

RIHE International Seminar Reports

COMPARISON OF UNIVERSITY GOVERNANCE USA, UK, FRANCE AND JAPAN

**Report of the International Seminar on
University Governance, 2012**

Organized by: Research Institute for Higher Education, Hiroshima University

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Research Institute for Higher Education

HIROSHIMA UNIVERSITY

Comparison of University Governance USA, UK, France and Japan

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FOREWORD

Traditionally, in the US and UK it has been assumed that an autonomous university management is absolutely necessary for the proper functioning of a university. Continuous reforms in both countries since the 1980s have not changed that basic assumption, although there have been some attempts by governments to ensure that the input of public funding was matched by responsiveness on the part of the institutions. The concept of “governance” describes the organizational arrangements by which the institution manages its own policies in response to external pressures, including pressure from government.

In contrast with that basic understanding of university autonomy, in most continental European countries, such as France, and also in Japan, the government has tightly controlled universities, in terms of both their organization and activities. In these countries, the concept of “governance” is often lacking, as institutions were not expected to have a direction of their own, as distinct from the directives of government. In the state centered model, there is still much that needs to be studied in relation to how to govern universities.

However, especially since the 1990s, due to a higher expectation for universities would contribute to a strong economy but use less public money, institutional autonomy has grown overall in most higher education systems, even in those countries where government control over public universities used to be very strong. This has created opportunities for universities to manage themselves efficiently through empowerment, corporate status, introduction of a board of trustees and block grants, determining their own profiles and strategies.

Such organizational integration and improved managerial capability within universities have presented the following basic questions:

- Does more higher formal autonomy than before create lower autonomy in reality?
- Do HE reforms stimulate teaching performance and research productivity?
- How do reforms change the relationship between the state and university?
- Do HE reforms of internal governance have any effects on teaching and research?

My sincerest thanks to the four speakers whose activities are internationally recognized: Dr. Ellen Switkes, Senior Associate, Center for Studies in Higher Education, University of California, Berkeley / Assistant Vice President Emerita, University of California Office of the President, USA; Dr. Stéphanie Mignot-Gérard, Maître de Conférences en Gestion, IAE Gustave Eiffel et IRG (Université Paris-Est Créteil) / Chercheur Associée, Centre de Sociologie des Organisations, Sciences Po et CNRS, France; Dr. Baharam Bekhradnia, Director, Higher Education Policy Institute (HEPI), UK; Jun Oba, Associate Professor, Research Institute for Higher Education (RIHE), Hiroshima University, Japan, who contributed to the reflection on these important issues.

I hope that this volume, the record of the International Seminar, will advance the understanding of those who are interested in the governance of universities in USA, UK, France, and Japan.

June, 2013

Masashi Fujimura
Director and Professor
Research Institute for Higher Education,
Hiroshima University

CONTENTS

Foreword

Masashi Fujimura	i
------------------------	---

Presentations

Presentation 1

Governance at the University of California: An example of faculty involvement

Ellen Switkes	1
---------------------	---

Presentation 2

The Governance of Higher Education in England

Bahram Bekhradnia	23
-------------------------	----

Presentation 3

The Transformation of University Governance in France (1999-2011)
Inertia, Institutionalization and Change

Stéphanie Mignot-Gérard	49
-------------------------------	----

Presentation 4

University Governance Reforms in Japan – incorporation of national universities –

Jun Oba	71
---------------	----

Comment

Comments and Questions on the Presentations of University Governance

Fumihiro Maruyama	99
-------------------------	----

Appendices

1. Seminar Program	105
2. List of Participants	107

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Presentations

Governance at the University of California: An example of faculty involvement

Ellen Switkes*

Introduction

The University of California (UC) is a large public university system. It serves as the research arm of the State of California. There are 10 campuses, each with considerable autonomy. There is a President of the UC system and a Chancellor at each campus.¹ There are 9 general campuses in Berkeley, Davis, Los Angeles, Irvine, Santa Cruz, Merced, Santa Barbara, San Diego, Riverside and a specialized health science campus in San Francisco. The University offers a full range of undergraduate, graduate programs, and graduate professional programs at one or more campuses including 6 medical schools, 4 law schools, dental, veterinary medicine, nursing, engineering, business, to name a few. Over 232,000 students are enrolled including 182,000 undergraduates and nearly 50,000 graduate and professional students. The University receives over 105,000 applications to its freshman classes and enrolls over 36,000 freshman at the 9 general campuses. Of these 88 percent are California residents, and 6 percent are international students (over 1/3 of whom are from China). Almost 40 percent of UC undergraduates come from low income families and are the first in their families to attend college. UC campuses each enroll a much larger percent of low income students than any other leading public or private research university in the United States. A third of all

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¹ For a brief description of the UC campuses and a map see: <http://www.universityofcalifornia.edu/campuses/>

undergraduate degrees that UC awarded in 2011 were in science, technology, engineering and mathematics, compared to one quarter at comparison universities.

