#### Q & A With AIT President Prof. Said Irandoust

AIT President Prof. Said Irandoust answers questions and addresses concerns from AIT Student Union, Faculty and AIT Alumni.

#### A - MOTHER CAMPUS (Questions from AIT Student Union)

- 1. When will AIT partially and fully relocate to its mother campus? Can you provide any timelines? When can academic classes begin at AIT campus in Pathumthani?
- 2. Can the classes during the next semester begin at the AIT campus? On what basis is the decision arrived at? Justification?

Academic buildings (except ground floor) will be declared open for the AIT community from 15 January 2012. Similarly residential buildings (except ground floor) will be declared open from 15 February 2012 for accommodation. Academic classes will resume at the AIT mother campus in Pathumthani from 15-31 March 2012.

These decisions were taken by the AIT Rehabilitation and Upgradation Committee, after considering the interests of the AIT community (particularly the students), examining the current state of repairs and cleaning, and in light of the proposed upgrading of the AIT campus. The full announcement on the timelines which was circulated to members of the AIT community is available at the below link:

http://www.ait.ac.th/news-and-events/2011/news/ait-academic-buildings-to-reopen-on-15-january-onwards/view

#### B - TEMPORARY LOCATION (Questions from AIT Student Union)

## 1. What steps are being taken to resolve issues concerning facilities (infrastructure, internet, transportation, living etc.) at temporary locations - Hua Hin, Cha-am and Bangkok?

Regarding <u>accommodation</u> issues, most issues have been resolved. Some students who were very uncomfortable with the AIT-organized accommodation have found their own accommodation, which was facilitated by AIT. Some accommodations that did not have adequate study desks are being equipped.

Regarding <u>internet</u>, most of the issues were related to certain students hogging the bandwidth through use of torrents and other such software, thus rendering the internet facility unable to use for others. Such problems have been amicably solved by the students themselves. We have also topped up the bandwidth in some of the accommodations to ensure that the internet speed is acceptable to facilitate academic pursuits.

AIT is currently running 10 shuttle buses operating between accommodations (also covering privately hired accommodation of AIT students), Stamford International University, Silpakorn University and Suan Dusit Rajabhat University. Based on student movement, class schedules, and feedback from students, the transportation timings have been modified to ensure that there are shuttle services available every hour in the morning and also every hour in the afternoon and evenings. We have also arranged evening market transportation for students residing in accommodations that are far from the city center and the markets.

We will also be considering the suggestion to circulate buses every 15 min. from 6am to midnight.

We have to be realistic and realize that AIT cannot provide the same kind of facilities that our students were receiving at AIT in the Pathumthani. While significant investments can be made to heighten the levels of comfort for our students in Hua Hin, what is more important is that students are not deprived a chance to pursue academics without opportunity costs that could arise due to prolonged closure of campus.

The current situation and facilities at Hua Hin are livable and better in comparison to many other universities around the world. There are very few international post-graduate institutions around the world that provide accommodation services to its students. AIT not only provides such facilities at its campus in Pathumthani, but has gone to great lengths to ensure that such facilities are also available in the temporary locations. I think this is very appreciable.

### 2. Students are complaining of very poor Internet facility. Is anything being done at all to increase the bandwidth?

As mentioned earlier, internet issues at accommodations have largely been resolved. We have high speed internet at all academic locations, and I do not think any internet related issues exist any longer. Most of the problems related to internet at the accommodations were linked to hogging of bandwidth by some students using download software and creating a situation where others were unable to use the same facility. We have received reports from the accommodation owners about such students and their identities as well. However, these are issues that students have solved themselves. If such problems persist, we will work with the accommodation owners to block the usage of certain software that can be used to channelize bandwidth.

### **3.** Utility costs in Hua Hin for most accommodation is more than that compared to the AIT campus. What are AIT's subsidy mechanisms to tackle this issue?

All students at Hua Hin pay the same accommodation rates that they were paying at AIT. We understand that some of the accommodations are more expensive than the AIT campus accommodations, and in those cases AIT will pay the remaining amount above those paid by the students. We also understand that some students of different categories at AIT are living in same accommodations at Hua Hin, and are yet paying different amounts. AIT cannot create such categorical accommodations at Hua Hin, and we cannot establish a system that is completely fair to each and every of our student. However, we have ensured that each student is not paying more than what he or she was paying at AIT.

