

EDITED BY ROMEO V. TURCAN,
JOHN E. REILLY, AND LARISA BUGAIAN



(RE)DISCOVERING UNIVERSITY AUTONOMY

The Global Market Paradox of
Stakeholder and Educational Values
in Higher Education



Advance Praise for *(Re)Discovering University Autonomy*

“The demands on universities—and the threats to university autonomy—have never been greater than they are today. Drawing on contributions from European and North American writers, this thought-provoking book demonstrates the scale of the challenge faced by universities and develops a model of institutional university autonomy that befits the modern sector.”

—Sara Carter, Order of the British Empire, Professor and Associate Deputy Principal, University of Strathclyde, UK

“This book touches on one of the most important and global issues in higher education from a holistic perspective. Its implications for policy, research, institutions, and practice are of relevance and interest not only to mature systems but also to non-Western emerging countries.”

—Futao Huang, Professor, Research Institute for Higher Education, Hiroshima University, Japan

“Effective, accountable university autonomy is a key element in the reform and modernization of higher education. By bringing together case studies from countries with contrasting traditions of higher education, this book demonstrates the international character of the autonomy debate. It provides insights that contribute to our understanding of autonomy and it identifies topics for further research on the implementation of autonomy that will be valuable for institutions and policy makers.”

—Klaus Haupt, Head of Tempus Unit, Education, Audiovisual and Culture Executive Agency, European Commission¹

“University autonomy has been a seminal principle in human history, enshrining the institutional and academic freedoms that have given birth to much of human knowledge. But it’s a principle that is becoming ever harder to understand and maintain in today’s marketized, internationalized world. Turcan, Reilly, and Bugaian’s excellent collection sheds much-needed light on the challenges and offers a concise theoretical framework to help frame future debate.”

—Norman M. Fraser, Visiting Fellow, Henley Business School, University of Reading, UK

“This book, which has grown out of a project on university autonomy funded by the European Union, illustrates the complexities, ambiguities, and tensions arising from different perspectives of university autonomy and the extent to which interactions between stakeholders modify understanding of the concept and its realization in practice. The case studies reveal that the topic is a global one and that international collaboration in this field, as in others, can contribute to the development of policy and practice. The European Union continues to promote and support international higher education cooperation and development through its Erasmus+ programme.”

—Claire Morel, Head of the Unit for International Cooperation, Directorate General for Education and Culture, European Commission²

“This book introduces and clearly articulates the pivotal role institutional university autonomy has for universities. It emphasizes the importance of a deep understanding of the different stakeholder tensions in this process.”

—Andy Lowe, Fellow of the Grounded Theory Institute, USA

Notes

1. The endorsement expressed herein and on the back cover by Mr. Klaus Haupt reflects his own view and does not engage or commit the European Commission or the Education, Audiovisual and Culture Executive Agency in any way.
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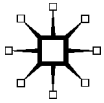
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To Our Families

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Preface

In this book, we challenge the approach to university autonomy that focuses on and tends to isolate the four autonomy pillars: organizational autonomy, financial autonomy, human resource autonomy, and academic autonomy. Recent studies, research models, and political statements on university autonomy have focused on understanding and measuring autonomy under each of these pillars. However, this approach conceals not only the complexity of university autonomy but also a myriad of other forces that have an impact on our understanding of the realization of university autonomy. As policymakers in government and higher education institutions have tended not to take a holistic approach to university autonomy, the potential for the influence of the “law of unforeseen consequences” has increased.

Our main thesis is that a fuller understanding of university autonomy can only be obtained through a holistic view of the complex interrelationships between stakeholders and policies, which can reinforce and pull equally in opposite directions. We conceptualize the holistic view in a model of institutional university autonomy. The model brings together the traditional four pillars of autonomy, and five interfaces: government-university, university-university staff, academic staff-students, university-business, and university-internationalization. Each of these interfaces, which characterize external and internal points of interaction between modern universities and their key stakeholders, not only map on to the four pillars but also relate to and influence one another and enhance our understanding of the ways in which autonomy is interpreted, mediated, and often unwittingly compromised.

