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Overview of EU policies in higher education governance

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- 1. The idea of governance**
- 2. The changing context of universities**
- 3. EU policies on governance**

The concept of governance



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- The way as public and private actors seek to solve university organisational problems.
- It is related to collective control towards common institutional goals.
- Governance raises questions about who decides when on what.
- Governance is related to the institutional capacity to change and to change properly and timely to institutional needs.

The five dimensions of governance



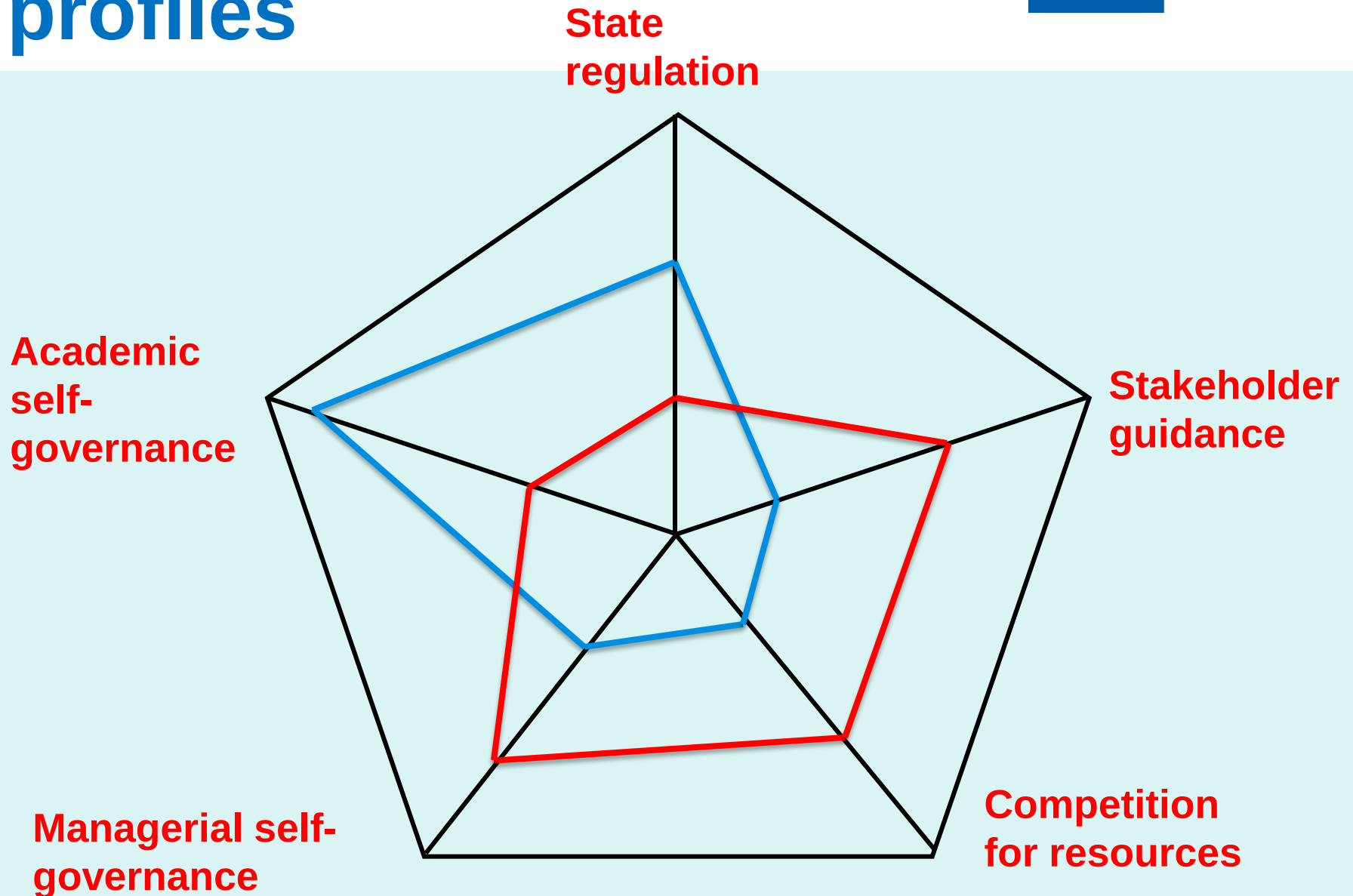
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- ***State regulation.*** Regulation by directives; the government prescribes behaviours.
- ***Stakeholder guidance.*** The government delegates certain powers to other actors (intermediary bodies or university boards).
- ***Academic self-governance.*** The role of professional communities within higher education systems.
- ***Managerial self-governance.*** The role of institutional leadership in internal goal setting, regulation, and decision-making.
- ***Competition for resources.*** It takes place mostly not on “real” markets but on “quasi-markets” where performance evaluations by peers substitute customers.

