Trends in Governance and Management of Higher Education

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PREFACE

Higher education in Brazil is approaching a crossroads. The old model, a publicly funded system for the few, is centered on an elite and will not serve the country’s needs in the 21st century. The Government of Brazil, with the World Bank’s cooperation, is exploring a range of alternatives that address the most critical issues in Brazilian higher education:

- **Increasing Coverage**: A demographic bulge of young Brazilians is reaching university age. They will have more high school diplomas and higher educational aspirations than any previous generation. The current system provides education for less than 10 percent of the age cohort and is ill-equipped to meet the growing demands. To respond to this challenge, the higher education system will have to become more diverse, higher quality, and less expensive.

- **Restructuring Funding Mechanisms to Support Institutional Autonomy and Incentives for Efficiency**: Rigidities throughout the higher education system have institutionalized a system whose costs are on par with those of OECD countries but whose quality is not. A reexamination of funding and regulation mechanisms, and the incentives they create, is critical to improving quality and efficiency.

- **The Role of the Federal Government: Provider, Funder, and Regulator of Higher Education**: The last major reform of higher education took place in 1968. Currently, federal support for higher education is channeled almost exclusively to federal universities (and overwhelmingly for salaries). Little consideration has been given to the appropriate roles of the federal government in a diversified higher education system.

- **Quality of Instruction**: Quality assurance system at the institutional and national levels are weak, rigid, and politicized. They do not encourage diversity or flexibility of the curriculum.

- **Stakeholders: The Political Realities of Change**: Many of the system problems are well known and widely discussed within Brazil. Opponents to change in the higher community come from the country’s most capable and politically mobile/influential groups and are often fortified by strong legal (even constitutional) and bureaucratic protection. Any viable policy change must strategically deal with potentially strong and well-organized political opposition.

The eight papers in this series are a systematic examination of the problems and policy options for Brazilian education.
This paper, by Quentin Thompson, outlines some of the environmental trends affecting the governance of higher education (Part A) and then discusses the related changes to governance within higher education institutions themselves (Part B).

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I. TRENDS IN GOVERNANCE AND MANAGEMENT OF HIGHER EDUCATION

1 There is a similarity in the broad directions of the trends in governance between many of the OECD countries, although their manifestations are often different. This paper draws primarily on the experience of the English speaking OECD countries, but starting from a different base many of the other OECD countries show similar trends. The issues highlighted in this paper are those that would appear to be particularly germane to the current position in Brazil.

2 Changes in the governance of higher education are often the result of, and are always influenced by, changes external to higher education itself. Therefore this paper first outlines some of the environmental trends affecting the governance of higher education (Part A) and then discusses the related changes to governance within higher education institutions themselves (Part B).

II. PART A: EXTERNAL CHANGES AFFECTING THE GOVERNANCE OF HIGHER EDUCATION

3 In part A of this paper, we first consider the main external changes affecting higher education and then outline the main trends in government/university relations; we conclude by drawing four high level implications for the governance and management of higher education institutions. In part B, we then discuss each of these four implications in more detail.

i. External changes

4 The main external changes which have had, and continue to have, a significant impact on the governance of higher education include:

- changes in the nature of industry and commerce and hence in the labour markets for graduates;
- changes in social demands from current and potential students;
- the expansion and fragmentation of knowledge;
- technological developments relevant to the delivery of education;
- changes in the nature of research.

Each is discussed briefly below.

5 Changes in the labour market. In one sense, employers and the labour market are major consumers of the 'products' of higher education. There are two significant changes in many countries which are affecting the labour market for high level skills: first, the growth of knowledge based industries with their ever increasing requirements for 'knowledge' workers;
second, the increasing speed of change within the economy which means that few people will spend their whole working life in one job, or even in one field of activity. The subject disciplines that are relevant today become out of date tomorrow. The new graduate needs to be prepared for a life of learning; to have learnt how to learn and how to adapt is at least as important as to have learnt any specific subject discipline. Flexibility and adaptability are key skills which the labour market increasingly demands of higher education graduates.