An important factor molding higher education in California is the California Master Plan for Higher Education, first established in 1960. The Master Plan defines the roles of various sectors of higher education in the State for the University of California, the California State Colleges and Universities, community colleges and private universities and colleges. The Master Plan sets eligibility for admission to the University of California at the upper 1/8 of graduating high school seniors. Students in the upper 1/3 of graduating high school seniors are eligible to attend one of the 23 California State College and University campuses, and any student over 18 is eligible to attend one of the over 112 California Community Colleges. The Master Plan promotes a robust transfer program, and approximately 30 percent of seniors graduating from a UC campus had transferred in their junior year from a community college.

At the University of California, 41 percent of all faculty have tenure. For those faculty in tenure or tenure track positions, 86 percent have tenure. Academic freedom and the unsupervised structure of faculty life results in faculty who don't see themselves as traditional employees and who take great liberty in advising and criticizing their employer in ways one wouldn't find in other sectors (Balderston, 1995). Tenure means that faculty can have a different impact on governance in higher education than can a worker in factory who can be more easily fired. Tenure has an important impact on governance – university presidents can and are fired, not so easily the faculty (Corson, 1960).

The players

This section describes a variety of players who share governance of the University of California and explain the role of each and how they interact.

The Regents of the University of California

Early in the history of higher education in the United States, governing boards actually provided for the governance of institutions. Most no longer are actively involved in routine governance, but they do control the institution by arranging for the administrative structure and by appointing and removing the president and other chief officers (Corson, 1960).

Under the State Constitution, the University of California is governed by a

Board of Regents.² The Regents Standing Orders govern major issues relating to faculty including outside employment, the privilege of a hearing before the Academic Senate, tenure, sabbatical leaves, emeritus status. Most other matters are delegated to the President and/or Chancellors. Even though the Regents no longer actively govern the University, the Board appoints and removes the president and other chief officers, and arranges for the administrative structure (Balderston, 1995). An important feature of the University of California is its autonomy from direct control of the State of California. Because the University has constitutional autonomy, the Governor, legislature and other state officials cannot direct the University's activities. The State government can only recommend that the Board of Regents take certain actions, but cannot compel it to do so. Even though the Governor appoints the Regents, once they become a member of the Board of Regents, individual Regents act independently of the Governor and cannot be removed. By and large, this autonomy removes the University from political or bureaucratic control by State government.

There are normally 26 members of the Board of Regents. The Governor of the State of California appoints 18 of the Regents. Regents must then be confirmed by the State Senate. The Senate has up to one year to confirm a Regent. Occasionally after serving most of the first year, the Senate fails to confirm a Regent, and then the Governor names another individual. Currently there are 12 appointed Regents, 4 were appointed by former Governor Gray Davis and 8 by former Governor Arnold Schwarzenegger.³

Many of the Regents are important members of the California business community, including active and retired business executives. Others are important political or cultural figures. One is publisher and chief executive officer of a national Spanish language newspaper; another is former head of a major motion picture studio. Some have served on state or local public boards and commissions. Appointed Regents serve 12-year terms and may be reappointed. The current appointed Regents have terms that expire between 2013 and 2022. Overlapping terms insure continuity.

In addition to these appointed Regents, there are others who hold office because of their positions. One of these is a student Regent. A second student, the incoming Student Regent, also sits with the Regents but is not a voting member. That means that two students sit with the Regents and provide a

² <http://regents.universityofcalifornia.edu/about.html>; <http://regents.universityofcalifornia.edu/bylaws/bl5.html>

³ As of November 2012.

student perspective. The Student Regents are nominated by student government organization and are selected by the Regents.

There are seven ex-officio Regents. Four are elected officials – the Governor, Lieutenant Governor, Speaker of the Assembly, Superintendent of Public Instruction. In addition, the President and Vice President of the Alumni Associations of the University of California serve as Regents as does the President of the University of California.

