Future Perspectives of Private Higher Education in Vietnam

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ABSTRACT

Private higher education in Vietnam has experienced a quarter century of establishment and development, making contributions to the Vietnamese higher education system. This article confirms the strong development of the Vietnamese private higher education regarding scale, and quality, and the emergence of some new models of higher education institutions in the upcoming years. This confirmation is based on: i) the reality of private higher education development in Vietnam; ii) the development trend of private higher education in the world; iii) the Vietnamese State’s and Party’s guidelines and policy priorities for private higher education development; iv) the completeness, clearness, and favorableness of legal corridor created by the Vietnamese National Assembly and Government.

Keywords: Perspectives, development, scale, quality, model, private higher education.

RESUMEN

La educación superior privada en Vietnam ha experimentado un cuarto de siglo de establecimiento y desarrollo, haciendo contribuciones al sistema de educación superior vietnamita. Este artículo confirma el fuerte desarrollo de la educación superior privada vietnamita con respecto a la escala y la calidad, y la aparición de algunos modelos nuevos de instituciones de educación superior en los próximos años. Esta confirmación se basa en: i) la realidad del desarrollo de la educación superior privada en Vietnam; ii) la tendencia de desarrollo de la educación superior privada en el mundo; iii) las directrices y prioridades políticas del Estado y del Partido vietnamitas para el desarrollo de la educación superior privada; iv) la integridad, claridad y favorableidad del corredor legal creado por la Asamblea Nacional y el Gobierno de Vietnam.

Palabras clave: Perspectivas, desarrollo, escala, calidad, modelo, educación superior privada.

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INTRODUCTION

After 25 years of establishment and development, the Vietnamese private higher education (PHE) system currently accounts for about 1/4 of the number of higher education institutes (HEIs) and 1/6 of the number of undergraduate students in the entire Vietnamese higher education system. This has made an important contribution to the national construction and defense in general, and to the higher education development in Vietnam in particular. However, the training scale of the Vietnamese PHE system is still low in comparison with the average number of students in private sector in the world (32.90%), Asia (42.10%), and Southeast Asia (41.80%). Also, this scale is much lower than that in developed countries in the region and in the world such as Singapore (61.80%), Malaysia (43.10%), Korea (80.70%), Japan (78.60%), the United States (27.50%), etc. In addition, the domestic and international competitiveness of the Vietnamese PHE system has not met the requirements of regional and international integration in terms of national higher education (Tran, 2019).

Although there are certain shortcomings and limitations, the Vietnamese PHE system has a potentiality to grow in both scale and quality. In addition, new models are emerging as a result of the development of PHE in the world and in the region as the trend of the times; the majority of the Vietnamese private universities have confirmed their development potentiality in recent years; the development motivation of the entire Vietnamese PHE system is driven by the Party's and State's guidelines and policies for the economic development in private sector in general, for the PHE in particular, and by the improvements in legal corridor for the PHE development in Vietnam which come closer to the PHE systems of the world's advanced countries.

DEVELOPMENT

As of July 2019, the Vietnamese higher education comprises 03 levels: Bachelor/University, Master, and Ph.D; accordingly, HEIs (including State-owned public and private types) are education institutions performing the function of training these levels (Vietnam, National Assembly, 2018).

HEIs have legal status including “đại học” (university), “trường đại học” (currently also called university), “hoc viện” (academy) and vien (institute). The “university” (đại học) is the HEI which offers training programs and studies in many fields; the University’s member units agree on implementing common goals, missions, and tasks (Vietnam, National Assembly, 2018).

The Vietnamese higher education system has five HEIs called “Đại học” (University), they are two national universities: Hanoi National University, and National University - Ho Chi Minh City, and three other regional universities: Thai Nguyen University, Hue University, and the University of Danang. The English term for these universities is “University” (Example: Vietnam National University - Ho Chi Minh City: VNUHCM). These universities have member units, but the English term for these member units is currently inconsistent. For example, Vietnam National University - Ho Chi Minh City consists of University of Technology, University of Natural Sciences, etc. Meanwhile, the member units of Hanoi National University are called “College” in English, for example, College of Science.