6 The traditional professions too are no longer static and require their practitioners to update their knowledge and skills at regular intervals; new graduates in these professions now expect to experience a lifetime of learning. New ‘professions’ constantly emerge, some with a fairly short life span, many of which are based on several disciplines rather than on any one specific discipline. The changing (and sometimes ephemeral) nature of these new professions makes it inappropriate to tie them to specific sets of qualifications. The rigidities of links between jobs and their qualifications are breaking down anyway, even for some of the older professions.

7 **Social demands.** The other main consumers of higher education are actual and potential students. Changes in student demand have been both quantitative and qualitative. Over varying periods of time, virtually all OECD countries have moved towards a system of mass higher education, typically now catering for 30-40 percent of the school leaving age cohort. In part, this is the result of the pressure for expansion from the students themselves – either directly or indirectly; such growth has not always been handled well.

8 Student demand has been changing qualitatively too, with a growing realisation by students that they are important ‘customers’ of higher education. Many institutions have thus modified their hitherto ‘supply-led’ approach and sought to develop courses and programmes designed explicitly to attract students. This tendency has been reinforced in countries in which public funding mechanisms have been adjusted to reflect student choices (to varying degrees) – see below. The growth of ‘consumerism’ by students, coupled with the changing labour market requirements mentioned above, has also led to an increase in the provision of part-time, distance, and open learning courses.

9 **Growth and fragmentation of knowledge.** The more or less exponential growth of knowledge has meant that higher education providers have increasingly needed to make explicit decisions about the content of what they can and cannot deliver. It has also resulted in academic staff interests becoming narrower and more specialised. These trends have a greater impact on the pedagogical aspects of provision than they do on those of governance, but they reinforce the need for universities to make strategic choices about the balance of their activities – both for teaching and for research.

10 **Technological changes.** Technological changes have potentially far-reaching implications for the provision of higher education – although the impact so far has been relatively limited compared with the perceived potential. There are three main types of development: first, those developments that enable education to be delivered, at least in part, at a distance – which also facilitates the globalisation of provision across geographical boundaries; second, those that enable the style of provision to be different, both the nature of
interactions between academic staff and students and the extent of student access to sources and types of information; third, the developments that enable provision to be more flexible and adaptable to the needs of individual students.

11 The nature of research. The change in the nature of research which has the greatest impact on issues of governance is the growth of 'issue based' research – as a complement to the more traditional 'subject based' research. Such research is increasingly cross-disciplinary requiring work across subject (and departmental) boundaries within an institution (and also increasingly across institutions too). As the research content follows the development of the issues, so the composition of research groups changes, grows, declines and re-groups.

ii. Trends in government – university relations

12 In virtually all OECD countries, government is the predominant provider of funds for higher education – and in most countries it is also the predominant provider of the education itself. Thus changes in government views of, and approaches to, higher education can have a significant impact on the sector. Most governments have encouraged their higher education institutions to react positively to the external trends noted in the previous section – especially to the first two (labour market changes and student demand): for example, through the encouragement of 'relevance' and of a more skills- and work-oriented approach and through the expansion, sometimes dramatic, of the higher education system itself.

13 More directly, there have been three main, and inter-related, trends in the ways in which governments and higher education inter-react, viz:

- a movement toward government supervision and away from government control;
- changes in the way in which public funds are allocated to individual institutions;
- increased emphasis on the accountability for the use of those funds.

Each is discussed briefly below.

14 From control to supervision. This trend underlies both the other two; in its own right, perhaps the clearest manifestation is the increasing expectation (in some cases, the requirement) for universities to produce 'strategic plans' – a concept adapted from the business sector, but now fairly widely accepted as representing good practice within the education sector too. Such plans can provide government with the confidence that the universities are adequately responding to external trends and that they are making wise use of the public funds allocated to them. In countries in which the format of the plans is set by government (or by government agent), the resulting plans can be viewed as an implicit contract between the institution and the government.
The move from government control to supervision is also reflected in the increasing attention being paid to **outputs rather than inputs** - a particularly important change for funding and accountability (see next sub-section). Growing government interest in academic standards and quality is another reflection of this change: the development of, and increasing government interest in, quality assurance mechanisms demonstrates a concern that what is being bought with public funds is sufficiently rigorously quality assured - in other words, that public funds are well spent in terms of the quality of provision which they secure.