Finally, there are two faculty members who sit on the Board of Regents. They are the head of the systemwide Academic Senate, called the Chair and the Vice Chair of the Academic Council. Faculty representation is an important feature of the Board of Regents. However, the faculty have intentionally kept their status as non-voting members which preserves their impartiality.

The Governor attends Regents meetings only when major issues that are of concern to the Governor's office are being discussed. The Governor's presence at the meetings raises the political visibility of Regents actions considerably. The other elected officials who serve on the Board also seldom attend meetings, but may come from time to time if there are issues of interest.

The Governor is officially the President of the Board of Regents. However, the Regents select among themselves a chairman and vice chairman to one-year terms. The Chairman of the Regents presides over the meetings in close coordination with the President of the University.

The President brings almost all items to the Board and sets the agenda for the meetings. However, Board members may introduce their own items, some of which may be politically sensitive or further political ambitions of a Regent or elected officials.

The Regents meet six times a year, in September, November, January, March, May, July, usually in San Francisco, but on occasion at another campus location. These are public meetings. The public can listen to meetings via live Internet audio broadcasts. Meetings are attended by the Regents, President, Chancellors, other university officials, including the Treasurer, Secretary and General Counsel of the Regents, plus Vice Presidents and other officials of the Office of the President and staff who come to address specific items.

In addition, a section of the meeting room is reserved for the press, and a section of the meeting room is reserved for the public. Most sessions of the Regents begin with a public comment period. A contentious issue such as student fee increases or collective bargaining for staff will usually produce a large public audience and long list of public speakers, and occasional demonstrations. University police provide security.

Activity of the Regents is conducted through 10 committees.⁴ Most of these committees meet during the Regents meeting and all Regents can participate in the discussion, but only committee members can vote. The items endorsed by the committees are then brought to the Board as a whole for approval and adoption. A schedule of the meetings and the committee agendas are published in advance.⁵

The Board of Regents has delegated a broad range of authority and responsibility to the President of the University, to campus Chancellors and to the Academic Senate in matters relating to academic programs.

Most academic decisions are made at the campus level, but the Board of Regents approves certain things such as the establishment and disestablishment of colleges, schools, graduate divisions, and organized multi-campus research units. The Board also takes direct action on issues related to the State budget.

Office of the President

The Office of the President is headquartered in Oakland, California, not far from the Berkeley and San Francisco campuses and houses the President of the University, Treasurer, Secretary to the Regents, General Counsel and Chief Auditor and their staffs for a total of around 1,620 employees. The web address: www.ucop.edu describes the office: “The Office of the President is the systemwide headquarters of the University of California, managing its fiscal and business operations and supporting the academic and research missions across its campuses, labs and medical centers.”

Regents policy describes the general expectations of the President⁶ some of which are to direct the management and administration of the UC system in fulfillment of its educational, research and public service missions, be the academic leader defining and leading implementation of the University’s vision, serve as primary external advocate, ensure legal and ethical compliance, promote diversity, manage resources and “consult with the Academic Senate on issues of significance....”

