

Institutional Management in Higher Education

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This presentation outlines a number of key concepts and analyses that may help us understand the challenges facing institutional management in higher education today. It assesses (a) the nature of the unprecedented change in the environment in which higher education is situated; (b) the special characteristics of universities as organisations; (c) the different organisational traditions different systems developed from; (d) a number of models of university decision-making; and (e) the contemporary increase in the power and authority of institutional management.

Whatever the differences in scale and technology, there is a hard core of perennial problems which have taxed the minds and ingenuity of university legislators from the thirteenth century to the present day. Matters of organisational form and democratic procedures [...] are just some of the issues which reveal the strands of continuity linking the medieval studium generale and the universities of the modern world.

Cobban (1975)

UNIVERSITIES: LIVING IN INTERESTING TIMES?

The challenge of university management is not a new one – it seems as if it may be a 700-year-old problem! The purpose of this brief presentation is not to trace this history but to reflect on the university management challenge as it appears today. Higher education, many argue, finds itself today in a period of unprecedented environmental change. The following extracts from the UNESCO World Conference on Higher Education in 1998 illustrate some of the dimensions of this change:

On the eve of a new century, there is an unprecedented demand for and a great diversification in higher education, as well as an increased awareness of its vital importance for socio-cultural and economic development ...

Everywhere higher education is faced with great challenges and difficulties related to financing, equity of conditions of access, improved staff development, enhancement and preservation of quality, relevance of programmes, employability of graduates, and equitable access to the benefits of international co-operation . . .

At the same time, higher education is being challenged by new opportunities relating to technologies that are improving the ways in which knowledge can be produced, managed, disseminated, accessed and controlled . . .

The second half of (the last) century will go down in the history of higher education as the period of its most spectacular expansion: an over six-fold increase in student enrolments worldwide, from 13 million in 1960 to 82 million in 1995. But it is also the period which has seen the gap between industrially developed, the developing countries and in particular the least developed countries with regard to access and resources for higher learning and research, already enormous, becoming even wider.

While it may be a characteristic of every generation to believe with Bob Dylan that ‘the times they are a changing’, the case for this being a period of unprecedented environmental change for higher education is a persuasive one. To use an environmental metaphor, higher education is first of all confronted by ‘global warming type changes’: these include economic globalisation, the development of knowledge based economies, and spectacular developments in information and communication technologies. While these changes are global their impact varies across different higher education systems, but it is improbable that any system remains unaffected.

Higher education systems are also subject to a range of nationally mediated or specific changes, these include:

- rapid growth in student enrolments as systems change from elite to mass higher education provision;
- greater levels of institutional diversity within systems as colleges, polytechnics and other specialised institutions join universities within a system and as private higher education provision grows;

- changes in the nature of government co-ordination and policy making as many governments move away from direct supervision to 'at a distance' forms of state steering;
- heightened levels of competition between institutions for students, staff and resources;
- resources available to higher education increase slower than student growth, and the sources of these resources diversify – student tuition, private sector partnerships, research contracts and earned income all become more important, and few institutions are now supported solely by the state;
- a greater range of stakeholders has an influence and impact on higher education with the influence of external stakeholders (other than the state) increasingly markedly.

The first argument is therefore that the university management challenge today is extremely complex because universities (and other higher education institutions) operate in a turbulent and unpredictable environment. But, you may well ask (and most of my friends who work in other sectors do!), surely this applies to life in the early twenty-first century in general, and to the productive and business sectors as well? If this is indeed the case then 'management lessons' learned in these contexts should be equally applicable to higher education. This leads to the second strand of the argument: that higher education institutions are different to other organisations and have unique characteristics that require different management approaches.