**Allocation of public funds.** The way in which government allocates public funds to institutions clearly has a major impact on institutional governance. There have been two complementary and significant changes. First, there has been an increasing tendency to move from providing funds on the basis of inputs to funding on the basis of outputs; second, there has been a change away from line item funding towards the provision of block grants with the freedom for institutions to move funds between headings.

The first of the changes encourages institutions to be more conscious of their responses to student markets and to think more about the effectiveness of their provision through the encouragement of student throughput and completions. The second change enables institutions to make explicit decisions about the best use of the funds available to them, and thus to be more flexible and responsive, and also to be more efficient in the use of funds. It is no coincidence that these changes have been made during a period when governments have constrained, and in some cases reduced, the level of public funding available to higher education.

In parallel with changes in the ways of allocating public funds, universities have been encouraged to raise funds from private sources. Sometimes this has been through their own entrepreneurial behaviour - with government relaxing the rules over how such income can be spent. In other cases, governments have expected, or even required, institutions to raise private funds by making charges to their students - partly as a means of increasing private funds for the system, and partly based on a philosophy that the 'user should pay' at least a proportion of the costs - for reasons of equity and enhanced responsibility.

**Accountability.** This component of the change in government - university relations complements the other two and has arisen from a public concern that universities should be able to demonstrate that they make good use of the (large) amounts of public money which they consume. The concepts of accountability have developed in two ways.

The first reflects the increased emphasis on the outputs in terms of graduating students. The moves to link funding to numbers of students imply that institutions must be able to establish not only that they do educate the students for which they are funded, but also that the education is of adequate quality - or at least, that the institutions themselves have mechanisms designed to ensure that it is of adequate quality.

The second concept of accountability reflects government concern about the ways in which public funds are being used. For the actual use made of public funds, the trends are to move to a system of ex-post audit of expenditure rather than an ex-ante approval of it. The
primary purpose of such audits is to ensure propriety in the use of public funds and for government to be forewarned of possible future financial difficulties in institutions.

22 But governments are also increasingly interested in the efficiency with which public funds are used, allocating those funds on the basis of outputs provides a simple mechanism to apply efficiency pressures to the system - simply by reducing the 'unit of resource' that government pays for each student. The allocation of the funds as a single block enables each institution to determine for itself how best to respond to such efficiency pressures (by setting its priorities for programmes and activities and the priorities for types of expenditure).

iii. Implications for governance

23 The previous two sections outlined the main changes in the environment within which universities operate. These changes require responses by the universities themselves, not least in their governance and management arrangements. There are four main areas of change in governance observed across many higher education systems. These are outlined below and developed in part B.

24 A recognition of the need to set a clear strategic direction for the institution as a whole. Of course there will always be a (very) small number of internationally renowned universities which need to do little more than recruit and retain top academics and then leave them to develop their own work. For all other institutions that is not enough, and the impact of the external changes outlined above means that their success - and in some cases their survival - depends on having a clear view about the type of institution they are striving to be.

25 The development of plans and their associated budgets in order to give substance to the strategic direction. The adaptation to the circumstances of higher education of corporate and operational planning processes has been a significant change in governance in universities; the intention has been to ensure coherence and consistency between activities and to provide a means of setting priorities and evaluating success.

26 The development of devolved governance mechanisms at the departmental (or unit) level. The purpose is to implement plans in an effective way, primarily through devolving power and responsibility to departmental units within the university and then holding those units accountable for successful delivery of the plans (and budgets).

27 The development of the governance processes themselves, covering the roles and responsibilities of senior posts and the decision making arrangements.
III. PART B: GOVERNANCE AND MANAGEMENT AT THE INSTITUTIONAL LEVEL

iv. Strategic direction

28 In response to the external changes noted in part A, universities increasingly recognise that they need to be explicit about their overall future direction: simply allowing their academics to follow their own interests and inclinations with no reference to the outside world - a supply driven approach - is no longer adequate. Each institution needs to make explicit choices, not least to provide a framework within which individual academic units can produce their own plans.