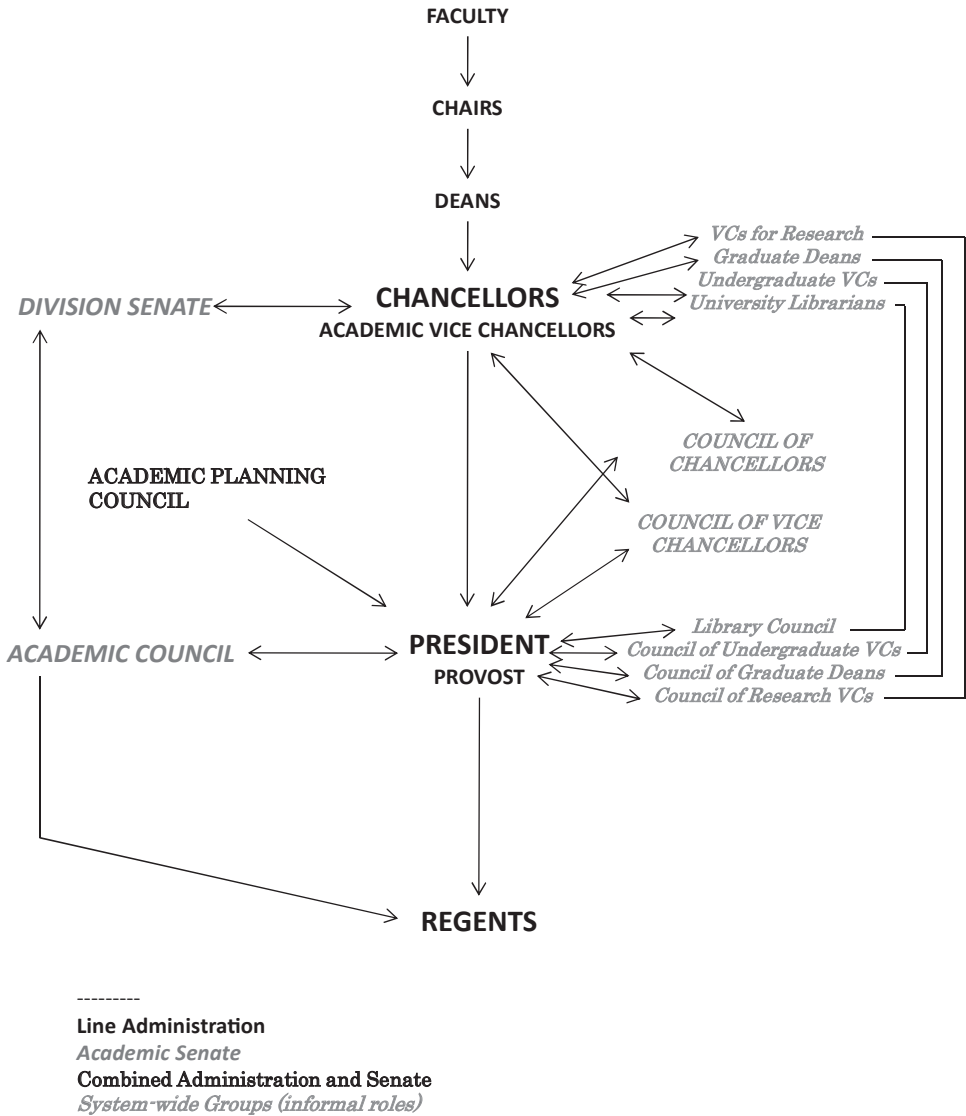
The Office of the President is a complex organization. The Provost and Executive Vice Presidents for Academic Affairs acts for the President in his absence. Currently there are 7 other Vice Presidents with responsibilities for

⁴ <http://regents.universityofcalifornia.edu/committ.html>

⁵ <http://regents.universityofcalifornia.edu/meetings.html>

⁶ <http://regents.universityofcalifornia.edu/policies/1500.html>

business operations, financial affairs, external relations, legal affairs, health sciences and services, agriculture and natural resources, institutional research and oversight of the Department of Energy National Laboratories in Berkeley, Livermore and Los Alamos.



Source: C.J. King (personal communication, 2012)

Figure 1. University of California Academic Governance

Chancellors and campus administration

Each of the University's campuses is headed by a Chancellor who is the academic and administrative head of the campus. Although the University of California is a single system, campuses have considerable autonomy in many areas to craft their own identity and vision. Figure 1 shows the major components of academic governance. Each Chancellor works closely with the Academic Vice Chancellor who is also called the Provost, to administer the campus. There are Vice Chancellors for Research, Vice Chancellors for Undergraduate Affairs and for Graduate Affairs (Graduate Deans) as well as Vice Chancellors for Student Services and Admissions. Figure 1 also shows the parallel structure of administration and committees on a campus and systemwide.

Ten campus provide colleagues for UC administrators to share information and for advice and consultation, all working under the same sets of policies, procedures and restrictions with the same or very similar issues. This provides a built in peer counseling system not available to university administrators working in most colleges and universities. Even in other areas where there are regionally organized meetings of similar officials from neighboring institutions, they all confront different parameters even when dealing with similar concerns. Having a built in set of colleagues for university administrators is an important asset for the University of California. Figure 1 shows some of the councils that meet regularly in person, by phone or videoconference to address academic issues of mutual concern across the system. A parallel set of councils meets for business affairs and other areas of the University's activities. Consultation among officials at campuses and systemwide levels is continuous.