So Hua Hin is cost-neutral to students. Also, it is worthwhile to note that we have our own vendors from AIT serving at Hua Hin, who are providing services at the same or lower rates than those prevalent at AIT campus in Pathumthani.

#### C - AIT'S LONG TERM FUTURE (Questions based on concerns expressed by AITAA and questions from faculty)

## 1. There are basic differences in basic principles between AIT, which is a not for profit organization, compared to Laureate which is a private for profit organization. How do you reconcile these differences?

On the issue regarding Laureate International Universities, I wish to first put in perspective why we undertook the exercise of exploring a new funding model. The new AIT Intergovernmental Charter which will come into effect on 30 January 2012 is a successful initiative which provides the needed legal framework and political recognition for AIT. However it alone does not guarantee any funding support, since contributions are on a totally voluntary basis.

Governments are significantly reducing their funding for scholarships, and hence AIT needs strategies to make it sustainable in the long-term future, and not remain donor dependent. This necessitated looking at the Institute's sustainability into the coming 50 or more years. From this perspective, AIT had to consider a model that would be a financially attractive and sustainable. The aim was to develop a new funding model that would be able to generate funds for the upgrade of the academic and non-academic facilities, scaling up of AIT's operations in a number of targeted countries, investment in new knowledge areas, scholarships for needy students, building a strong AIT endowment among others. All these changes, which AIT envisaged, necessitated a revolutionary changed financial model, and not just a reformed version of the current model.

AIT then undertook a comprehensive study of the higher learning landscape in the region and beyond that was conducted by an external consulting team, which proposed a new funding model for AIT, namely the "AIT Satellite Campus Model". The "Satellite Model" entails replicating AIT's model of holistic international learning with an Asian perspective, wherein full-fledged AIT universities would be established in several Asian countries that would allow the Institute to have a much bigger impact in Asia and would include also undergraduate programs.

The AIT Board of Trustees, considered the different options and strategies to ensure the future long-term financial sustainability of AIT, and the need for a capital injection of some \$50 million dollars, and authorized and instructed the Executive Committee to proceed in exploring three options:

- 1. Continue at the current level of operations or status quo since all the possibilities under it may not yet have been exhausted;
- 2. Pursue with the relevant Governments and explore the extent to which they can provide funding (in appropriate proportions) in the aggregate amount of approximately \$50 million, and the terms of that funding and the times at which it could be made available; and

3. To enter concurrently into strategic discussions with potential specialized investor(s) as to the terms and conditions on which they would be prepared to operate AIT, and to enter into appropriate non- binding letters of agreement.

It is in the context of item 3 that AIT has been in contact with Laureate International Universities since over two years, and is currently exploring a strategic collaboration, led by an AIT Executive Committee Working Group of the Board of Trustees.

A non-binding agreement was signed with Laureate, following review by the AIT Management Team, and finalized by an Executive Committee Working Group of the AIT Board of Trustees after legal scrutiny. The MoU outlines the intention of both sides to explore to which extent and in which areas a partnership might create mutual benefits.

We are still in the exploration state, and neither AIT nor Laureate, have made any commitment regarding a potential partnership, which will need to be decided by the current Board or future Council. In parallel, we are also exploring other funding options including possible support from governments, and through them availing of soft-loans from multilateral funding agencies. The Board has also invited the alumni to present an alternate proposal. In the end, it will be up to the current Board or new AIT Council, to make a decision and choose the best option for AIT.

If AIT chooses to work with Laureate, it would be to increase AIT's financial independence, improve our ability to successfully execute our plans, reach more students in more parts of the world, and have more resources to invest in our existing operations. If we decide to work with a partner such as Laureate, AIT would remain an independent International Intergovernmental Organization as outlined in the new AIT Charter. We are currently working with independent external consultants and legal advisors to represent and protect AIT's interests. All decisions will be carefully vetted and there are certain things on which we will not compromise, namely:

- Mission and intergovernmental status
- Commitment to research and outreach activities
- Academic quality control
- New initiatives will carry the AIT name and convey AIT mission and DNA

Laureate is actually a network of 58 accredited universities, of which many are not for profit. Every institution in its network operates as a unique brand guided by local leadership in accordance to the specifics of the institution and its position in its market. Further, AIT already partners with a range of private and for-profit companies and service providers and this is not a new concept philosophically.