29 The process of setting a strategic direction requires governance arrangements which ensure that the result is realistic in terms of the institution’s ability and capacity, but is also acceptable to most members of the broad academic community who will need to implement it. The use of a governing board, usually comprising a majority of people external to the university, is often helpful in supplying an external perspective and validation for this strategy setting process.

30 Given the range of interests within a university, setting a strategic direction will always be a question of balance. The difference in recent developments is that each balance is now more explicit, and that once set there is an expectation, if not a requirement, that every academic unit will pursue this balance in their own activities. For many institutions, such an approach to strategy is very different from the more laissez-faire approach that had previously characterised universities. The following are six examples of strategic balances that increasingly need to be explicit.

31 The strategic choice of breadth versus depth in the curriculum made available at undergraduate level concerns the extent to which students can study a range of related subjects to provide a broad base for their future careers, rather than being only able to study perhaps only one or two subjects in great depth. The general trend appears to be toward the former and away from the latter - arguably because it provides a better grounding for a world in which labour market requirements will continue to change rapidly. One aspect of this balance concerns the extent to which the curriculum is of an applied and perhaps vocational nature, as opposed to one which is more purely subject (and theory) based.

32 Similarly, within the undergraduate (and graduate) programmes, universities have to make strategic choices about the range of topics that they offer. Only the very largest universities are still able to be comprehensive in any classical sense, and, as new subjects emerge, the ranges become virtually impossible even for them. Clearly such strategic choices need to be made in the light of the capacity of the institution to provide the topics, but, equally clearly, the demand from potential students is also an important factor in making these choices. This strategic choice will be influenced by the extent to which the institution wishes to be one which seeks to adapt and develop to external changes, rather than one that aims to remain more traditional in its approach.
33 A related choice concerns the types of student market for which the university seeks to provide. As an example, in some countries, there has been a dramatic growth in the demand for part-time (and now distance) provision. To some extent, this reflects the (growing) demand from adults for professional and updating courses in recognition of the need to retrain and refresh in rapidly changing economies. Some universities explicitly decide not to address this type of demand, others adjust their arrangements specifically to do so; because such adjustments are usually significant, they require an explicit strategic decision.

34 A strategic choice which is very recent concerns the extent to which a university should develop its own material for teaching as opposed to making use of material developed by others. This new choice is the result of the increasing globalisation of higher education, in part due to the facility offered by new technology. As more very high quality material becomes readily available – for example via the Web - so more universities will need to make an explicit strategic choice about whether they wish to be a developers and/or deliverers of academic content.

35 For research, a fundamental strategic choice concerns the extent to which the university should engage in research (as opposed to undertaking the ‘scholarship’ work needed by all academics to keep their teaching fresh). Research is expensive and rarely do the external funds provided for it cover its full costs (most of which consists of the time of academic staff). There is a natural tendency for most academics to wish to undertake research; the strategic decision for the university is whether that is appropriate (and affordable) for the institution. Even if it is decided that undertaking some research is appropriate, there remains the strategic choice about the balance of effort and resources to be devoted to research activities as opposed to teaching.

36 A wider question embracing much of the above concerns the role which the institution wishes to play within its geographical area – and how extensive it considers this geographical area to be: local, regional, national, international? The strategic decision will have major implications not only for the teaching and research activities of the university, but also for its relations with its neighbouring institutions (eg the extent of collaboration, joint working, or even merger) and with its local industries - however “local” is defined.

37 When stated as above, it seems obvious that each of these six strategic choices needs to be made, and most universities would readily be able to explain their own strategic balance on them – though usually as a post-hoc observation, rather than as a pre-hoc plan. What is new is the recognition that these strategic balances need to be consciously and explicitly determined - and that they may need to be changed in the light of new external changes (again explicitly). But, equally important, another new factor is that, once made, the resulting strategic direction needs to pervade all subsequent activities and decisions within the institution. The growing recognition of this last point is relatively new – and is often difficult to operationalise: how can such strategic decisions be made to pervade the whole institution. This is the subject of the next section.
v. Development of plans and budgets

38 It is not enough, of course, simply to set a strategic direction, it then needs to be converted to actions. Universities have been developing their internal governance and management arrangements to maximise their chances of successful implementation. To this end, there has been considerable development of the concept of academic (and other) planning and budgeting as a process which enables decisions to be made consistent with the university’s strategy.