Who the faculty are

Faculty titles are given to individuals who have teaching responsibilities. These individuals may also have other responsibilities such as research and service. There are over 19,000 individuals both full-time and part-time who are members of the faculty of the University of California in a variety of titles each conferring a different set of privileges and duties. The full-time equivalent is about 16,000. Tenured and tenure track faculty number around 9,300 in titles of Assistant Professor, Associate Professor and Professor. Tenured and tenure track faculty are members of the Academic Senate. Other faculty titles also confer membership in the Academic Senate. These other titles are largely in the

health sciences disciplines, and because these faculty are supported largely from clinical income and grant support, the University cannot guarantee continuity of support, and these titles do not confer tenure. In addition, a small number of faculty are in tenured Lecturer titles. All of these faculty are members of the Academic Senate which numbers around 12,000 individuals.

The University of California uses different titles to appoint faculty who are not members of the Academic Senate. There are about 7,400 faculty who are not members of the Academic Senate, including lecturers, clinical and adjunct faculty who may be part time or full time.

Only members of the Academic Senate are involved to any degree in University governance. Other faculty such as lecturers may also be invited to participate in curriculum or other planning activities in their department, but are rarely involved in campuswide governance activities.

In the remaining sections of this paper, reference to faculty will be to those who are members of the Academic Senate unless otherwise stated.

The Academic Senate

The Academic Senate is an organization primarily of tenured and tenure-track faculty, some untenured health science faculty as well as some additional administrative titles including President, Vice Presidents, Chancellors, Vice Chancellors, Deans, Provosts, Directors of academic programs, the chief admissions officer on each campus and in the Office of the President, registrars, the University Librarian. The Senate is organized into a Division at each University of California campus as well as a parallel systemwide organization.

The Academic Senate is defined in the Standing Orders of the Regents, and has been granted certain duties, powers and privileges.⁷ Most of those duties, powers and privileges involve establishment of committees to advise the President and the Board of Regents on conditions for admission, for certificates, and for degrees, on libraries, to advise the President on the University budget and to advise the Board of Regents, “on any matter pertaining to the conduct and welfare of the University.” Each Division of the Academic Senate similarly advises the Chancellors on matters pertaining to the conduct and welfare of the campus and on campus budgets. In addition, the Academic Senate is directly empowered to authorize and supervise all courses and curricula and to select books for publication by the University of California Press.

⁷ <http://regents.universityofcalifornia.edu/bylaws/so1052.html>

The delegations of authority from Regents to the Academic Senate impose a significant responsibility on the faculty for the maintenance of the quality of research and teaching at the University. The Academic Senate has responsibility for defining the quality of the students entering the UC; monitoring and maintaining quality of academic programs; through peer review, maintaining excellence of the faculty; monitoring faculty welfare issues important to recruitment and retention; and advising on budget issues to channel resources to maintain quality academic programs. The Academic Senate has authority to conduct hearings in disciplinary cases to enforce standards of faculty conduct; and authority to conduct hearings in grievance cases to ensure fairness and academic freedom (Simmons, 2009).

Faculty members of the Academic Senate have multiple opportunities to make their views known. They are members of a department, which is itself a committee of the Academic Senate. These faculty on each campus are also members of the campus Division of the Academic Senate which does its work both through an elaborate committee structure but also through meetings of the entire Division and/or representative assemblies. (See section below on Academic Senate Committees)

Meetings of the entire Division and/or representative assembly on each campus takes place several times a year to meet with the Chancellor or other campus officials and for discussion of Senate business. However, most of the work of the Academic Senate takes place through an elaborate committee structure. There may be as many as 25 Academic Senate Committees, some meet regularly, even weekly such as the Committee on Academic Personnel, some meet only if needed such as the Committee on Privilege and Tenure. On the campus, the Chairs of the major Senate Committees make up an executive council that meets monthly, often including consultation with the Chancellor or Provost. The chairs or representatives of the major Senate committees from each campus also form a parallel systemwide committee that meets either monthly or as needed. For example, the chairs of the Committee on Academic Personnel on each campus meet together several times a year as a systemwide Senate Committee on Academic Personnel. For many years these meetings involved travel to a central meeting site, either at the offices of the Office of the President in Oakland or on a campus. Some of these meetings now take place by phone or videoconference.

The chairs of major systemwide Senate committees also serve on the Academic Council, which includes members of 8 systemwide committee chairs, plus the division head of each campus plus the Chair and Vice Chair of the

Academic Council. The Academic Council meets 10 times during the academic year. Its Chair and Vice Chair are also the faculty representatives to the Regents and are included in many major administrative committees to provide the voice of the faculty. For example, the Academic Council chair has a seat at the President's Cabinet meetings. New officers of the Academic Senate are selected each year. In most cases the vice chair becomes the chair so that a faculty member who becomes the vice chair of the Academic Council commits to two years of service in the Senate Office located in a prominent location within the Office of the President's building in Oakland on the same floor as the President, Provost and Secretary of the Regents. For faculty from Southern California campuses, this involves long periods away from their home campus and from family as well as substantial travel. The Chair and Vice Chair of the Academic Council, as well as some of the Council members are relieved of all teaching duties during their Senate service.