## 2. Laureate may possess a large base in hospitality management, but it has does not possess enough experience in the fields of science and technology, where AIT has core competence.

Of the 675,000 students attending Laureate Network Universities, only 30,000 (<5%) are enrolled in hospitality-related programs. Nearly 85,000 students are enrolled in engineering programs today at Laureate and 180,000 students are enrolled in business programs. More engineering graduates from Laureate institutions will enter the

workforce in emerging markets in 2012 than have ever graduated from AIT. AIT could be both a contributor to and a beneficiary from this network.

Laureate also has a large number of students enrolled in information technology, health sciences, architecture, design, education and law programs.

Furthermore, the emphasis of Laureate support will not be so much in content. AIT will still be fully in charge of research and education. Where Laureate may help is to improve infrastructure, systems and processes which will leverage our AIT activities in research and education.

3. Laureate's participation will force the Thai government and other governments to cease its support to AIT. AIT is supported strongly by the Thai government because of its mission to help develop the region without profit making purpose. A deviation from this mission will lead to reduction and eventually complete cut of support. This will push AIT towards become a complete private university.

Support from Thailand and other member countries has been declining, is insufficient, and non-dependable over the years. AIT will never be a for-profit institution and will not compromise on its mission of international, regional, development. Any decision undertaken would be to increase our ability to achieve and extend our mission, while becoming less dependent on our member countries.

The mission of AIT is capacity building throughout Asia and beyond. A potential partnership with Laureate will not compromise this. Laureate can help enable AIT to fulfill its mission faster and better, since AIT is not able to grow without support from outside. In the end, everybody should be happy if as many people in Asia have access to education. AIT can be a bigger contributor here, and if Laureate can help AIT to make this happen, I do not see much reason why governments should view this in a negative way.

4. What are your comments on lack of transparency in the deal, since the details of the deal have never been reported. Key terms were not presented to the Board and the Executive Committee clarifying the format of participation, roles and responsibilities, cost and benefits estimation, institute impact assessment, alumni impact assessment, etc. The team who evaluates the deal should be independent, having no interest or any stake in the outcome of the deal, to justify the objectivity.

Over the last two years, the AIT management, the Executive Committee, and the AIT Board have made substantial efforts to discuss options to adopt a new business model to address challenges from the rapidly changing environment, e.g. governments are significantly reducing their funding for scholarships (in AIT), other universities are advancing, more and more universities start (have started) online programs and compete on a global scale. Hence AIT needs strategies to achieve a sustainable future, e.g. decrease donor dependency, while still obtaining sufficient resources to maintain quality of education and research. The core idea is to continue to optimize AITs current operations and also increase AITs service scope to new initiatives such as additional fields of study, spin-offs, satellite campuses, or online education, etc.Among others, we are exploring answers to the following questions:

- Which initiatives can be undertaken to improve the financial situation of AIT?
- Which initiatives have the greatest potential to fulfill the AIT mission?
- What is the optimal timing of high impact initiatives?
- What are risks / tradeoffs of proposed initiatives?
- What are the investment needed to enable these initiatives?
- What are the guiding principles to implement these initiatives, e.g. mission and values of AIT cannot be compromised?

As one way to improve our situation, the AIT Board explored the option of collaborations with specialized educational partners (also refer to Answer 1 of this section). The idea is to find a partner who shares our international mission, can help meet the investment needs of AIT, and can bring capabilities to help us achieve our strategic priorities.

AIT has signed a non-binding MOU on 30 September 2011 with Laureate which outlines the intention of both sides to explore to which extent and in which areas a partnership might create mutual benefits. Interested members of the AIT community can contact or visit my office if they would like to learn more.Since both sides are still in the exploration state, neither AIT nor Laureate has made any commitment regarding a potential partnership.

There is no deal. None of these items have been determined yet. It is crucial to the planning process to explore a wide range of options. Therefore, the AIT community is invited to contribute ideas on how AIT can become more sustainable.

# 5. Who are the other potential partners? It is now known that an agreement with Laureate was signed on 30 September 2011. Has AIT also signed similar agreements with the other potential partners? Are there any comparative offers or alternatives under consideration?