39 There have been four main developments. The first reflects the recognition that it is activities (with their outputs) that need to be planned and resourced and not simply inputs. In many countries, this is a major change in that planning had hitherto been primarily concerned with changes in academic and other staff numbers and posts, rather than with the activities to be undertaken (e.g., the provision of courses), for which staffing is one resource consequence. It has been a major change for many institutions to move away from thinking primarily about inputs to thinking primarily about activities and outputs.

40 The second development arises from the consequential need to be able to estimate all the resources required to undertake any given activity; this can be very difficult and it is only relatively recently that it has been undertaken properly even in the most sophisticated universities. The need is to estimate the full costs of, say, an undergraduate programme or a research project, including not only the costs of the academic staff directly involved, but also the costs of the various types of support facilities that the activity requires (e.g., support staff, buildings, utilities, management overheads). This can lead to tensions within the institution—especially when it can be shown that the real costs of an activity exceed the income associated with it, despite initial beliefs to the contrary (e.g., for a research project).

41 Of course, good governance recognises that the provision of cross-subsidies will be an integral part of any coherent strategy, despite occasional resistance from those expected to make the subsidy. Planning and budgeting processes enable explicit decisions to be made about the priorities for the use of the institution’s resources, and budgetary allocations do not need to (and often should not) simply follow the distribution of income earned - even where that itself is known. Thus, using estimates of full costs and, where appropriate, income associated with each activity (or unit), the third development is of decision making processes that agree plans and make resource allocations based on the institution’s strategic priorities. The mechanism brings together academic plans with their full resource requirements. The ‘culture’ of planning and budgeting is one which has sometimes been difficult to establish, but there is now a clear recognition of its value and importance to a university.

42 The fourth development stems from the need for flexibility in the use of resources within the university to enable it to adapt and respond successfully to external changes such as those set out in Part A above. At the institutional level, this mirrors the national trend of moving away from line item budgeting to the provision of public funds as a single block. Within institutions there is a growing recognition that cash is a useful common denominator for planning and that maximum flexibility is best provided by expressing the budgets for
plans in cash terms and allowing flexibility for the cash to be spent in whatever way best matches the plan requirements. Many institutions stop short of this (usually by keeping staff costs separate from other costs), but there is a clear trend towards unrestricted movement of funds between budget headings.

43 There are several managerial consequences of these developments. First, the developments encourage a more flexible and imaginative use of resources (for example ways of using premises more intensively over the day, the week, or the year). Second, they encourage more attention to be paid to ways in which outputs can be increased without corresponding increases in inputs (thus leading to increases in efficiency). Third, they can provide a counter-force to any inertia which might otherwise resist change; in particular they can lead to questioning whether long-standing activities should be stopped if it is clear that they no longer contribute to the strategic direction of the institution - it is well known that it is much more difficult to stop doing something in a university than it is to start something. Fourth, the developments throw into sharp relief how weak the types of ‘market’ information are, which would be helpful to assist with the development of plans for the future.

44 Finally, the developments have major implications for the management of central support services within the university. An important trend has been the growing recognition that the main purpose of the central services is to support the academic activities (in a few institutions the belief has even been the other way round!). For support services, what is important for their planning is that they should undertake and develop their activities in those ways which best meet the needs of their ‘customers’ - usually the academic departments and units. This recognition has led to managerial initiatives to streamline, re-engineer and reform many of the administrative activities - and in some cases has even led to them being sourced from outside the institution.

vi. Governance at the departmental level

45 To complement the above changes at institutional level, there have been important developments in governance arrangements below the institutional level. The main principle of governance behind these changes has been that decision making and responsibilities should be delegated to the lowest practical level, which can either be the Faculty (or School) or the Department. Terminology varies, but for the purposes of this paper, we refer to the Faculty level as groups of Departments and to the head as Dean, but the same points apply to the Departmental level too.