The idea for this book arose from a major in-depth review of university autonomy in the Republic of Moldova—‘Enhancing University Autonomy in Moldova (EUniAM)’¹ that was funded by the European Commission under the former Tempus Program. The EUniAM project, while appreciating the central role of the four traditional dimensions of university autonomy, recognized that exploring each of them independently tends to obscure the complexity of university autonomy and their interdependence. Moreover, it disguises the fact that not only do these four dimensions interact in a complex way but also that a range of other forces shape, determine, and influence our understanding and exercise of autonomy. Therefore, a holistic view—institutional university autonomy—has been put forward to gain a fuller understanding of university autonomy by bringing together the four pillars and five interfaces of autonomy. Although we realize this is not an exhaustive list

of interface issues and challenges, each of the areas identified in the model of institutional university autonomy requires an effective response from higher education institutions and their stakeholders, and affects the way in which they structure, govern, and manage, as well as develop respective policies.

While the EUniAM project provided a test bed for the emerging model of institutional university autonomy, an international conference was organized by the project coordinators to widen the empirical and theoretical scope of the model. Very interesting and thought-provoking case studies were presented and discussed at the conference.² We realized that the model of institutional university autonomy potentially offers insights beyond the European higher education context, and decided to explore the model on a global level. In addition to the case studies from the EUniAM conference, we contacted a large number of academics throughout the world and invited them to contribute case studies that explored aspects of institutional university autonomy. Following a review process, case studies from Australia, Denmark, the Czech Republic, India, Japan, Lithuania, Moldova, Russia, the United Kingdom (England), and the United States were selected.

In choosing the case studies, a number of unexpected findings emerged, such as restrictions on academic freedom to contribute critical case studies, the view of university autonomy that is taken for granted, the paradoxical nature of institutional university autonomy, university autonomy as a Trojan Horse of the free market, the concept of “networked” autonomy, the paradigm shift in student-academic staff relationships, and ethical dilemmas related to aspects of internationalization. The international character of the case studies not only gives new insights but also reinforces our understanding that the issues relating to institutional university autonomy are genuinely global.

We hope that the range of case studies and the different insights that they provide on aspects of autonomy will help illustrate that autonomy cannot be reduced to a series of simple equations or examined solely under the four key dimensions: organization, finance, human resources, and academic. The realization of autonomy is always compromised by competing and conflicting interests and power relationships.

With this book, we have made the first attempt to explore the complexity of institutional university autonomy, hopefully “planting a seed” that is aimed at encouraging a dynamic scholarly and policy dialogue about the range and complexity of contemporary higher education and how internal and external “interfaces” may support, modify, change, undermine, and/or limit institutional university autonomy.

Notes

1. Website for EUniAM project at Aalborg University <http://www.euniam.aau.dk/>
2. Website for international conference organized by EUniAM project <http://www.euniam.aau.dk/international-conference/program-and-proceedings/>

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We are grateful to all the contributors who submitted interesting, thought-provoking case studies on aspects of institutional university autonomy, which we hope will help reveal some of the complexities of the topic.

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PART I

Introduction

CHAPTER 1

The Challenge of University Autonomy

John E. Reilly, Romeo V. Turcan, and Larisa Bugaian

Setting the Scene

There is a consensus among European historians that the oldest European university was founded in Bologna in 1088. However, there are disputes about the location of the oldest university in the world. There were important centers of scholarship in the ancient world and major institutions of theological, legal, and scientific study in the Islamic world before Bologna. The medieval European universities enjoyed varying degrees of autonomy depending on their legal status and the source of their funding. The cities in which they were located tended to draw their reputation and prestige from the existence of the university, which played an important economic, social, and political role in the life of the city and the surrounding region. Until the nineteenth century, participation in university education tended to be limited to the social and political elite. In the nineteenth century, higher education (HE) expanded considerably with the establishment of new institutions of HE, increasingly with a more scientific and technological perspective.

Scholars such as Alexander von Humboldt in Germany and John Henry Newman in Britain explored understandings of the role and nature of a university. The Humboldtian idea of the university has been interpreted as one that is encapsulated in the phrase “a community of scholars,” in which academics and students are free to study, research, and develop scientific knowledge and understanding. For Newman, in his *Idea of a University*, the object of the university is the pursuit of knowledge for its own sake—an idea that is challenged in the contemporary world. Although both Humboldt’s and Newman’s ideas of the university have been subject to critical review, they shaped thinking about the object of a university, not only in Europe but also internationally, and they share an emphasis on freedom and independence to pursue and transmit knowledge and scientific understanding.