THE NATURE OF UNIVERSITIES AS ORGANISATIONS

The key characteristics of universities as organisations that are frequently cited in the literature are goal ambiguity, problematic technology, high professionalism, a loosely coupled organisational form and environmental vulnerability. Goal ambiguity refers to the difficulty universities have in establishing consensus on organisational goals. Typically there are different views on the relative priority to be given to first degree education, postgraduate studies, research and links to the community. There is also often disagreement about the relative importance of different disciplinary areas. Problematic technology means that the 'technology' by which 'inputs' (students, staff and resources) are converted into 'outputs'

(graduates, publications) is not perfectly understood – no one is exactly sure about the teaching and research processes so these can't be easily managed. High professionalism is intrinsic to the academic enterprise – academic staff are disciplinary specialists often more loyal to their discipline than to the institution. Universities are loosely coupled in the sense that the basic units (academic departments) are relatively independent from each other and that change in one department (or even its death) may have little or no impact on another. Universities are also seen to be particularly vulnerable to changes in their environments – particularly where this concerns student recruitment and resources.

Fifty years ago the organisational differences between an industrial plant and a classical European university were extreme and management techniques developed in the former would have been hard to apply in the latter (had anybody been interested in doing so). The reality today is that in knowledge based economies many economic sectors share more organisational similarities with universities than with industrial plants and universities themselves have transformed from their classical models into more managerially focused institutions. Thus although the general organisational (and cultural) characteristics of universities make them a special type of organisation, their uniqueness (and hence immunity from modern management approaches) can be exaggerated, and often is.

DIFFERENT MODES OF AUTHORITY DISTRIBUTION IN HIGHER EDUCATION

In 1991 CHEPS undertook an eleven country comparative study of higher education policy and management in Western Europe. One of the more striking conclusions was:

For many countries in this study, institutional policy is a somewhat novel event. Strong and detailed centralised planning has made for weak institutional policy and planning. In a move towards a more de-regulated environment institutions must confront the same policy instruments with which governments grapple: funding, planning, evaluation and regulation. (Goedegebuure et al. 1991)

This conclusion reflects an important feature of continental European higher education systems in relation to their counterparts in the

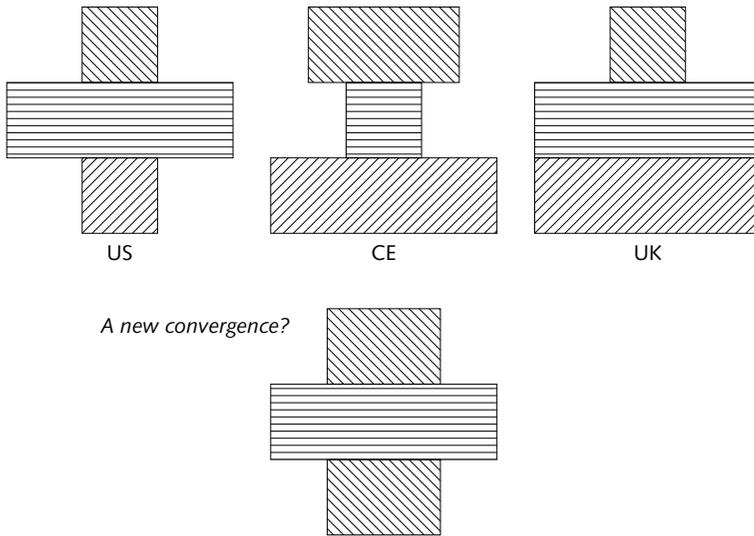


Figure 1: Different modes of authority distribution in higher education

United States and Britain. Burton Clark (1983) identified three ‘ideal typical’ modes of authority distribution within higher education. In the ‘Continental’ mode the authority is situated on the one hand in the professors (faculty guild) and on the other hand in the state bureaucracy (Ministry of Education). Institutional level management was traditionally weak. (Slovenia is a very clear example of this sort of model – faculties were traditionally more important organisations than the weaker central university structure.) In contrast in the ‘British’ mode authority is shared between the professors/faculty guild and the level of institutional leadership. The latter typically entailed some form of external trustees and bodies of collective faculty rule. The key difference is that state influence was weak. In the ‘American’ mode there was also little national authority, but internally a strong institutional bureaucracy (headed by the President) was far more powerful than weaker faculty authority.