The 25 systemwide Academic Senate Committees are listed on the website.⁸ Committees on campuses are approximately equivalent with some variation. These committees may meet up to 11 times each academic year. Some committees meet much less often or as needed. Committees that meet most often are the Academic Council itself, the Board of Relations and Admissions with Schools, Coordinating Council on Graduate Affairs, University Committee on Educational Policy, University Committee on Planning and Budget, University Committee on Research Policy.

Shared governance

This section provides several examples to illustrate the close relationship of faculty and administration in governance at the University of California. Critics say that the UC faculty have too much power resulting in a process of consultation and faculty evaluation of proposals that is cumbersome, slow and inefficient and may block innovative change. However, participation in some aspect of governance by virtually all members of the Academic Senate creates a sense of ownership that is very strong among the faculty and a collective sense of responsibility for the quality of the University's academic programs and its excellence (Simmons, 2009). Several of these examples are actions dealing with individual faculty members, but others are broad based policy issues.

⁸ <http://www.universityofcalifornia.edu/senate/committees.php>

Approval of Academic Programs

First issued in 1993, a Compendium of Universitywide Review Processes for Academic Programs, Academic Units, and Research Units was compiled by a joint administrative/Senate committee to gather the various policies governing the processes to establish, transfer, consolidate, change the name or, discontinue and disestablish graduate degree programs, schools and colleges and research units.⁹

Chief among the Compendium's guiding principles is that academic programs, academic units, and research units work best when both faculty and administrators are supportive of them. All review and approval processes should promote mutual endorsement of any proposed action. At the same time, the Regents explicitly delegated to the faculty responsibility for courses and curricula. The faculty, through the Bylaws of the Academic Senate, have placed authority for graduate academic and professional programs with a systemwide Academic Senate committee, the Coordinating Committee on Graduate Affairs. The Coordinating Committee on Graduate Affairs must approve proposals for a new graduate degrees or graduate programs. Approval by the President and/or Regents may also be required. Authority for undergraduate programs rests with Divisional Senate committees responsible for undergraduate education (including the approval of new courses). The Compendium processes reflect the delegation and distribution faculty and administrative powers on the campuses and systemwide.

Policy development

All 10 campuses of the University of California rely on a single policy document for academic personnel policy, the Academic Personnel Manual (APM).¹⁰ This is a large document that covers policy regarding University academic appointees, recruitment, appointment and promotion, salary administration, benefits and privileges. Policies in the APM undergo both major and minor revision, and new and revised policies are formally issued by the University President.

Policy changes can originate from many sources. Academic Senate committees and individual faculty can suggest problems that should be

⁹ http://www.ucop.edu/ucophome/coordrev/ucpolicies/documents/compendium_jan2011.pdf

¹⁰ <http://www.ucop.edu/academic-personnel/academic-personnel-policy/index.html>

addressed by policy changes. Chancellors, Provosts, Deans or other campus administrators can suggest changes. Administrative offices on campuses or at the Office of the President can suggest changes. The University's attorneys can identify unclear, ambiguous or otherwise problematic policy provisions. A new policy provision on dismissal of tenured faculty will be discussed in more detail below, but it was identified when impending changes in federal law regarding mandatory retirement were announced around 1986.

In general, whatever the original source of the suggestion for policy revision, the systemwide office of Academic Personnel is charged with staffing policy revision. Often there will be very informal discussions with the Chair and Vice Chair of the Academic Council and individual campus Provosts to determine if there is any support for a new policy or a policy revision. If so, the Academic Personnel staff will draft a concept outline or other preliminary document to sound out the stakeholders about the suggested change. The concept outline may be circulated to Provosts, to appropriate Academic Senate Committees and others for preliminary feedback. This preliminary review is generally not extensive unless the policy change is a major one in which case there may be several rounds of preliminary discussion before a consensus is reached. Based on feedback, a new policy will be drafted in formal policy language with the goal of incorporating it in the Academic Personnel Manual.