The European model of a university has spread in various guises throughout the world. In the second half of the twentieth century, there has been a dramatic growth in HE characterized in many countries by a diversity of types of institutions—classic universities, polytechnics (*Hochschule*), monotechnic institutions, and specialist institutes. Although in most countries public or primarily state-funded institutions predominate, there has been a significant growth in private institutions (HEIs). In the European Union, participation in HE has grown from a low percentage to over 40 percent and in some countries to over 70 percent of the age cohort 18–24. Individual and social aspirations; recognition of the importance of high-level skills for economic, social, and political development; and the pace of scientific and technological change, all place a greater premium on HE.

Mass participation, and the consequent escalating cost of HE, placed HEIs in the public spotlight, a spotlight that did not provide universal approbation for the Humboldt and Newman idea of the university. New questions were raised about the role and function of HEIs and their effectiveness and efficiency in meeting the developing and wide-ranging demands of society. HEIs are expected to play a central role in the knowledge society and the knowledge triangle: to produce graduates with high-level skills for employability; to promote fundamental research and at the same time applied and impact research; to play a role in the export market through attracting international students and scholars; to engender a competitive and entrepreneurial institutional environment among staff and students; to contribute to national prestige through international league tables; to contribute to local, regional, and national development; to interact with commerce and industry in effective partnerships; to support government through research and consultancy; to “provide value for money,” and to fulfill a myriad of other objectives.

The focus on outputs has fostered a significant change in the student-teacher relationship with an emphasis on student-centered learning. When universities do not appear to be responding rapidly enough to the needs of society and individuals, governments and international organizations (see the European Commission) call for “modernization and reform.” Governments (national and regional) in all parts of the world are engaged in the radical reform and reshaping of HE to achieve economic, social, and political objectives.

Current Understanding of University Autonomy

The scale and diversity of contemporary HE, however, means that it is difficult for governments and ministries of HE to effect the change that they desire through close central management. Although totalitarian regimes typically insisted (and continue to insist) on detailed control of universities because they recognized that academic freedom poses a threat to autocracy, contemporary democratic regimes understand that tight control and regulation are inimical to creativity and innovation and the entrepreneurial spirit that they hope to engender. Consequently, with a common accord and in varying degrees, governments have advocated and legislated for more autonomy for HEIs. They recognize that to achieve their objectives, they need institutions that have greater freedom to help realize their goals and that are, consequently, more autonomous. The challenge is to define what is meant by

“autonomy”; what forms will best meet the needs of governments, institutions, and other stakeholders; and what are the implications for policy and practice.

In parallel with governments, HEIs have echoed the refrain “more autonomy.” While both parties use the same term, “autonomy,” their perspectives and objectives often fail to coincide. Since governments continue to remain the major funders of HEIs, they expect them to deliver what they desire and to implement government strategy and policy on the basis of an effective contractual relationship that does not involve detailed regulation. For their part, HEIs want freedom and independence to develop a distinctive mission; to compete; to establish alliances, mergers, and partnerships nationally, regionally, and internationally; and to find ways of securing greater financial independence.

There is, thus, a fundamental tension in the understanding and implementation of HE autonomy, which is manifested in changes of government, shifts in policy priorities and funding, and the degree of independence that some ‘public’ institutions are able to secure through entrepreneurial activity. At the same time, the growth of a competitive independent, private HE sector; the development of distance learning; and in-house educational programs run by multinationals pose challenges to governments and HEIs.

In any consideration of university autonomy, the question arises as to how both the government and HEIs manage their relationship. On the part of the government, this is expressed by the extent to which they interpret freedom and accountability, and on the part of the institutions, the manner in which they utilize and stretch the formal autonomy that has been granted. The extent to which a university is able to exploit and develop its autonomy depends profoundly on the governance, leadership, and management of the institution. Because of the differences in the quality and effectiveness of governing bodies and the leadership and management of an institution, there will be considerable variation between institutions in the way they respond to opportunities and exercise their autonomy effectively and innovatively.

