EUROPEAN UNIVERSITY GOVERNANCE IN URGENT NEED OF CHANGE

Conference "Higher Education Governance between democratic culture, academic aspirations and market forces"
Council of Europe, Strasbourg, 22-23 September 2005

Prof. Luc WEBER
University of Geneva
Vice-chair CDESR

- Opening address as vice-chair of CDESR
- I shall
  - convey a few messages about the   present situation and
  - suggest a couple of ways to take up the challenges identified.
- These should be intensively discussed – even challenged - during these two days, in order, for this conference, to come out with concrete recommendations
- (Dias show, not time to make long comments)

MESSAGES

1) Universities are unique institutions

- **Missions** are as diverse as teaching, research and service to the collectivity, often at the frontiers of human knowledge

- **Stakeholders and beneficiaries** are as different as students, academic and administrative staff, business, sponsors, governments and citizens

- Universities need
  - Not only be **responsive** (to adapt to the changing environment)
  - But also to be **responsible** for the common long term interest of society (outside and inside the institutions)

- **Decision process**
  - is uniquely decentralized, cumbersome and slow, with many redundancies due to the numerous checks and balances
  - the nominated or elected leaders have little or no experience managing a big and complex institution
  - Academics are more faithful to their discipline – which make their reputation - than their institution; moreover, they are particularly individualistic, selfish, and even sometime "integrists"
  - For these reasons, there is a strong bias in favor of the status quo
- **"Love and hate" relation with government**
  - Love=funding,
  - Hate=strong regulation: lack of autonomy, even clear tendency for political micro-management

2)The rapidly changing world is challenging the universities and the system

- Causes:
  - Globalization, as well as scientific and technological progress
  - Within Europe, initiatives to create
    - ERA (incl, ERC and perhaps IST)
    - EHEA (Bologna) (massive political and bureaucratic shake-up whose final impact on the quality of universities is unpredictable)

- Moreover
  - Participation rate continues to increase
  - Demands addressed to universities are increasing (LLL, specialized training, research partnership)
  - Cost of research and teaching is increasing
  - Public funding is not forthcoming (governments have many other obligations: health, aging population, security)

- Consequences for universities are real and serious (Peter Drucker: "in 20 years, universities will be relics"
  - Increasing concurrence
    - Between traditional institutions
    - From new types of institutions (subsidiaries, distance learning, corporate universities)
  - Increasing obligation to collaborate (paradox!) with other institutions and with business (and government)
  - **Necessity to adapt faster to lead the change** (and not to undergo it)

- **Reminder about the challenge**: developing the knowledge society is the only chance for Europe to keep its envied standard of living and relatively good social cohesion
- **Therefore, Europe needs strong universities**
  - Glasgow declaration of EUA and
  - President Barroso's speech at the EUA convention in spring 2005
  - EU commission: "The role of universities"

3) Leading the change is a challenge for universities and the system

- Problem of the glass half "full" or "empty"?
  - Yes, universities do adapt to the changing environment, thanks to the capacity of adaptation of their academics and thanks to their successors!
  - However, my strong belief is:
    - That the "university of grand-father" is no more an option!
    - That universities and the university system is not adapting fast enough

- A truism: each institution, as well as the system, is bound to be good if
  - the new entering students are well prepared
  - the staff, the facilities, the equipments are good
  - funding is generous,.
- However, today's challenges require….
  - … to be better, even from a good institution or system
  - Obviously, this is even more true for mediocre ones

WAYS TO TAKE UP THE CHALLENGE:
STONG UNIVERSITIES

1) Universities should be autonomous

- Autonomous universities are proactive (entrepreneurial): too much and bad regulations are initiative-killing and then the source of more regulation and political micro-management (vicious circle!)

- The scope of "real " autonomy is broad (organization, degrees, choice of staff and leaders, as well as of students(?))

- Government funding is justified by the collective return on investment (teaching and research); moreover, governments and universities can agree on the missions of their universities by way of contract

- Governments should regulate the system to promote quality in setting up a system where universities are the key players and the owners of the system

2) Universities should be proactive (entrepreneurial) and accountable

- This implies that they:
  - Have a good understanding of their environment
  - Have a good knowledge of their portfolio (SWOT)
  - Set up their missions accordingly
  - Fix clear strategies to meet their missions
  - Organize themselves so that they can make decisions
  - Develop a rigorous quality culture
  - Are serious with the necessary accountability and transparency

3) Universities (and system) should have the right degree of (de)centralization

- Model: the federal system:
  - Basically, to respect the subsidiarity principle
  - However, three limitations:
    - Existence of good or bad externalities
    - Search for economies of scale
    - High preference for equal treatment of equals
- These basic principles apply for institutions and the system

4) Increase the decision power of the leaders, while securing the necessary consultations and control (counter-power)

- The most important measures:
  - To increase the decision-power of the leaders
  - To simplify the decision process (reduction of the number of bodies concerned)

- However, the decision process should guarantee
  - A extensive and true consultation of those concerned (including students for objects which are of their concern)
  - That each decision body has to report to a higher ranked body
  - That the decision makers (elected or nominated?) are chosen and have the possibility to make decisions

5) Professionalize the decision mechanisms and the administration

- Too many universities have an "amateurish" system of management with regard to strategy setting and decision making

- It is necessary that
  - The leaders have management skills in addition to academic ones
  - The decisions are better funded (accounting, controlling, strategic analysis, etc…)

BY WAY OF CONCLUSION

My purpose was to send a message of warning and launch some ways for change

- Without a change in the governance and leadership of their institutions and system, Europe will not succeed to have enough strong universities

- Hopefully, I have identified most of the action *locus*

- I however fully realize that it is only a starting point; this is why I hope this important conference will
  - trace the most important ways to make universities capable of faster change
  - initiate a broader awareness of the urgency of the question
  - Stimulate more research and debate on the subject

THANK YOU FOR YOUR ATTENTION

I HOPE YOU WILL ENJOY THIS CONFERENCE

luc.weber@ecopo.unige.ch