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## Changing the Business Model of Universities: A Sunday Reflection

Many universities around the world are currently facing significant challenges, including massive job losses (many articles have recently been published about the situation of UK and other universities by [Phil Baty](#) of THE). This pressing situation highlights the urgent need for universities to adopt different business models and diversified income streams in order to survive and thrive in an ever-evolving landscape. To accomplish this, universities must focus on integrating innovative business practices and reshaping the way industries perceive them.

A critical step in this transformation involves the adoption of shared services, which can significantly reduce costs while enhancing efficiency.

To foster a more responsive education system, university leadership must engage actively with their communities. It is essential for them to understand real-world challenges and work closely with industry leaders to create more practical and relevant educational experiences.

Another vital component of this transformation is improving governance. Robust governance structures can lead to better decision-making and accountability. By involving a diverse array of stakeholders—including faculty, students, alumni, business leaders, and community members—universities can ensure that their policies and strategies are informed and aligned with industry needs and societal expectations.

Additionally, government immigration rules in the West significantly impact the future of universities. These regulations affect the flow of international students and faculty, which in turn influences the financial stability of these institutions. As an alternative, universities could develop dual degrees.

The effective use of technology is also paramount in reshaping university business models. With advancements in online learning and digital communication, universities can reach and engage with a broader student base than ever before.

Moreover, it's imperative for universities to become more agile by reducing bureaucratic hurdles. Streamlining processes can facilitate faster decision-making and enable institutions to be more responsive to the evolving demands of society and industry. Appointing business leaders to management positions could offer a fresh perspective necessary to drive these essential changes.

Senior leaders at universities should also leverage social media platforms, especially LinkedIn, to connect with many stakeholders including industry professionals, share insights, and promote their institutions.

By embracing these strategic shifts, universities can pave the way for a more sustainable future. In doing so, they not only stand a chance to survive the current crisis but can also position themselves to thrive in the years ahead.

**#HigherEducation #BusinessModels**

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