The majority of HEIs in Vietnam, which do not belong to the national or regional universities are also called universities (trường đại học); the English term “university” is used currently, for example Vinh University (Trường Đại học Vinh), Duy Tan University (Trường Đại học Duy Tân).

Therefore, the English term “university” is used in this article to name the “trường đại học” in Vietnam as the reality of the Vietnamese higher education system. In 2018, according to the amendment and supplement to the Vietnamese Law on Higher Education in 2012, HEIs are allowed to be transformed into universities (đại học), to affiliate with other universities to form universities (đại học). Thus, the Vietnamese higher education system will have more universities (đại học) besides the current 05 universities (national and regional universities).

Therefore, this article temporarily uses the English term “private university” with an annotation in Vietnamese (đại học tư thục) to name the private universities that will be established in Vietnam in the future because the member units of private universities will be given with the terms in English of “school” or “college” or “faculty” in accordance with international practice (Prime Minister, 2019b).

In 1975, the Vietnam War ended and Vietnam became a unified country. From 1976 to 1986, Vietnam was a centrally planned subsidized economy so private education sector did not exist in the education system.

The establishment process of the type of private HEIs in Vietnam is as follows (Tran, 2018):

In 1986, the 6th National Congress of the Communist Party of Vietnam developed a comprehensive doi moi (renovation) guideline in all fields of the country, including education and training. From the Party's renovation guideline, a number of organizations and individuals have proposed projects to open non-public higher education institutions. In 1988, the Ministry of Education and Training allowed to pilot the establishment of Thang Long Private University Center (now Thang Long University) in Hanoi.
In 1993, the 4th Party Central Committee (Tenure VII) issued Resolution No. 04-NQ/HNTW on continuing to renovate the cause of education and training in which the establishment of people-founded and private educational institutions is encouraged. In implementing Resolution No. 04-NQ/HNTW, in 1994, the Prime Minister allowed the establishment of the first five non-public universities in Vietnam under the name of “people-founded universities” (with the nature of private university) including 03 in Hanoi, 01 in Da Nang, and 01 in Ho Chi Minh City.

In 2005, the National Assembly of Vietnam passed the Education Law, stipulating for the private universities.

Vietnam has 60 private universities, accounting for more than 25.53% of the total number of HEIs (235); the training scale of private universities in the entire higher education system (excluding those universities of defense and security) in the 2017 – 2018 academic year is 16.67%, 13%, and 2% for university level, Master, and Ph.D respectively (Vietnam. Ministry of Education and Training, 2018).

Private universities in Vietnam are located in 29 out of 63 provinces and cities with 23 universities in the North, 12 universities in the Central – Highlands, and 25 universities in the South. Hanoi has the highest number of private universities (13), followed by Ho Chi Minh City (12) (Dang, 2018).

For a fundamental and comprehensive renovation in education, the 8th Party Central Committee (Tenure XI) promulgated Resolution No.29-NQ/TW on fundamental and comprehensive renovation in education and training, figuring out the key tasks and solutions for higher education development, including the task of PHE development such as increasing the university number, having policies for the development of teaching staff in HEIs, creating equality in the learners’ right to receive the State’s support, etc. (Vietnam. The Central Committee, 2013).

From Resolution No. 29-NQ/TW, the National Assembly passed Law No. 34/2018/QH14 on amending and supplementing a number of articles of the Law on Higher Education (Vietnam. National Assembly, 2018); the Government issued Decision No. 69/QĐ-TTg approving the Scheme on improvement of higher education quality during 2019 - 2025 (Prime Minister, 2019a), and Decree No. 99/2019/ND-CP on elaborating and providing guidelines for a number of articles of Law on amendments to the Law on Higher Education (Prime Minister, 2019b). Accordingly, regulations related to the PHE system are in line with international practices, creating equality between private and public HEIs, and promoting the development of private higher education institutions (PHEIs). Some important new points are as follows.

### The legal basis:

The type of private education which is considered as PHEI shall be granted autonomy and may exercise its high autonomy, so the rearrangement or merging to establish a private university (đại học tư thục) is encouraged.