These differences can be seen graphically in Figure 1 with the top ‘block’ representing national or state authority, the centre institutional authority and the lower block faculty/departmental authority. The crucial point is that in relation to universities in Britain and the USA, European universities have only a recent history of needing to develop signif-

icant management capacity at the institutional level. What is interesting, however, is that as European universities have begun to expand the institutional ‘block’ in response to a shrinking state ‘block’, so American and British universities have had to adjust to more interventionist government policies in the areas of planning, quality assurance and resource allocation. In this sense we are witnessing a convergence of all three ideal typical models.

MODELS OF UNIVERSITY DECISION-MAKING

One of the consequences of many of the leading authorities on organisational sociology and public management being university professors is that they have turned their attention to the organisations within which they work. A number of models of decision-making have been suggested that also shed light on the university management challenge: the bureaucratic model, the collegial model, the political model and the organised anarchy model.

The bureaucratic or rational model is characterised by ‘deliberate calculation and purposive choice’. The organisation is characterised by clear and consistent goals, a high level of consensus and well-understood technology and has an adequate knowledge base to take decisions on the best means of achieving its goals. Our earlier discussion on the nature of universities as organisations suggests that universities seldom have these characteristics. In the collegial or social system model organisations are seen as responding to internal and external demands often through informal organisation with unplanned and emergent properties. Integration between the different parts of system is achieved through a shared culture – in university terms, ‘the community of scholars’. The political model starts from the basis that organisations include a diversity of interests, often do not unite around shared goals and that groups within them have differential access to power and resources. Decision-making and problem solving tends to be based on bargaining and compromise. The organised anarchy model recognises the existence of ill-defined goals, unclear technology, fluid participation, and an ambiguous organisational history. Decision-making in these circumstances has been compared to a garbage can filled with problems, solutions, participants and opportunities. The can is shaken and problems, participants and solutions stick together in a random way. If the can is shaken again the combinations may change.

Table 1: Ellström's Typology

	Clear goals and preferences	Unclear goals or goal conflict
Clear & transparent technology and processes	<i>Rational</i> truth, thought, task-oriented	<i>Political</i> power, conflict
Ambiguous or unclear technology and process	<i>Collegial</i> trust, learning collaboration	<i>Anarchy</i> randomness, play

Per-Erik Ellström (1983) has developed a typology attempting to relate the dominance of these models in different organisational settings to two key elements of the organisation: whether organisational goals and preferences are clear, and whether processes and technology are unambiguous.

Given the previous discussion on the nature of universities as organisations it is evident that it is difficult for universities to reach a position where internal technology and processes are clear and transparent. This implies decision-making environments that hover on the borders of rational/collegial or political/anarchic depending on the degree of consensus and clarity on the goals of the organisation. Hence the importance of a shared vision within universities, and the planning processes that underpin this.

SITES OF UNIVERSITY DECISION-MAKING

Different university systems have different forms of internal organisation, often with different names for the key decision-making structures. At a very general level it is possible to identify a range of different bodies that may or may not be present in a particular higher education institution. In this section I will identify these bodies and suggest some of the key issues facing each. The first structure is some form of university executive management – headed by the President, Rector or Vice-Chancellor, and usually including a number of deputies. The dominant trend in higher education internationally is for this group to have stronger decision-making powers than a decade ago. This reflects a general recognition of the environmental turbulence facing higher education, the need for more effective and decisive leadership within institutions and the general growth of new public management approaches within higher education. Most but not all university executive manage-

