

28.7.2024

**Author**

GARRITY, Bonnie Fox

**Title**

Trustees versus directors, whom do they serve? : boards. for-profits and the public good in the United States / Bonnie Fox Garrity

**Publication year**

2015

**Source/Footnote**

In: Higher education quarterly. - 69 (2015) 1, S. 37 - 57

**Inventory number**

38149

**Keywords**

Ausland : USA : Hochschulwesen allgemein ; Ausland : USA : Studenten, Studium, Lehre

**Abstract**

Postsecondary education in the United States is provided by public, not-for-profit and for-profit institutions. Public and not-for-profit institutions are expected to serve the public good due to state control or chartering requirements; for-profit institutions are not. Therefore, the decision to serve the public good is vested in the board. The for-profit director's role as representative of shareholders' interests does not ensure deference to the public good. Currently, national priorities are aligned with shareholder interests creating an environment ripe for expansion of for-profit education. However, there are implications as national priorities shift to positions that do not complement shareholder interests. Most critically, continued growth of for-profit postsecondary education may lead to a reduction of service of the public good by all institutions. Private institutions (not-for-profit or for-profit) exist in every large country; therefore, a thorough analysis of the legal distinctions among sectors is encouraged to understand the implications of growth. (HRK / Abstract übernommen)