Moral philosophers have speculated on the nature of “autonomy” and recognize that it is never absolute. In the context of HEIs, the two words associated with autonomy are “freedom” and “independence.” These too are limited and relative terms. Understanding the implications and operation of autonomy in HE is of critical social, political, and economic importance. If a growing percentage of the population requires and enters HE; if HEIs provide the skills and competences required for graduates in all cycles (e.g., according to recent estimates by the European Commission, an additional one million researchers may be needed in Europe by 2020 to meet a research and development intensity target of 3 percent of gross domestic product (GDP) [Deloitte 2012]), and if HEIs are to play an effective role in the knowledge triangle and the international market for HE, then understanding what “autonomy” means in practice and what works best is essential.

Typically, discussion and analysis of university autonomy has focused on four central areas of university management: organization, finance, staffing, and academic. The European Universities Association (EUA) has made a major contribution to the exploration of university autonomy in developing a set of measures or indicators of autonomy under these four headings (EUA 2014). The EUA “scorecard” refers

to these as “dimensions of autonomy.” The scorecard provides a wealth of data and valuable insights into differences between the 29 countries that were surveyed, but at this stage, and in the nature of the study, it has not explored in detail how institutions exercise their autonomy powers, nor examined the complex interrelationships that can both enhance and at the same time circumscribe autonomy.

More important from the perspective of our study is that the interrelationships between the areas identified as central to autonomy, and other interfaces, interact with and affect one another. As our study will explore, the interactions (interfaces) not only determine how autonomy operates in practice but also how each of the interfaces can simultaneously contribute to enhancing or restricting autonomy. Through international case studies, we explore the complexity of autonomy, which we broadly understand as embodied in the words “freedom and independence.” We see the realization of “autonomy” as arising not simply from the legal framework within which institutions operate but also the complex interrelationships between stakeholders and policies that can reinforce and equally pull in opposite directions.

Toward a Holistic View of University Autonomy

Because policymakers in government and HEIs have tended not to take a holistic approach, the potential for the influence of the “law of unforeseen consequences” is greater. A recent example of this might be cited in the United Kingdom. The immigration and visa requirements of the UK Government Home Office have made it more difficult and expensive for international students to secure a visa and deterred applicants, while another part of the government, the Department for Business, Innovation and Skills (BIS), is actively encouraging HEIs to recruit international students. The decline in the number of international students as a result of visa and immigration policy has financial implications for universities and may cause a number of them to review their international recruitment policy, particularly since, in England, the home student tuition fee, in many subject areas, is not dissimilar from that paid by international students. It remains to be seen what the outcomes will be, but it provides an example of the “law of unforeseen consequences.”

Our study is based on the premise that a fuller understanding of university autonomy can only be obtained through a holistic approach. It is the first attempt to explore the complex relationships between government, university, business, management, researchers, teachers, students, and international policy and strategy, as indicated in the diagram below (figure 1.1). Understanding these relationships and the way in which they interact and affect classic areas of autonomy: organization, finance, human resources, and academia, will, it is hoped, help provide practical insights for all HE stakeholders. The following sections discuss each interface in more detail. Although this is not an exhaustive list of interface issues and challenges, each of the areas identified requires an effective response from HEIs and their stakeholders and affects the way in which they structure, govern, and manage, as well as develop respective policies.

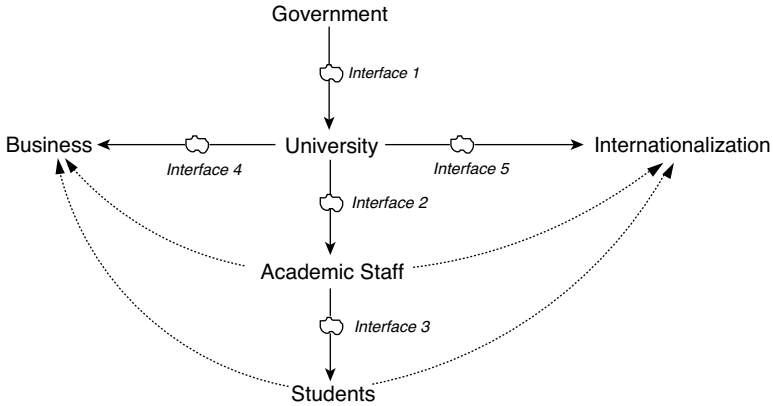


Figure 1.1 The framework of institutional university autonomy

The Government-University Interface

The nature and degree of university autonomy is manifest most clearly in the relations between university and government. In the past, in many countries, this has been characterized by a highly regulatory system. Academic staff and, frequently, administrative staff were, and in many cases remain, civil servants formally employed by the state that fixes basic salaries. This immediately presents an ambiguous management situation that governments have needed to address. A number of countries have allowed almost total freedom to institutions to regulate salaries and conditions of employment, but the majority still operate with a regulatory approach, controlling basic terms of employment and salary scales, with elements of institutional flexibility for promotions and additional salary increments.