The university council is regulated as an executive organization that represents the investors and other parties with relevant interests to directly appoint, or propose dismissal of the principal of private university/the president of private university (đại học tư thục).

Education quality accreditation is a requisite condition for HEIs to operate and gain autonomy concerning admission, training, research, etc.; is the basis for students to choose HEIs or training programs, and for employers to recruit human resources.

### The goals:

The goal of the Vietnamese higher education in the period of 2019 – 2025 should be identified with the focus on international rankings for both public HEIs and PHEIs; accordingly, there are at least 02 HEIs ranked among the 100 best universities in Asia, 10 HEIs are ranked among the 400 best universities in Asia, and 04 HEIs are ranked among the top 1,000 universities in the world according to prestigious international rankings.

### The policies:

Socialization is implemented in higher education in terms of encouraging the development of PHEIs; prioritizing non-profit PHEIs; having preferential policies for organizations, enterprises and individuals investing in educational and training activities, science and technology at HEIs; exempting and reducing tax for donated properties, supporting higher education, granting scholarships, and granting credit to student.

In addition, the Communist Party of Vietnam is implementing the 5th Resolution of the Party Central Committee (Tenure XII) on “the development of the private economic sector as an important driving force for a socialist-oriented market economy,” the 6th Resolution of the Party Central Committee (Tenure XII) on “some issues on continuing renovation and rearranging and streamlining the apparatus of the political system for effective and efficient operation,” etc. These guidelines and policies of the Party will be important driving forces for the development of the Vietnamese PHE system.

On the other hand, the development and expansion of PHE is one of the major global trends of higher education (Altbach, Reisberg & Rumbley, 2009) and the new driving
force of global higher education. According to figures of the PHE Research Program, the globally total number of PHE students is 56,722,374, accounting for 32.90% of the total number of students. The student rate in PHEIs has continued to increase throughout the world since 2010 (Shah & Nair, 2016), the number of PHE students and institutions in the world has increased strongly in the past decades, and the number of PHEIs has exceeded the number of public HEIs (Buckner, 2017).

From the development trend of higher education in the world as well as the reality of the Vietnamese PHE development, from the guidelines, policies, and legal corridor for the development of PHE, we identify the trend of the Vietnamese PHE development as follows.

**The Growth of Number of Private Higher Education Institutions and Training Scale**

Regarding the number of PHEIs, Vietnam had 05 private universities in 1994 and this number increased to 60 in 2016 (Table 1).

**Table 1. The number of private universities in Vietnam from 1994 to 2016.**

<table>
<thead>
<tr>
<th>Year</th>
<th>The number of private universities</th>
<th>Percentage of the total universities (excluding universities in the field of security and defense)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>5</td>
<td>8.6</td>
</tr>
<tr>
<td>2000</td>
<td>16</td>
<td>18.2</td>
</tr>
<tr>
<td>2005</td>
<td>20</td>
<td>16.9</td>
</tr>
<tr>
<td>2010</td>
<td>51</td>
<td>26.7</td>
</tr>
<tr>
<td>2016</td>
<td>60</td>
<td>25.5</td>
</tr>
</tbody>
</table>


Regarding training scale, the rate of undergraduate students at PHEIs in Vietnam has increased annually during the past few years (Table 2).

**Table 2. The rate of students at PHEIs from the 2013-2014 academic year to the 2017-2018 academic year.**

<table>
<thead>
<tr>
<th>The academic year</th>
<th>The number of undergraduate students</th>
<th>The rate of students at PHEIs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Public universities</td>
</tr>
<tr>
<td>2013-2014</td>
<td>1.670.023</td>
<td>1.493.354</td>
</tr>
<tr>
<td>2014-2015</td>
<td>1.824.328</td>
<td>1.596.754</td>
</tr>
<tr>
<td>2015-2016</td>
<td>1.753.174</td>
<td>1.520.807</td>
</tr>
<tr>
<td>2016-2017</td>
<td>1.767.879</td>
<td>1.523.904</td>
</tr>
<tr>
<td>2017-2018</td>
<td>1.707.025</td>
<td>1.439.495</td>
</tr>
</tbody>
</table>

In addition, the scale of postgraduate training in the Vietnamese PHE system has also developed. According to statistics, in the 2016-2017 academic year, the number of postgraduate students at private universities was 10,625, accounting for 8.90% of all postgraduates in the country (119,388); in the 2017-2018 academic year, the corresponding number was 14,270, or 11.77% (of 121,253) (Vietnam. Ministry of Education and Training, 2019).