Governance profiles



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Higher Education Governance: historical overview



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- **A new context in the XIX century**
 - The liberal national-state: need of civil servants
 - The industrial age: need of qualified professionals
- **Different answers**
 - **The Napoleonic model**
 - Universities are part of the State
 - State controlling academic matters, management and funding
 - Professors are civil servants, members of national bodies
 - **The Humboldtian model**
 - State-dependent, public funding
 - State controlling only managerial matters
 - Professors civil servants, but “independent”
 - **The Anglo-Saxon model**
 - Autonomous, but with public funding
 - Shared (external -internal) governance

A new context for universities



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■ The global society

- The globalization of labour markets for graduates
- The globalization of knowledge
- The internationalisation of higher education

■ The knowledge society

- Knowledge and technology, key elements for the economic and social development
- Universities engines of the knowledge economy

■ The universal university

- Universal in access in all developed countries, but also in many developing countries.
- Universal geographically.
- Universal in a temporal sense (LLL).

Consequences of the new context



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- **Increasing value of higher education**
 - Economic value (knowledge economy)
 - Social value (massive participation)
- **Increasing complexity of**
 - Contexts
 - Institutions
- **Increasing difficulties for forecasting**
 - Tendencies in the demand
 - Institutional strategies

Need of adapting governance to the new situation



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- **Increasing flexibility for responding to changing demands at**
 - System level
 - Institutional level
- **Adopting more flexible mechanisms such as...**

Adopting more flexible mechanisms...



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- **Less state regulation**
 - Accountability, state supervision
 - Intermediate organizations, research councils, quality agencies...
 - Quasi-market mechanisms
 - Performance-based funding for public funds to universities
 - Quality assurance procedures
- **More external influence**
 - More relevant role of stakeholders
 - More co-operation with society and business
- **Better internal governance**
 - Increasing role of leadership
 - Decreasing role of collegial self-governance.
 - New bodies as supervisory boards with 'lay members'

Governance problems in EHE (by the end of the XX century)



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- **Low demand orientation**
 - Low transparency
 - Low mobility
 - Controlled basically by the supply (academics)
 - Scarce connections with enterprises
 - Scarce accountability
- **Resources**
 - Scarce, and mostly from public sources
 - Funding no performance related, no competition for resources
- **Structural rigidity**
 - Systems too regulated by the states
 - Low-efficient internal governance
 - Personnel as civil servants

The Lisbon Strategy: the EU political answer



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■ Lisbon 2000:

- Making Europe by 2010 a “*competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion*”

■ Barcelona 2002:

- European education should become a “*world quality reference*”
- EU will invest in R&D 3% of GDP, by 2010

Mobilizing the brainpower of Europe: enabling universities to make their full contribution to the Lisbon Strategy (COM, 2005)



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▪ Less regulation:

- *The over-regulation of university life hinders modernisation and efficiency.*

▪ More autonomy:

- *In an open, competitive and moving environment, autonomy is a pre-condition for universities to be able to respond to society's changing needs and to take full account for those responses.*

▪ Better leadership:

- *Empowering universities effectively to take and implement decisions by way of a leadership team with sufficient authority and management capacity, enough time in office and ample European/international experience.*

Mobilizing the brainpower of Europe: enabling universities to make their full contribution to the Lisbon Strategy (COM, 2005)



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- Enhancing the quality and attractiveness of Europe's universities
- Improving their governance systems
- Increasing funding of HEI
- Increasing and diversifying their funding
- More flexibility and diversity of HEI

Modernising Higher Education in Europe (RES, 2005)



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■ Curricular reform

- Profound curricular renovation
- Implementation of the Bologna reforms
- Establishment of a European Qualification Framework

■ Governance reform

- Universities need more autonomy
- System and institutional management need modernisation
- Internal and external QA and a European QA system.