A communication of a "Background note on Public-Private Partnership (PPP) – A Possible Future Model for AIT" was sent by AIT to the Board of Trustees, Members of the Executive Committee, Institute-Level Advisory Board, School and AIT Extension Board; as well as several of AIT's partner institutions (Presidents of universities in countries including Japan, Korea, Singapore, Sweden, France, Netherlands, Thailand, Australia, US, China, Norway, Taiwan, India etc.) organizations and individuals in Asia, Europe and the US including alumni, former senior administrators, former faculty and staff etc. in seeking their views and comments on the PPP, as well as exploring whether they or organizations / institutions through their networks and contacts would be interested in entering into discussions with AIT.

At the same time discussions were held with resident members of the Board of Trustees, Executive Committee, Institute-level Advisory Board, as well as School and AIT Extension Boards and Alumni.

Expressions of Interest were received from Laureate International Universities, Apollo Group, Siam Cement Group, Amata Corporation, Sodexo, Nanyang University of Technology, Singapore.

Only Laureate and Sodexo responded and expressed their interest in entering into more detailed discussions. We decided to explore with Laureate further because they have the most to offer to AIT in this regard. Sodexo is more likely to be a partner for other topics, e.g. building and operating residential housing.

#### D - NEW CHARTER (Questions based on concerns of AITAA and faculty)

1. Only six countries have ratified the new AIT Charter. The purpose of changing AIT to be an Inter-governmental organization is to allow more countries to support AIT. This has not been proved to be successful so far. At present there are about 20 countries currently involved in AIT, and many countries have representation on the Board of Trustees. The new Council will be comprised of just six countries only.

To date 7 countries have ratified the new AIT Charter, namely Japan, Sweden, India, Pakistan, Sri Lanka, Nepal and Bangladesh. So far Japan, Sweden, India, Pakistan and Sri Lanka have deposited their instruments of ratification with the Ministry of Foreign Affairs, Thailand, and will be part of the new AIT Council, when the new AIT Charter comes into force on 30th January 2012. To-date, 18 countries and 1 international organization have signed or confirmed to sign the new Charter, which include, not counting the above Bhutan, Cambodia, China, Germany, Indonesia, the Philippines, Seychelles, Timor-Leste, Uzbekistan, Vietnam, and the United Nations Development Fund for Women, East and Southeast Asia (UNIFEM) - now part of UN Women).

Also refer to answer 3 of this section.

2. Thailand, as a host country, provides substantial support to AIT, both financially and non-financially. The Thai Government, which took the lead to prepare the new Charter, has not ratified it as yet. This could result to serious problems on budget allocation and disbursement since there is no representative from the Thai government in the new Council.

The cabinet of the Royal Thai Government has approved the new AIT Charter and the Draft Negotiation Framework of the Headquarters Agreement between the Thai Government and AIT. The cabinet approved it in its meeting held on 27 December 2011 and has endorsed the submission of the Charter and Draft Negotiation Framework for parliamentary review and approval. Besides, the Thai cabinet has also authorized the Ministry of Foreign Affairs to proceed with the ratification of the Charter, following which the new AIT Enabling Act will come into force.

As new Council members, we believe the concerned country and international organization representatives could help lobby with the relevant authorities in securing the needed support for AIT.

3. Do you think that the New Council is ready to take charge of AIT? Time is running out since the New Charter has to become effective from 30 January 2012. Do you think the new Council will be able to assure effective and good governance of AIT under these circumstances? It is unlikely either that the new Council will be able to support AIT's financial requirements due to a limited number of countries participating at the moment.

We believe countries and international organizations signing and ratifying the new AIT Charter signifies greater ownership and commitment. Although the initial Council will comprise of 5-7 members, with increased ownership and engagement, we are confident that the new Council will be able to effectively govern the Institute.

In addition, it is not a requirement for countries and international organizations to sign the new AIT Charter to continue their engagement with AIT. Several of AIT's partners have indicated that even though they may not sign the new AIT Charter, their engagement with AIT would continue as long as AIT remains strong in terms of quality and brand, which could be on a project basis, both with the public and private sector.

Also, the quality of governance is not dependent on the number of members but more on the quality and extent of their engagement.

4. The new Council may not be in a position to accept Laureate's participation. Also it may be inappropriate and problematics considering the fact that more than 20 countries have always been engaged with AIT but in the end, the critical decision is to be made by only the 6 countries.