Frequently, national legislation determines the governance and internal management structure of HEIs. It is not unusual for governments to be formally responsible for the appointment or ratification of the heads of institutions. While this study does not focus on questions of governance, it will be evident that the effectiveness of an autonomous institution is strongly influenced by the quality of its governance. Here too there tends to be an emphasis on structures rather than the operation of governance. Traditionally, HEIs, particularly in Western Europe, have shied away from corporate governance models on the grounds that universities need to be thought of more as “workers’ cooperatives” that take a collegial and democratic approach. It seems doubtful whether an effective, autonomous institution can sustain this form of governance if it is to compete effectively in all areas of its activity in a national, regional, and international market, but equally it cannot ignore the need for collegiality to secure its objectives. The present study on the nature of autonomy will, it is hoped, strengthen the view that it is imperative to ensure not only that governance structures are fit for the purpose but also that the membership and operation of governing bodies become genuinely responsible for the overall strategy and success of the institution.

Governments face a quandary: they recognize that HE is a “public good” and an economic imperative, but the expansion of HE participation has resulted in a growth (not always in parallel) of public funding. Ministries of Education thus have to argue with government colleagues and other ministries over the allocation of appropriate resources, and this can result in split external governance arrangements between the Ministry of Finance, which is directly funding the HEIs, and the Ministry of Education, which has overall responsibility for strategy and policy.

The allocation of public funds produces an immediate requirement for accountability, and the dilemma is how to reconcile this with effective institutional financial autonomy. Governments have to choose the basis and criteria for allocating funding to institutions. Formula-allocated funding is often historically based and may not take into account real and changing costs, while competitive funding may drive down costs but do so at the expense of quality. The question then arises as to whether, within a block grant, HEIs have freedom or are limited in how they may allocate the funds internally.

Governments may choose an indirect form of funding through tuition fees. Tuition fees may be publicly funded, but follow the student, giving the student more freedom in the choice of university and encouraging competition for students. The imposition of tuition fees may be used as a means of levering additional funding into the system with the rationale that the student should contribute to some of the costs of HE, while acknowledging that students from low-income, disadvantaged backgrounds may need to be encouraged by scholarships and loan arrangements.

Governments are major funders of HE research. Consequently, the research output and impact of HEIs are matters of serious concern. Should government provide the infrastructure for research and basic facilities for all staff to undertake research or should research be funded selectively and on a competitive basis?

Universities might be expected to cover general recurrent costs through the basic funding (grants and tuition fees), but capital funding is of critical importance to the institution and how it operates and develops, and is a further area for government intervention and influence. Different funding mechanisms and regulations thus have significant implications for institutions and the degree of their autonomy and accountability.

Governments want to manage the total number of students in HE to realize their strategy for student participation and also because of the costs involved. The management of admissions may be directive. Most governments limit the number of students studying medicine, and there are limits in other subjects as well. There is a global appreciation of the need for more graduates in Science, Technology, Engineering, and Mathematics, and governments may use various mechanisms (direct or indirect) to admit more students in these fields. Governments may wish to ensure the quality of enrollment by setting threshold admission standards.

A major challenge for institutions arises from the tendency for governments to fail to develop and sustain a consistent medium-to-long term strategy and to change targets, objectives, funding, reporting, and accountability requirements. In the situation in which the HEI is more autonomous, this may result in risk-averse policies and an even more regulated internal approach to financial management than might have been the case in the less autonomous past. However, with entrepreneurial

leadership and effective risk management, HEIs may be encouraged to be more proactive in seeking to secure independent funding.

In addition to the direct relations with government, HEIs have to negotiate with other national organizations such as quality assurance agencies and regulatory bodies, which, while they may not be directly sponsored by government, are nevertheless perceived in the broadest terms as part of the government-university interface. Governments may play a role in curriculum approval either by establishing state standards or by having an arm's-length accreditation agency that is responsible for approving and effectively licensing degrees.