■ Funding Reform

- Higher and more efficient funding
- Targeted investment in quality, innovation and reforms
- To convince stakeholders of the value of HE

Delivering on the modernisation agenda for universities: education, research and innovation (COM, 2006)



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- *Without real autonomy and accountability, universities will be neither really responsive nor innovative. In return, universities need to recognise the importance of **accountability and more professional management**.*
- *Managing a university is as complex and socially as important as managing an enterprise with thousands of staff and an annual turnover in the hundreds of millions of euros.*
- *Adapt their legal frameworks at national and regional levels to **allow universities to develop new models for governing** their research activities, including a higher degree of autonomy and new ways of ensuring internal and external accountability.*

Delivering on the modernisation agenda for universities: education, research and innovation (COM, 2006)



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- *Member States should draw up **a framework of rules** and policy objectives for the university sector as a whole*
- *Within this context universities should have the **freedom** and the responsibility to set their own missions, priorities and programmes in research education and innovation; to **decide** on their own organisation and on the bodies necessary for their internal management and the representation of society's interests*
- *Member States should **build up and reward management and leadership capacities** within universities*

Resolution on modernising universities for Europe's competitiveness in a global knowledge economy (Dec 2007)



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- ***THE COUNCIL OF THE EUROPEAN UNION REAFFIRMS:***
- *The need to advance in bringing about the modernisation of Europe's universities as a key element of Europe's drive to create a knowledge-based society and economy and improve its competitiveness;*
- *The need for universities to have **sufficient autonomy, better governance and accountability** in their structures to face new societal needs and to enable them to increase and diversify their sources of public and private funding in order to reduce the funding gap with the European Union's main competitors.*

Resolution on modernising universities for Europe's competitiveness in a global knowledge economy (Dec 2007)



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- ***THE COUNCIL OF THE EUROPEAN UNION INVITES THE MEMBER STATES TO:***
- ***Take the necessary measures to modernise higher education institutions **by granting them autonomy** and greater accountability to enable them:***
 - ***to improve their management practices***
 - ***to develop their innovative capacity; and***
 - ***to strengthen their capacity to modernise their curricula to meet labour market and learner needs more effectively***

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A new partnership for the modernisation of universities: the EU Forum for University Business Dialogue (COM, 2009)



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- *Universities, with their triple roles as providers of the highest levels of education, advanced research and path-breaking innovation, are at the heart of Europe's knowledge triangle. They have the potential to be crucial drivers of Europe's ambition to be the world's leading knowledge-based economy and society.*
- *A key element within the agenda set out in 2006 was that universities **should develop structured partnerships with the world of enterprise** in order to "become significant players in the economy, able to **respond better and faster to the demands of the market** and to develop partnerships which harness scientific and technological knowledge.*

Current trends I: State-Autonomy



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- **More autonomy.** Enhancing institutional autonomy has been the overarching governance trend in European higher education.
- **Less state regulation.** Steering from a distance by:
 - Performance-based funding for public funds to universities
 - Quality assurance procedures to guarantee citizens the quality.

Current trends II: Internal governance



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- **University leadership.** As top-down regulation by governments decreases, the university leadership is strengthened.
- **New bodies** has taken place at the apex of higher education institutions. Supervisory boards have been installed, frequently composed of 'lay members'
- **Collegial self-governance** is a loser of all the changes across Europe and institutional leaders are in many cases being appointed instead of elected.
- **Borrowing instruments from the private sector** institutions try to enhance their possibilities in order to cope with an increasingly complex environment.

Current trends III: External influence



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- **More market influence.** Greater reliance on market signals brings a shift in decision making power from educational institutions to the consumer, whether student, business, or the general public.
- **More co-operation with society.** University cooperation with each other and with the private sector is enhanced and supported by governments in all countries.
- **The greater stakeholder scrutiny** is forcing European universities to become more innovative and entrepreneurial.

Conclusions



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- The current process of reforms in Europe (the Lisbon strategy and also the Bologna process) are the result of the need of adapting universities to the knowledge society and to the global world (starting by the “European world”).
- In addition to pedagogical changes, improving institutional governance and management are key aspects for a successful reform.



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