If the new Council does not approve a potential partnership with Laureate, then there will be no partnership with Laureate. The new Council may also invite other signatories to participate as observers where critical matters are being discussed. Even though they will not be able to take part on the decision making, they are at least informed and part of the process.

In addition, some countries may leave, while new ones may come on board, which is the normal dynamics in such international organizations and bodies.

We do not assume that once we have all facts at the table it will be a difficult decision to make. The working team will structure the proposed terms in a way that it is good for AIT. Therefore, we do not expect a lot of problems when the decision is taken. Please give the working team the chance to work out the details first before judging that it is all so bad for AIT. We know the limitations and guiding parameters, and will take them into account. If we find out that we cannot make it match with the potential strategic partner, then there will be no partnership. However, if we can structure it in a way that AIT interests are not compromised, and benefits AIT, then it could be worth considering for implementation.

A strong AIT would also help in furthering Thailand's ambition of becoming an educational hub.

#### E - ACADEMIC ISSUES (Questions from faculty)

## **1.** How should the teaching be planned - modular of content based? Will the entire teaching be at Hua Hin or at Pathumthani, or will there be a shift in the middle of the semester?

The shift to the AIT mother campus will take place from 15-31 March 2012. The teaching method, whether modular or content-based, depends on the Instructor and Field of Study which has to be approved by the Dean, and would be the same irrespective of the location i.e. Hua Hin or at the main AIT campus.

#### 2. Will all the students return to AIT at the same time? If not, which of these -Research students and Coursework students will go earlier?

A time frame of 15-31 March 2012 is being provided for resumption of classes, so that all those who are currently based at temporary locations need not rush back to the mother campus in a single day. Classes will resume on the second floor of the SET (School of Engineering and Technology), SERD (School of Environment, Resources and Development) and SOM (School of Management) buildings. AIT will also utilize classrooms on the second floor of the AIT Conference Center. During this time, the ground floor of these buildings may have to be sealed (except for accessing upper level).

Meanwhile, a modern environment friendly lecture-theatre complex will be created by remodeling the AIT Extension Building. This lecture-theatre complex will house classrooms for all AIT students and will act as a central pivot of academic activities. AIT has held preliminary discussions on this issue, and by the time the AIT community returns to the campus, some work on this project would have already started. It is hoped that this lecture-theatre complex will be ready before the May graduation. As soon as the complex is ready, some students will be able to avail this facility in the January semester itself.

Certain other steps are being taken in light of the deadlines, and necessary instructions are being issued to ensure that clearance and cleaning activities are completed before the respective deadlines. However, the implementation of the above decisions would require that certain conditions are fulfilled, such as a certificate from a professional company that the campus is clean and safe for people to return.

Masters and doctoral students pursuing their thesis work who wish to return to the campus earlier than the dates indicated can do so. But this will be at their own risk, especially if they do so before AIT secures a certification from a professional company that the campus is clean and safe for people to return.

3. Some students may wish to take leave if the teaching continues in Hua Hin for most of the semester, because they cannot leave their family for a long time. Can there be a provision of waiving of registration fee for these students? But if we return to Pathumthani then maybe they do not need to take leave?

The purpose of the registration fees is for a student to continue maintaining their status as an AIT student, and it cannot be waived.

### 4. What is the drawback in starting the January semester a bit late (like mid-Feb) and graduation in June, so that we can start the new semester in Pathumthani? Are there any financial implications of this decision?

This would mean a delay in the graduation of students and can have serious implication for those who are on scholarships, study loans etc. vis-à-vis loss of time and opportunity costs.

### 5. Are we starting the new academic structure in August 2012? Will our intake be according to current Field of Study? What is the timeframe for the Schools to come up with the restructuring plan or is it shelved for the time being?

We are continuing with the new academic structure but this process has been delayed due to the floods. The new timeline will be discussed in the Management Team with the Deans and announced later.

#### F - PERSONAL

(Question from faculty)

### **1.** What are your main moral and ethical principles related to your leadership of AIT, including public relations and media?

My view is that an institutional leader should follow the mission and vision of the founders, while taking the Institute ahead to cope with changing times. Hence as an Institute head, the ethical and moral principles are a commitment of the mission and vision of the Institute, while maintaining the dignity, decorum and brand of the Institute. For an individual – humanism remains the bedrock of ethics and morals, and there can be no compromise on this.

