-4 (Vice-Chancellor)  
Respondent BAL-5 (University Faculty / Staff)

### Respondent Sindh:

Respondent Sindh-1 (Vice-Chancellor)  
Respondent Sindh-2 (Staff University)  
Respondent Sindh-3 (HEC SINDH Staff)  
Respondent Sindh-4 (HEC SINDH Staff)  
Respondent Sindh-5 (Vice-Chancellor)  
Respondent Sindh-6 (Ministry of Higher Education)

### Respondent Punjab:

Respondent PUN-1 (Vice-Chancellor)  
Respondent PUN-2 (University Senior official)  
Respondent PUN-3 (Vice-Chancellor)  
Respondent PUN-4 (Ex-Vice Chancellor)  
Respondent PUN-5 (Ministry of Higher Education)  
Respondent PUN-6 (Ex-Minister)  
Respondent PUN-7 (Staff University)  
Respondent PUN-8 (HEC Punjab Staff)



## **Appendix D: Interview Guideline / Protocol for Participants**

Collect background information on the participants' current roles, experience, and any previous key positions held. Discuss and ask open-ended questions about university autonomy and governance structures. Specifically, it focuses on the composition of governing boards, the selection of their members, and the process for appointing university leadership.

### **Interview formal Questions:**

- What is your current position?
  - How long have you held this position?
  - Have you served in any other key roles previously?
1. What are your thoughts on university autonomy? Do you think that universities should be autonomous, and why? If yes, how can this be achieved, and what do you think needs to be improved?
  2. Regarding the composition of governing boards, while each university Act & ordinance clarifies this, the criteria for choosing members, the term length of each member, and accountability mechanisms are unclear. Can you describe each of them if you know?
  3. Could you please describe that what is the process for nominating members (both internally and externally) to the "Syndicate" and "Senate" the highest governing bodies of universities?
  4. Who is the final authority to nominate the highest governing body members, and what are the criteria for their nominations, if known? If you are unaware, who might have this information?
  5. What is the honorarium, benefits, and privileges of each governing board member? What roles do they play, and are they accountable to anyone, if there is any?
  6. Can you describe the process for the appointment of the vice-chancellor? Although the University Act states that the government forms a search committee, can you provide insights into who constitutes this committee, the criteria for committee members, and the entire selection process in detail?
  7. Who holds the final authority to appoint the vice-chancellor, and to whom is the vice-chancellor accountable?
  8. Do you believe there is political interference in appointing the governing board members and in appointing the leadership (Vice-Chancellor) selection processes?
  9. Do you think that universities have autonomy in this province?
  10. Is there any additional relevant information you would like to share voluntarily?

## Appendix E: Certificate of Approval (2021)



Behavioural Research Ethics Board (Beh-REB) 29-Sep-2021

### ***Certificate of Approval***

Application ID: 2847

Principal Investigator: Ken Coates

Department: Johnson-Shoyama Graduate School of Public Policy

Locations Where Research  
Activities are Conducted: Pakistan

Student(s): Qasim Gill

Funder(s):

Sponsor: University of Saskatchewan

Title: An analysis of political interference in universities with an agency theory perspective: A case study of Pakistan

Approved On: 29-Sep-2021

Expiry Date: 29-Sep-2022

Approval Of: Behavioural Research Ethics Application

Consent Form

Email Sample

Interview Guide

Acknowledgment Of: Thesis Proposal

Review Type: Delegated Review

#### **CERTIFICATION**

The University of Saskatchewan Behavioural Research Ethics Board (Beh-REB) is constituted and operates in accordance with the current version of the Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans (TPCS 2 2018). The University of Saskatchewan Behavioural Research Ethics Board has reviewed the above-named project. The proposal was found to be acceptable on ethical grounds. The principal investigator has the responsibility for any other administrative or regulatory approvals that may pertain to this project, and for ensuring that the authorized project is carried out according to the conditions outlined in the original protocol submitted for ethics review. This Certificate of Approval is valid for the above time period provided there is no change in experimental protocol or consent process or documents.