Before adoption, the policy undergoes extensive review. It is sent to Chancellors. The Chancellors will prepare a response by sending the proposal to deans, other campus administrators, to all academic departments and other interested groups. For major policy changes, department faculty will include discussion of the new policy in department meetings. The department chair will summarize the comments and forward them to the dean who will summarize comments from other departments and forward them to the Provost's office which will summarize the campus comments and incorporate them into a response from the Chancellor to the President.

Simultaneously to this review by Chancellors, the proposal is also sent to the Academic Council Chair for discussion by the Academic Senate. The Academic Council Chair will send the proposal to the heads of the 10 campus divisions as well as to appropriate systemwide Academic Senate Committees. For major policy changes, the entire faculty or a representative assembly will discuss and comment. The head of the Academic Senate Division on each campus will circulate the proposal to campus Senate committees. The campus Academic Senate committees will discuss and summarize their comments for the head of the campus Division for discussion at the systemwide Academic Council.

The campus Academic Senate Committees will also send their comments with their representative on the systemwide Academic Senate Committees for discussion at these committee meetings. The Academic Senate committee heads also serve on the Academic Council and carry their committee's comments there. One can see that individual faculty have multiple avenues to comment on new policy proposals. And the Academic Senate and the Office of Academic Personnel also have multiple informal and formal avenues to collect faculty input. If there is general support for a new policy, but concern over the details, there may be several iterations of this review process. However, in general, by the time formal review takes place, detailed wording will have been reviewed informally by many parties, and a second formal review can be avoided.

Having multiple reviewers read a proposed policy avoids many potential blunders of well intentioned policy drafters who may overlook avoidable complications (Simmons, 2009). Note that the opportunity to comment is not just faculty who are active in campus or systemwide Academic Senate committees, but virtually all faculty have notice of new policy and an opportunity to comment through their department, Dean and Chancellor, but also through their Academic Senate representatives on campus and systemwide committees. Not all individuals or committees or constituencies agree with all policy changes in concept or in detail. However, the President is very reluctant to issue new personnel policy unless there is general agreement among the Campus Provosts and the Academic Council.

This type of consultation with over 12,000 faculty is cumbersome? New University Presidents and Chancellors are often astounded by the complexity and time involved in faculty consultation. This consultation is time consuming and complicated, but the university is a complex organization too big to be administered solely by a central authority. If several iterations or a proposed policy are required, it may take several years to develop and issue a new policy. This type of consultative process is an important component of shared governance, and as frustrating and slow as it sometimes seems, it results in a policy manual that has broad support and very carefully worded policies. Extensive consultation filtered through many committees, department discussions and individual comments avoids many pitfalls unanticipated by policy drafters. (Simmons, 2009)

Peer review of faculty performance and post tenure evaluation

Policies at most universities including the University of California call for annual meetings of individual faculty with the department chair or dean to discuss performance issues and plans for the future. In some cases, this review is used by the chair or dean to assign salary increases for the upcoming year. However, these annual reviews are often perfunctory and may be skipped entirely. Except when a promotion is being considered, the annual review is a confidential discussion between the chair or dean and the professor.

The University of California does not rely on annual reviews to judge faculty merit. UC has a long history and one that is unique among American colleges and universities of peer review of faculty performance. With over 12,000 faculty of various types, substantive annual reviews are impractical. Rather detailed faculty reviews are carried out on a schedule (see Table 1) of every two years for untenured Assistant Professors, then of 3 to 4 years for tenured Associate Professors and Professors. These reviews take place throughout a faculty career until retirement. Of the 10 UC campuses, the Berkeley campus conducts the most thorough reviews, and that process is described here.

Table 1. Professor series academic year 2012

Rank	Step	Years at Step	Salary – US\$
Assistant Professor	I	2	53,200
	II	2	56,400
	III	2	59,500
	IV	2	62,900
	V	2	66,000
	VI	2	69,200
Associate Professor	I	2	66,100
	II	2	69,300
	III	2	73,200
	IV	3	77,700
	V	3	83,700
Professor	I	3	77,800
	II	3	83,800
	III	3	89,900
	IV	3	96,400
	V	--	103,300
	VI	--	111,800
	VII	--	121,000
	VIII	--	131,000
	IX	--	142,000

Table 1 shows the rank and step for Assistant Professors, Associate Professors and Professors along with normal years at each level. Note that after Professor V, there is no normal years at step, but campuses normally review these faculty on a 4 year schedule. The corresponding salary at each rank and step is the minimum salary for that level for faculty on an academic year appointment (9 months). The rank and step indicates academic progress. The actually salary may be higher than the minimum and often is.

