Implications for higher education of the public sector reform agenda

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Introduction: the changing relationship of universities and government

Over the last two decades, the role of Western governments, as broader public reform agenda to revalue and reinvigorate their economies, has sought to improve the performance and streamline the activities of their public sector organizations. While the precise form of such changes has varied across different jurisdictions, most have focused on analysing the role, size, and performance of the public sector, and have included specific measures to improve accountability, professionalism in staff and improve administrative and management systems, and focus on the financial performance of these organizations. This interest by government in improving the public sector, which in the first instance typically targeted core public service departments, has tended subsequently to broaden, embracing the activities of all categories of taxpayer-funded organisations. The tools used to dissect various elements of organisational performance have also diversified, in the last decade focusing increasingly on opening-up ports of the public sector to market competition as part of a broader agenda of reforms.

The higher education sector has not avoided the development of these trends, and it was also directly targeted during the late 1980s by the federal government’s program to create a united national university system. In more recent years Australian universities have been exposed to a number of external pressures that are devaluing the performance and not meeting the expectations of government and the public. We therefore need a clear understanding of the way in which the sector is working, how it is structured, and how it is being managed. The case for focusing on the way in which we fund and manage our public sector is compelling, as is the need to address the questions of what are the implications of the changes that are currently being made.

One of the most important questions of the current era is how universities are now being reformed as a result of the government’s policies on higher education. This is not to suggest that we are currently facing a new era in which governments have suddenly become more interested in the performance and efficiency of their public sector, but rather that the changes that have occurred have resulted in a reorientation of the sector that is now more focused on improving its performance and gaining public confidence.

In this regard, it is important to note that the current era is one in which governments are increasingly seeking to improve the performance of their public sector organisations, and this is particularly true of the higher education sector. The changes that have occurred have resulted in a reorientation of the sector that is now more focused on improving its performance and gaining public confidence.

The case for focusing on staff policies and practices

The work of universities is heavily dependent on the quality and professionalism of its staff. The higher education sector is characterized by the fact that the staff are highly qualified and well trained, but they also have a great deal of autonomy and flexibility in their work. This can be both an advantage and a disadvantage. On the one hand, it means that staff can be highly motivated and committed to their work, but on the other hand, it can also mean that they are less likely to be held accountable for their performance. In this regard, it is important to note that the current era is one in which governments are increasingly seeking to improve the performance of their public sector organisations, and this is particularly true of the higher education sector. The changes that have occurred have resulted in a reorientation of the sector that is now more focused on improving its performance and gaining public confidence.

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Impact on the public sector

The changes that have occurred have resulted in a reorientation of the sector that is now more focused on improving its performance and gaining public confidence. This is particularly true of the higher education sector, where the staff are highly qualified and well trained, but they also have a great deal of autonomy and flexibility in their work. This can be both an advantage and a disadvantage. On the one hand, it means that staff can be highly motivated and committed to their work, but on the other hand, it can also mean that they are less likely to be held accountable for their performance. In this regard, it is important to note that the current era is one in which governments are increasingly seeking to improve the performance of their public sector organisations, and this is particularly true of the higher education sector. The changes that have occurred have resulted in a reorientation of the sector that is now more focused on improving its performance and gaining public confidence.
Decision-making in higher education: A comparative perspective

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Introduction

In many countries the manner in which higher education institutions are governed has been subject to reform. Decision-making frameworks and procedures are often under discussion. To give but a few of the more recent examples, in the wake of the higher education reforms that initiated a systemic review of institutional management, recently in Denmark the governance structure of institutions has been changed, in Ireland a review of management processes and structure is underway, in the Netherlands governance and management are key issues in the ongoing debate about restructuring higher education, and in Germany management structures of universities are being reviewed as part of a broader reform of the system. This renewed interest in the governance and management of higher education institutions makes the study of decision-making relevant.

First, it can be seen as a ‘logical’ component of a trend set in motion in the mid-1980s that emphasizes a more market-like approach to the steering and control of higher education systems. For various reasons, governments worldwide have made or are making further-reaching attempts to introduce more-market related approaches across their higher education systems, the most prominent being the allocation of part of the overall resources on the basis of competition and attempts to stimulate the efficient allocation of resources to the benefit of all involved. Without going into the details of this development (see Goedegebure et al., 1994 for a thorough discussion), the increased emphasis on market-like mechanisms has allowed universities to pursue the traditional and the broad philosophy of the market-like approach.

Second, it can be seen also as a ‘logical’ consequence of an increased emphasis on institutional autonomy. In line with the notions of remote government control, self-regulatory systems, and a model of government supervision instead of pre-defined education planning and control (see Neave & Van Vught, 1991), higher education institutions in many countries have been characterized as sometimes profound changes in their relationship with national governments. Whether or not institutional autonomy actually has increased as a result of these changes remains a moot point, but it is without doubt that the demand for educational accountability, especially in terms of the primary producer, has increased. Consequently, the demand for accountability has stretched into the realms of management and governance.

The specific context related to the present paper is the trend towards increased accountability in terms of value-for-money. With increasing pressures to increase higher education participation over the last decade and with the growing demands for accountability, it is important to determine whether the institutions can be made to work in a manner consistent with the policies and decisions of the government. To this end, the current policy focus is on increasing higher education productivity and a streamlining of the educational process in order to reduce the time-to-degree, more recently it has included the interest of higher education institutions in the financial management of institutions that must be improved. If only institutions were to be better managed, many of the problems that now face higher education could substantially be reduced or even eliminated. As such, the focus is on understanding the many of the most recent governmental and parliamentary publications.

Given this increased attention, it is remarkable the degree to which the higher education research community has ignored issues of governance and management, particularly from a comparative perspective.

Admittedly, the Northern American literature still raises interesting issues on governance and management, a number of European countries have made qualitative improvement moves as well to deal with issues of governance and management. British researchers have investigated the role of the university council, the effectiveness of the governing board, and the number of different fundamental changes that have brought higher education in the United Kingdom. But for rigorous structural analysis of higher education decision-making, we remain reliant on the pioneering works of Bollund (1971; 1978), Clark (1980), and Mintzberg (1979). In terms of comparative research, little attention has been given to the effects the changes over the last fifteen years have had on the currency of traditional concepts of academic organisation, such as the Continental, Anglo-American, and the Eastern European. As such, this study is a comparative decision-making according to system type. Questions concerning to what extent decision-making processes still exhibit the characteristics of bureaucratic, collegial, political or market-like models remain to be answered. Has higher education managed to ‘neutralise’ much of the changes over the years through its internal decision-making processes and has it continued in much the same way as before, or have these changes affected the internal operations of the institutions as well?

In this study we seek to contribute to an understanding of what extent different decision-making processes result in different degree of efficiency and effectiveness. As a first step in this ongoing research project an exploratory study was conducted to determine a questionnaire to administrators in seven European countries. On the basis of one of the results of this questionnaire, more detailed studies will be performed for we are well aware that a survey is but an indicator of the first glance into the intricacies and complexity of institutional governance and decision-making. In this article, we examine our initial findings regarding decision-making in higher education in an attempt to identify which institutional governance structures can be observed and which questions are high on the political agenda of the world over. And while literature on efficiency and the impact of institutional governance structures on the productivity and the future of the universities is rich, we must note that much of the current research has been done in countries that are heavily influenced by the many of the most recent governmental and parliamentary publications.

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