It can be affirmed that the number of PHEIs and the training scale of the Vietnamese PHE system will grow strongly in the future with the development mentioned above along with the following factors.

1. The reality and the trend of PHE system development in the region and in the world as mentioned above.
2. Resolution No. 29-NQ/TW on “Intensifying private sector involvement, especially in vocational education and higher education”, “Encouraging the development of non-public schools to satisfy demands for high-quality education in urban areas”, and many policies to support the development of PHE (Vietnam. The Central Committee, 2013).
3. The clearness in legal issues related to the PHE system in accordance with the reality of the country’s as well as the world’s development of higher education, especially the model of private universities (đại học tư thục) and non-profit private universities (đại học tư thục) (Vietnam. National Assembly, 2018).
4. The viewpoints and strategic goals of the Vietnamese higher education development to 2025 have been identified. Accordingly, the Vietnamese higher education...
system will develop towards socialization and international integration in higher education, with specific goals on the 
quality of graduated students, the qualifications of teaching staff, the education quality accreditation, the exchange of 
lecturers and international students, the recognition of diplomas in ASEAN, and scientific research, etc. (Prime Minister, 
2019a)

On the other hand, with the clear legal basis as prescribed in Law No. 34/2018/QH14, PHEIs invested by the foreign-
ers and the education branches of foreign HEIs which are established and operated in Vietnam will increase in the 
upcoming years (Vietnam. National Assembly, 2018). At this moment, there are 05 PHEIs established and operated by 
foreign investors in Vietnam (Table 3).

Table 3. PHEIs established by foreign investors in Vietnam.

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of Universities</th>
<th>Nation</th>
<th>Establishment decision in Vietnam (year)</th>
<th>Year of enrollment</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>RMIT International University Vietnam</td>
<td>Australia</td>
<td>2000</td>
<td>2001</td>
<td>Ho Chi Minh City</td>
</tr>
<tr>
<td>2</td>
<td>Tokyo Vietnam University of Medicine</td>
<td>Japan</td>
<td>2015</td>
<td>2016</td>
<td>Hung Yen Province</td>
</tr>
<tr>
<td>3</td>
<td>American University in Vietnam</td>
<td>USA</td>
<td>2015</td>
<td>2016</td>
<td>Da Nang City</td>
</tr>
<tr>
<td>4</td>
<td>British University Vietnam</td>
<td>UK</td>
<td>2009</td>
<td>2010</td>
<td>Hanoi</td>
</tr>
<tr>
<td>5</td>
<td>Fulbright University Vietnam</td>
<td>USA</td>
<td>2016</td>
<td>2016</td>
<td>Ho Chi Minh City</td>
</tr>
</tbody>
</table>

Note. A summary from websites of 05 HEIs mentioned in the table.

Quality Development

In recent years, the Vietnamese private universities have affirmed their quality in the higher education system. Until 
February 29, 2020, there are 28 out of 60 private universities satisfying the national education quality standards, account-
ning for 46.67%, and some training programs of private universities have gained the quality accreditation by internatio-

Regarding the international rankings for HEIs and training programs: Duy Tan University is the first private university 
in Vietnam to be ranked among the top 500 universities in Asia (Quacquarelli Symonds, 2019a), the second university in 
Vietnam gaining accredited by the US accreditation organization for the programs in engineering and technology 
(ABET, 2019); Nguyen Tat Thanh University and FPT University have got a rating of four stars and three stars repectively (Quacquarelli Symonds, 2019b); 05 programs of Hoa Sen University and 01 program of FPT University have been 
accredited by Accreditation Council for Business Schools and Programs (2019); etc.

Regarding international rankings for scientific research: This is the first time the private university in Vietnam has a 
position in University Ranking by Academic Performance (Vietnam has 08 HEIs to be ranked) (University Ranking by 
Academic Academic Performance, 2019); 02 private universities are ranked among the top 10 Vietnamese universities 
and research institutes for the number of international publications from August 1, 2018 to July 31, 2019 (UK’s Nature 
Publishing House, 2019), etc.