46 The principle of delegation of authority has been a general trend in the corporate sector over many years; it stems from the belief that those closest to the action are in the best position to make decisions and to implement them. However, it is essential that their decisions are made within a clear overall strategic framework developed for the institution as a whole, and that individuals with the delegated authority are held accountable for the results of exercising that authority. Such delegation empowers individuals at the lower levels and provides greater flexibility and the capacity to make fast changes should circumstances require. It is now generally regarded as good management practice.
The current picture in universities shows varying degrees of delegation; there are still many that delegate few responsibilities to the Faculty or Departmental level, but the trend is certainly to increase it. Most institutions operate at one of five different levels of delegation, the lightest of which is an arrangement in which the Faculties or Departments only have responsibility for the use of small cash budgets (e.g. for items such as paper, field trips, expenses). Increasing levels of delegation comprise:

a. responsibility for all direct costs apart from those of academic staff
b. responsibility for all direct costs including those of academic staff
c. nominal charging of Faculties (or Departments) for the use of various central services (e.g. space)
d. real charging for the use of central services (with or without the facility to buy services from outside)

Most institutions which operate with delegated arrangements do so at level a or b - although for those operating at level b the centre often retains the right to approve the creation and/or filling of posts, even vacancies created by a departure. An advantage of charging Faculties or Departments for central services (levels c or d) is that the central services need to be more conscious of the 'service' nature of their role because their 'customers' are now aware of the costs of them. Operating at level d has resulted in many complications if it is taken to extremes - although there are some administrative functions for which it makes good sense to delegate responsibility direct to Faculties or Departments. Charging for the occupation of space has proved to be an effective device for reducing demands for space.

In any delegated arrangement, the Faculty or Department (and its Dean/Head in particular) becomes responsible for preparing plans and the associated bids for resources. The responsibility rests with the Dean/Head also for ensuring that the plans, once agreed, are successfully implemented and that the budgets are adhered to. For the Dean/Head to be held accountable in that way, there are three components of a delegated system that have proved to be particularly important.

The first concerns the changed role of the Dean (and/or Head of Department). In effect, an essential part of the role of the Dean (or Head) is now that of a manager. This means that Deans need to be selected for the post in a way which ensures that they have the appropriate skills and attitudes for the required managerial tasks and that they fully recognise what it means to exercise managerial responsibilities. This implies that to select Deans through an election process is unlikely to be appropriate; the same applies to the post of President/Rector (see next section).

The second component of a delegated system is a mechanism by which the individual members of the department are themselves held accountable for their own performance. The trend here is toward some form of 'performance appraisal' process,
although because of the sensitivities involved, such processes normally start from a concern for staff development. The process examines how an individual has used his/her time over, say, the previous year and with what results and outputs. In some institutions, this had led to revealing questions about what is meant by “private” work, whether the concept of “private” work is valid for academics whose employment is intended to be full time and to whom does any resulting income belong. So far, only a few appraisal systems have been linked to pay – they are almost invariably so linked outside the higher education sector.

52 The third important component of a delegated system is good management information. External information both about changing markets (labour markets and students) and about the activities of other institutions is important for planning purposes; internal information about the cost of activities is also important for planning. Equally vital is information which monitors both expenditure and the implementation of plans; this is needed to provide feedback and to evaluate results, but it is also needed in order to keep track of progress during the year so that corrective action can be taken if something appears to be going wrong. The development of a good management information system requires considerable analysis about the aims of the university and needs to be developed as part of the overall management of the institution.

53 It might be considered ironic that a delegated approach also requires a strong centre to work effectively. After setting institution-wide priorities, deciding on plans, and allocating budgets, the most crucial role for the centre is to monitor the performance and the expenditure of Faculties or Departments as a check to safeguard the interests of the institution as a whole. If events appear to be going too far away from agreed plans and budgets, the centre needs to know and to be able to intervene before it is too late. Experience shows that this is a vital part of a delegated system; there are cautionary tales of universities that have changed to a delegated approach, but without ensuring that the centre has sufficient information (and control).

vii Governance processes

54 The trends discussed in this paper also have implications for the ways in which a university exercises its governance and management processes. In particular, for the new world in which universities find themselves, it is important to operate with decision making mechanisms which are speedy, responsive, and flexible; decision making must be forward looking and not be constrained by the inertia of the status quo, by history, or by the interests of particular groups.