Any significant changes to your proposed method, or your consent and recruitment procedures should be reported to the Chair for Research Ethics Board consideration in advance of its implementation.

#### **ONGOING REVIEW REQUIREMENTS**

In order to receive annual renewal, a status report must be submitted to the REB Chair for Board consideration within one month prior to the current expiry date each year the project remains open, and upon project completion. Please refer to the following website for further instructions: <https://vpresearch.usask.ca/researchers/forms.php>.

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***Digitally Approved by Melanie Bayly  
Vice-Chair, Behavioural Research Ethics Board  
University of Saskatchewan***

## Appendix F: Certificate of Re-Approval (2022)



Behavioural Research Ethics Board (Beh-REB) 28-Sep-2022

### ***Certificate of Re-Approval***

Application ID: 2847

Principal Investigator: Ken Coates

Department: Johnson-Shoyama Graduate School of  
Public Policy

Locations Where Research  
Activities are Conducted: Pakistan, Pakistan

Student(s): Qasim Gill

Funder(s):

Sponsor: University of Saskatchewan

Title: An analysis of political interference in universities with an agency theory perspective: A  
case study of Pakistan

Approval Effective Date: 29-Sep-2022

Expiry Date: 29-Sep-2023

Acknowledgment Of: N/A

Review Type: Delegated Review

\* This study, inclusive of all previously approved documents, has been re-approved until the expiry date noted above

#### **CERTIFICATION**

The University of Saskatchewan Behavioural Research Ethics Board (Beh-REB) is constituted and operates in accordance with the current version of the Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans - TCPS 2 (2018). The University of Saskatchewan Beh-REB has reviewed the above-named project. The proposal was found to be acceptable on ethical grounds. The principal investigator has the responsibility for any other administrative or regulatory approvals that may pertain to this project, and for ensuring that the authorized project is carried out according to the conditions outlined in the current approved protocol. This Certificate of Approval is valid for the above time period provided there is no change in experimental protocol or consent process or documents.

#### **ONGOING REVIEW REQUIREMENTS**

Any significant changes to the proposed method, or consent and recruitment procedures must be reported to the Chair through submission of an amendment for Beh-REB consideration in advance of implementation.

To remain in compliance, a status report (renewal or closure form) must be submitted to the Beh-REB Chair for consideration within one month prior to the current expiry date each year the project remains open, and upon project completion. Please refer to the Research Ethics Office website for further instructions and current forms.

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*Digitally Approved on behalf of the Chair  
Behavioural Research Ethics Board  
University of Saskatchewan*

## Appendix G: Certificate of Re-Approval (2023)



Behavioural Research Ethics Board (Beh-REB) 18-Sep-2023

### ***Certificate of Re-Approval***

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Application ID: 2847

Principal Investigator: Ken Coates

Department: Johnson-Shoyama Graduate School of Public Policy

Student(s): Qasim Gill

Funder(s):

Sponsor: University of Saskatchewan

Title: An analysis of political interference in universities with an agency theory perspective: A case study of Pakistan

Approval Effective Date: 29-Sep-2023

Expiry Date: 29-Sep-2024

Acknowledgment Of: N/A

Review Type: Delegated Review

\* This study, inclusive of all previously approved documents, has been re-approved until the expiry date noted above

#### **CERTIFICATION**

The University of Saskatchewan Behavioural Research Ethics Board (Beh-REB) is constituted and operates in accordance with the current version of the Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans - TCPS 2 (2022). The University of Saskatchewan Beh-REB has reviewed the above-named project. The proposal was found to be acceptable on ethical grounds. The principal investigator has the responsibility for any other administrative or regulatory approvals that may pertain to this project, and for ensuring that the authorized project is carried out according to the conditions outlined in the current approved protocol. This Certificate of Approval is valid for the above time period provided there is no change in experimental protocol or consent process or documents.