Regarding public relations and media, I am happy to state that we are a very open organization. For instance, when a leading English newspaper posed questions to me regarding the flood and relocation to Hua Hin, I responded to each and every question. I could have refused to answer or made myself unavailable. But I wanted to put the record straight and answered all questions so that everyone is clear about mine and AIT's position.

### G - AIT's REPUTATION & QUALITY (Question based on concerns of AITAA)

1. AIT has experienced a decline in student enrolment for many years. AIT graduates are often regarded at party with other graduates in Thailand, and below many overseas universities, as well as below past graduates of AIT. A recent evaluation by the Thai government places AIT at par with many average Thai universities in many areas. However, AIT still says that they are doing well.

This is not true. AIT enrolments have been more or less stable over the past 10 years in spite of the decline in the level of scholarships:1999 (1,812 students), 2000 (2,192), 2001 (2,384), 2002 (2,470), 2003 (2,516), 2004 (2,352), 2005 (1,904), 2006 (1,870), 2007 (2,067), 2008 (2,233), 2009 (2,123), 2010 (2,154), 2011 (2,182).

According to the Thailand Research Fund (TRF) rating for the 2007-2008 period, among the 12 participating clusters from AIT, five AIT Clusters received the top rating of 5; six AIT Clusters received the second highest rating of 4 and one AIT Cluster received the rating 3. Aside from the four program clusters, namely, (1) Civil and Infrastructure Engineering, (2) Industrial Engineering, (3) Information and Communication Technology and (4) Environment Engineering and Management Group, which received the top rating of 5. Also the Regional and Rural Development Planning Program received a TRF Rating of 5, ranking top among 6 participating institutes in Thailand.

The TRF Rating is based on the weighted average varied from 5 to 1 of the following four factors: (1) Equivalent international journal papers per faculty member (30%), (2) Journal impact factor per faculty member (20%), (3) Total equivalent international journal papers for the entire subject cluster (30%), and (4) Total journal impact factors for the entire subject cluster (20%). AIT stands out in all "per-head" categories, i.e., Factors (1) and (2), and this implies the highest order of research efficiency and quality of individual faculty members of AIT. Despite the disadvantage of Factors (3) and (4) compared with other more comprehensive universities, many of AIT's program clusters still received very high overall ratings.

In light of AIT's positive standing, the TRF has agreed to award five doctoral scholarships for the five clusters that received the top rating of 5. This is the prestigious Golden Jubilee Royal Scholarship that covers a three year study for doctoral students.

Here I wish to add that how well we are doing cannot be isolated from how we are funded. In spite of the funding going down, we have still been able to maintain a relatively strong position.

This cannot continue for long and AIT may find it difficult to sustain the same standards with decline in funding.

However, there are areas where there is room for improvements, and that is why we have to work on changes. I wish to add that enrollment figures are mainly a function of scholarships and government support, which has been on the decline not only for AIT but in general as a trend as well. 2. While AIT is financially weaker and its reputation has deteriorated, some other universities/institutes in Thailand (the same environment) like ABAC, NIDA, Sasin, are doing better. There should be objective assessment for the root cause of the problem.

This is not correct. When reference is made to weaker, the context in terms of weaker compared to what, must also be put in perspective. Most of the universities or institutes referred to are heavily funded and with a large number of undergraduate students. In addition, they also have large sources of income from other businesses and are running on a completely different mode. That is the reason why we are exploring a new business model. The financially weak position can also be seen as an opportunity as a wakeup call to work on getting better and return to our former leading position.

## 3. Interestingly enough, the management has recently proposed to outsource the administration work saying that they have no capability to bring AIT forward even if they could get sufficient funding support.

Internationality brings greater responsibility and the need to upgrade to keep abreast with changing times. It requires excellent infrastructure and modern facilities that provide an inviting environment for work and scholarship, which are key factors in attracting outstanding talent.

Outsourcing non-core support services when clear benefits can be identified is an integral element of AIT's Strategy 2013 aimed at uplifting the Institute's infrastructure to international standards, while focusing on its core activities of teaching and learning, research and outreach. AIT is striving to become an entrepreneurial organization and in the context, with the changing landscape of higher learning and increased competition, AIT also needs to continuously explore new ways of doing things.