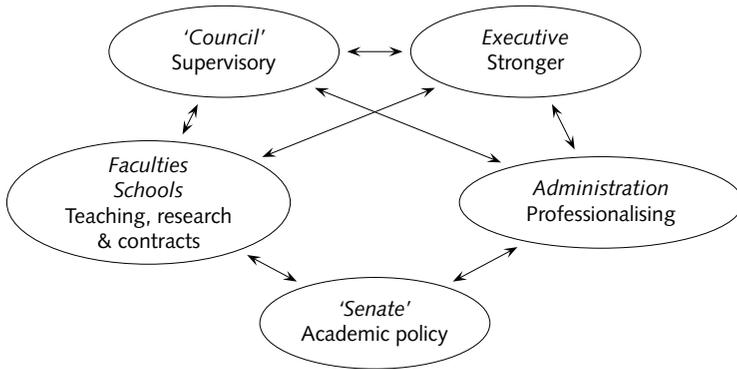


Figure 2: The five major sites of internal institutional authority

ment groups are accountable (in softer and harder forms) to some form of University Council or Board usually consisting of a mix of internal and external members. The trend is for such structures to exercise a broad supervisory jurisdiction over the institution rather than responsibility for detailed decisions.

In terms of academic decisions concerning the primary functions of teaching and research, most institutions have a senior collective academic body or Senate usually with the dominant membership consisting of full Professors. Increasingly such bodies are concerned with broad academic policy with the actual responsibility for teaching and research programmes located at the level of basic academic units (Faculties, schools or departments). These basic units are also the sites where contact/entrepreneurial/revenue-generating activities are located. Across the world this is becoming the dominant response to declining state expenditure on higher education, and is itself a major trigger for increasing 'managerialism' within higher education.

At both the central and decentralised levels within the university an expanding and specialised cohort of administrators supports these decision-making structures and the key individuals that head them (Deans and Directors). In some systems (USA and UK) this group has become a profession in its own right, while in other systems (including continental Europe given the traditional model discussed earlier) this is only now beginning to occur.

Table 2: Entrepreneurialism in C

Cost awareness
Clients & competing interests
Consumer power
Change is normal (constant change)
Competing stakeholder interests
<i>Curriculum distortion</i>
<i>Core business downgraded</i>
<i>Curiosity displaced</i>
<i>Curtailment of freedom</i>
Commercialisation
Contractualisation
<i>Continuity is lost</i>
Competition
<i>Collegiality under pressure</i>

A WORD OF CAUTION

In all of the discussions about changing patterns of university management and decision-making there is a need to remember that the core activities of higher education are teaching and research programmes guided and lead by specialised and professional academic staff. In an environment of rapid change and burgeoning opportunity one of the major challenges facing university leadership is attracting and retaining talented staff, and ensuring high levels of motivation and morale. Rising levels of entrepreneurial activities and ‘creeping managerialism’ within the academy are not uncomplicated in this regard. One of my CHEPS colleagues, Harry de Boer, illustrates this in his thoughts on ‘Entrepreneurialism in C’, where the possible consequences in italic type are a real risk to the academic enterprise.

TOWARDS A CONCLUSION

This brief presentation has attempted to highlight some of the major strands of thinking that we at CHEPS have found to be useful when discussing higher education management with a wide variety of managers and leaders of universities in many different parts of the world. To the

extent that conclusions can be drawn, it is clear that institutional management has more responsibility now than ever before, and that in many countries creating this capacity is an enormous challenge. This is the case in continental Western European countries, and our work in the Czech Republic, Hungary, Poland and Slovenia suggests that it is a real challenge in Central and Eastern Europe as well.

There are also limits on the extent to which this capacity can be developed using expertise and lessons from other systems with a longer tradition of serious management capacity at the institutional level, or from other contexts outside higher education. Our experience is that while there is much technical 'best practice' that is available crafting an effective management structure for an institution remains a contextually and culturally dependent task. Perhaps the more interesting conclusion for you is that for an entrepreneurial Slovenian management school there is an emerging market waiting out there!

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