Regarding international awards achieved by students: Such private universities as Lac Hong University, Duy Tan 
University, Hutech University, and Hoa Sen University achieved a number of prestigious international awards that were 
held both at home and abroad. In addition, many private universities have attracted an increasing number of interna-
tional admissions, which is considered as the quality recognition of the Vietnamese PHE system.

Law No. 34/2018/QH14 clearly states the role and goals of higher education quality accreditation, the responsibility of 
HEIs in ensuring the quality of higher education (HEIs and training programs). Moreover, in order to improve their 
competitiveness, especially in admission, as compared with public HEIs which are increasingly given autonomy and 
with reputable international HEIs in Vietnam, the private universities are required to invest in the development of quality
assurance conditions to improve training quality, to do scientific research, and to serve the community, especially to be ranked among the top universities in the region and in the world. The Vietnamese private universities have an advantage to do these tasks because they are owned by potential corporations and economic organizations as mentioned below).

Therefore, quality development is an inevitable trend that the Vietnamese PHE system will follow.

The Establishment and Development of New Models of PHEIS

Establishment of private universities (đại học tư thục). Law No. 34/2018/QH14 provides amendment and supplement to more autonomy given to HEIs, especially universities, which allows an establishment of private university (đại học tư thục) or an affiliation of several private colleges to establish a private university (đại học tư thục) in order to strengthen PHEIs; Decree 99/ND-CP stipulates the conditions under which a university is converted into private university (đại học tư thục). Accordingly, the basic condition for being a private university (đại học tư thục) is that “at least 3 private universities of the same type affiliated together to establish private university (đại học tư thục), or at least 02 private universities affiliated with 01 non-profit private universities to establish a non-profit private university (đại học tư thục)” (Prime Minister, 2019b).

The current PHE system in Vietnam consists of some private universities established by large economic groups such as FPT, Tan Tao, VinGroup, etc.; some private universities invested by new economic groups or educational institutions with great economic potential such as Nguyen Hoang, American Education Organization, etc.; and some private universities with their own economic organizations to ensure their operations. These are some unique features of the Vietnamese PHE system as well as the basis to affirm that this system will develop strongly in the upcoming years.

Therefore, this is a legal corridor that initiates a strong and clear motivation and facilitates some private universities owned by corporations to affiliate together to establish a private universities (đại học tư thục) as well as other private colleges with a long history to develop into private universities (đại học tư thục).

The development of the model of non-profit PHEIs.

On December 17, 2019, the Prime Minister approved the decision to establish Vin University - the first non-profit private university in Vietnam. This is a milestone marking the completion of the Vietnamese higher education system in general, the PHEIs in particular in the process of international integration. With the mechanism of admission, training, and student evaluation according to elite university in the world, and with high international standards and high tuition fees, Vin University will be a model that investors in PHE may research and develop in the future.

The emergence of some other models of PHEIs. With such characteristics as activeness and creativeness, and the almost absolute autonomy given by law, some Vietnamese private universities have determined their model approaching the university model of those countries having an advanced higher education in order to increase their international competitiveness, such as the model of global university, entrepreneurship university, etc.

The emergence and development of new models of PHEIs will make a distinction through which this system may increase its domestic and international competitiveness.

CONCLUSIONS

The development of the Vietnamese PHE system regarding scale, quality, and model as analyzed above is consistent with the reality of the country’s socio-economic development and in accordance with the development trend of the state’s and the world’s higher education. The development of the Vietnamese PHE system will initiate a great motivation for the whole Vietnamese higher education system to develop, contributing to the successful achievement of the national goals by 2030 with a vision to 2045.

However, in order for the Vietnamese PHE system to develop rapidly and sustainably, the state management agencies of higher education should implement the Party’s and State’s guidelines, and policies on the development of PHE in a synchronized and efficient manner; leaders of PHEIs need to be more active, creative, and determined in identifying and implementing their visions and development strategy goals in accordance with the State’s visions and development goals.

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