55 The most important decision making machinery is that concerned with the planning and resource allocation process. Experience shows the benefit of this being both top-down and bottom-up for it to be effective: initial strategic guidance from the top followed by the production of plan proposals and budgets, in the light of that guidance, for the bottom. In deciding on priorities and plans, the decision making process must be able to make difficult decisions in the interests of the university as a whole, even if there are some who would be disadvantaged by such decisions. Many universities have found this difficult to do, but there is a growing (albeit slowly) recognition that the interests of the whole institution must take
precedence over the interests of any one part; in effect this is real collegiality in a corporate sense.

56 The roles of committees are changing too; clarity is needed between committees which are advisory (and if so, to whom), committees which are consultative, those that are part of communication arrangements and those which are decision making. It is particularly important in settling terms of reference for decision making committees to ensure they do not undermine or obscure the responsibilities and accountabilities of individuals. If an individual is responsible for a function, then he/she must be able to exercise and that responsibility and be held accountable for the results; this would not be realistic (or fair) if a committee could make decisions affecting that responsibility.

57 Further, given the general tendency for universities to create new committees, it is now becoming good practice to try to ensure that they have only a fixed term of existence and that each requires an explicit decision, say annually, to keep it in existence. A self-destruct mechanism which abolishes, say, 20 percent of committees each year can be useful.

58 An important aspect of the governance process concerns the role of the most senior posts. While there is a range of terms for the top post (Rector, Vice Chancellor, President, Vice President, Provost, Principal) there is an increasing recognition that the most senior post is essentially a management one. Traditionally, at least outside the US, the top post has been primarily an academic leader; while it is still important that the post holder should have good academic credentials, it is increasingly recognised that the skills that are at least important are those of a chief executive. Thus the Rector (by whatever title) still needs to be a leader, but on a broader base, setting the overall vision for the institution in a way that ensures its acceptability and ownership among the staff, inculcating recognition of the need for change (when there is such a need), and ensuring that there are governance processes that will deliver the vision.

59 To do this successfully requires keen managerial skills, attitudes, and experience of the person who occupies the top position; it thus has implications for how the person should be selected. While it is important that the person should not be unacceptable to the staff (academic and non academic), it is increasingly recognised that, as its chief executive, he/she should be selected and appointed by the Council or Board that has ultimate authority for the whole institution. It is also increasingly recognised that in accepting the top post, the individual is making a career move and should not expect to return to a 'normal' academic post – and certainly not with his/her institution.

60 All the above applies, pari passu, to the other senior managers within the university – whose range of titles is even broader. The recognition of these posts as managerial ones is, naturally, a slower process than is the recognition for the top post – and is slowest for Deans; but the trend certainly exists. In these arrangements, it is vital that those occupying the senior posts should operate as a team, working together for the corporate interests of the whole institution not just for their constituent part of it. Such collegiality has sometimes been rather difficult to achieve - perhaps ironically for a sector which prides itself on its collegiality.
In essence, all these trends could be caricatured as being moves towards a managerialism in which universities are becoming more business-like in the way they conduct themselves. This is broadly true, but it is not correct to think that this is contrary to the academic ethos to which universities aspire. There is no real contradiction; in fact, much of the managerial approach now growing in universities is often more consistent with the important parts of an academic ethos than the arrangements that existed hitherto.

In particular, the collegiality of decision making that puts the interests of the whole community ahead of the interests of any particular group is a more real collegiality than arrangements in which a group can veto a decision — on the basis that decisions have to be agreed by everyone. Further, a process of consultation and participation before any important decision is made is often more democratic than a process of considering matters in committees - the views of their members may not even be representative.

These trends represent a movement towards decision making by consent rather than by consensus. Universities looking to the future recognise that it is the former style of governance which will enable them to face the future with confidence; the latter approach runs a real risk of keeping them in the past.
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