#### **ONGOING REVIEW REQUIREMENTS**

Any significant changes to the proposed method, or consent and recruitment procedures must be reported to the Chair through submission of an amendment for Beh-REB consideration in advance of implementation.

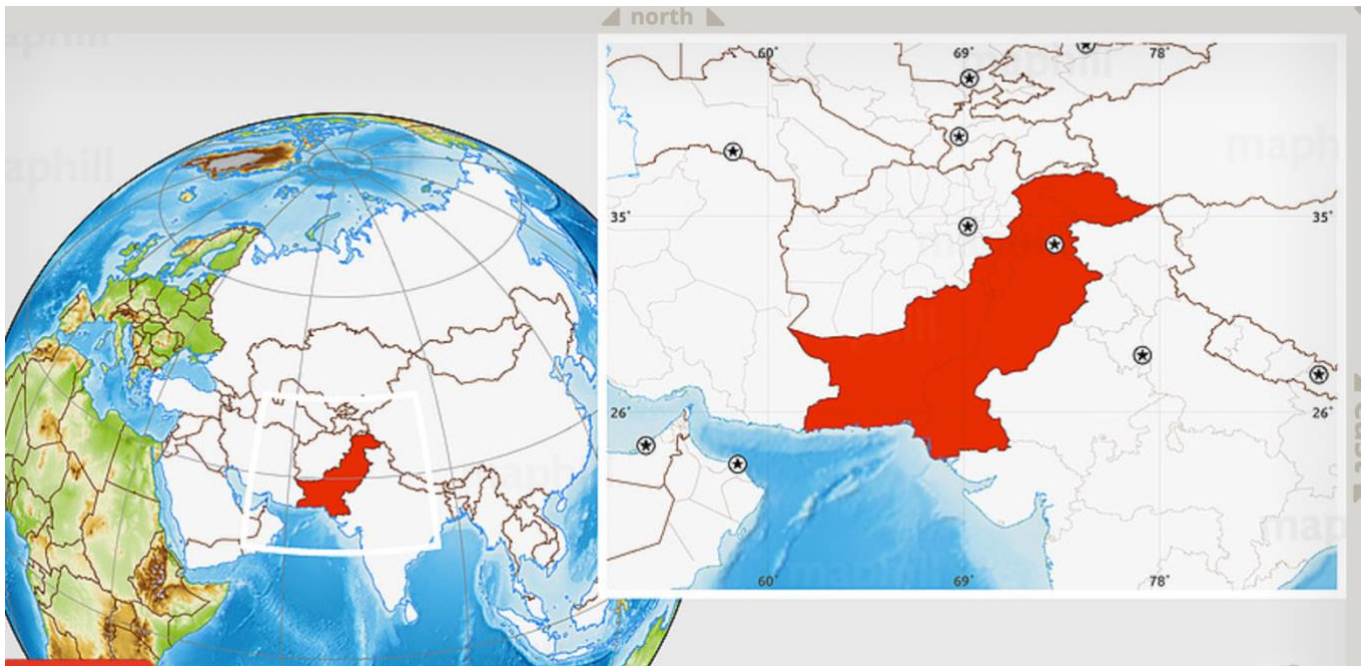
To remain in compliance, a status report (renewal or closure form) must be submitted to the Beh-REB Chair for consideration within one month prior to the current expiry date each year the project remains open, and upon project completion. Please refer to the Research Ethics Office website for further instructions and current forms.

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***Digitally Approved on behalf of the Chair  
Behavioural Research Ethics Board  
University of Saskatchewan***

## Appendix H: Location Map (Pakistan & it's four provinces)

### Location of Pakistan in world map



Source: <http://www.maphill.com/pakistan/location-maps/physical-map/highlighted-continent/>

<b>FOUR PROVINCES OF PAKISTAN</b>			
<b>KPK</b>	<b>BALCOHISTAN</b>	<b>SINDH</b>	<b>PUNJAB</b>