It should be understood that the other interfaces also contribute to the university—government interface. Hence governments, as well as institutions, have to take into account the student voice, which, with mass participation, is increasingly significant, by engaging students, their families, and communities. Government responds to and interrelates with the business world, and is often the initiator and partner in university-enterprise relations. It plays a major role in internationalization, working with multinational companies, establishing the parameters for the recruitment of international students, visa and fee policies, indicating preferred country partners, creating international agreements, providing funding for outward mobility, and recognizing foreign qualifications. Work visas, and establishing immigration policy can have an impact on the recruitment and retention of international high-qualified staff, all of which influence the way in which institutions are able to develop their internationalization strategy.

It could be argued that the interaction of all these factors for HEIs is not materially different from those that operate for enterprises (even multinational enterprises), which have to take into account the political, economic, and social environment in which they operate, but in the evaluation of university autonomy they are of critical importance.

The University Management—Academic Staff Interface

Analysis of university autonomy has tended to concentrate on government—university relations—but autonomy is also shaped by internal factors. The autonomous university is, in effect, a major, complex enterprise with significant income and expenditure, and large numbers of staff (e.g., academic, administrative, technical, and other staff). Autonomous institutions require high-quality, effective governance, leadership, and management. Good governance structures alone are meaningless if the members of the governing body do not bring a high level of understanding and competence, and the commitment to play an active and responsive governance role. Coupled with high-quality leadership and management, it is essential that autonomous institutions have effective, well-qualified professional services to manage finance, human resources, estates, infrastructure, and to support the academic (research and teaching) enterprise.

Just as institutions compete for external resources from government and the private sector, within an autonomous university there is a competitive environment, between faculties, departments, and services for the allocation of facilities, funding, and staffing. This can extend to the executive board, in which, notwithstanding

appointment as a senior manager, an individual may retain faculty or subject loyalties and an institutional brief, which may engender a competitive element. Hence, it is not always clear that the person responsible for teaching and learning, and the person responsible for research or internationalization will agree on the appropriate allocation of resources between these areas. Competition for resources is not restricted to the senior management team. Heads of department have to reconcile competing interests within their department, while acting as representatives of university policies and strategy.

Academic staff (defined here as staff involved in research and teaching) respect contractual obligations, but need to ensure their personal career development, which might entail competition with colleagues. The individual academic staff may embrace the concept of personal autonomy, but they may be more reluctant to accept all the implications of institutional autonomy and how this is interpreted by the governing body and the leadership and management of the institution, if this is perceived to restrict their personal autonomy. While none of these potentially conflictual relations is peculiar to a HEI, they have a particular resonance in understanding how autonomy is interpreted and implemented. The leadership and management of the institution may wish to enhance the quality and professional development of all staff, but encounter resistance, from individual academic staff members, unions, and individual departments, in the way in which they seek to accomplish this. Traditionally, HEIs have sought to be collegial and democratic. The autonomous institution needs to accommodate these desirable objectives, in order to secure the goodwill and collaboration of staff, as well as a more corporate and managerial style, which is essential if an institution is to be dynamic, innovative, and entrepreneurial.

Academic staff play a pivotal role in attracting students, securing research funding, publishing their research, engaging in projects (national and international), and enhancing the reputation of the institution. The success of academic staff in all aspects of their work, and their national and international recognition and reputation will help determine the ranking of the institution nationally and internationally and contribute to the capacity of the university to exploit and augment its autonomy. This has implications for the types of contracts entered into with academic staff, that is, whether academic staff have tenure, are on fixed-term or renewable appointments, systems of evaluation (staff appraisal), promotion, salaries, or other nonfinancial incentives for recruitment and retention. High-quality staff with extensive reputations can present challenges and demands related to their personal conditions of appointment such as salary, facilities, infrastructure, and staff support, which institutions need to accommodate within their general policy on appointments. The extent to which institutions manage to appoint appropriate, high-quality academic staff, and retain, develop, and motivate them to engage with institutional goals is an important aspect of the exercise and degree of autonomy.

The Academic Staff—Student Interface

Although students and academic staff are alienated by the concept that students are “customers” or “consumers,” there is a sense in which, in the contemporary world, governments and the public perceive students as “customers” for the products of a