Merit review

The details described here illustrate the degree to which faculty run the review of each other and in doing so, maintain high standards of excellence.

In the spring, faculty who will be reviewed the following year are notified. The faculty member assembles a review dossier that includes summary of his or her accomplishments during the review period and a discussion of plans for the next review period. The dossier contains a record of teaching accomplishments, courses taught in this review period, numbers of students taught, evaluation of teaching effectiveness, number of graduate students supervised, research accomplishments, papers delivered, publications, evidence of university service such as committee service, evidence of public service such as service on local or national disciplinary organizations.

This dossier is then discussed by department peers. In large departments, there may be a personnel committee that does this review, in small departments, the department faculty as a whole or sometimes only the more senior faculty will review the dossier. A vote is taken about whether the faculty member is very meritorious, below par or substantially below par. This review by faculty peers is one of the most important factors that ensure the continued excellence of the faculty of the University of California. Faculty are motivated by the knowledge that their colleagues, the other members of their department, will be reviewing their dossier and will discuss and then vote on their performance. Faculty want to make sure their dossier has a record of excellent research, teaching and service. The department chair summarizes the department discussion and vote. The chair may also add a separate evaluation. The dossier moves to the dean who will review dossiers from several departments. The dean will also add a recommendation about faculty merit to each dossier. The dossier then goes to a campus committee of the Academic Senate called the Committee on Academic Personnel, or on the Berkeley campus it is called the Budget Committee. This committee will review files of all faculty undergoing review. A rotating 3 year membership on this committee ensures continuity of standards. At larger

campuses the Committee on Academic Personnel may review over 600 dossiers each year. For a detailed account of the review see Switkes (1999) which discusses the detailed processes to reconcile differences among reviewers.

Some campuses have simplified the review process somewhat, by delegating authority for merit increases which have unanimous support to deans with a later review by the Academic Personnel Committee for quality control.

Standards of performance are well articulated in the Academic Personnel Manual and are discussed in orientation sessions for new faculty and in faculty handbooks and other documents. There are published standards for teaching, research and creative activity, professional competence and activity, university and public service in APM 210-1d.¹¹ Not only are standards articulated, but information on appropriate evidence is included as well. These policies were revised and expanded in 1978, drafted by a UC Los Angeles professor of law. These policies underwent extensive review and consultation at the time and in minor modifications since then. This is a document that originated from the faculty, has been adopted by the faculty and has strong support of the faculty, even though it is formally issued by the University President. This is example of faculty setting high standards for themselves to ensure excellence.

The outcome of a review may be award of a merit increase and a move up the salary scale on Table 1 and a salary increase. Exceptionally meritorious faculty may move at an accelerated rate or move more than a single step. The review may also result in no merit increase if performance does not meet standards. This is not a perfunctory review as annual reviews with the department chair tend to be, but a detailed review by peers of faculty performance, and occurring on a regular schedule throughout the faculty career until retirement.

Promotion review

A promotion involves a more rigorous review than a merit increase. These are the stages in a faculty career that are defined as promotion steps:

1. Moving from Assistant Professor to Associate Professor.
This promotion confers tenure.
2. Moving from Associate Professor to Professor.
3. Moving from Professor step V to Professor VI.

This is considered a major step in the UC faculty review process and is

¹¹ http://www.ucop.edu/academic-personnel/_files/apm/apm-210.pdf

treated like a promotion. It is not unusual for faculty to be held at step V and make no further progress or to make slower progress. Criteria for this promotion are more rigorous than criteria for advancement to Professor V.

4. Moving from Professor step IX to above the top of the scale.

This confers what is called “above-scale” status and is awarded to the University’s most senior and accomplished faculty. Criteria to advance to above-scale status is more rigorous than criteria to advance to Professor VI.

In addition to the steps for a merit review, a promotion includes a review of the entire previous career dossier. Letters from outside reviewers are gathered to supplement the assessment of faculty performance by department colleagues. In addition, the campus assembles a special ad hoc committee of 3 to 5 faculty members from departments in related and unrelated disciplines who are tasked with a thorough review of the promotion dossier. This ad hoc committee issues a detailed report and recommendation. Each ad hoc committee reviews only one case and reviews it in depth. Participation on ad hoc committees is an important example of university service.

Steps along the review process for merit review and promotion are shared with the faculty member under review, and the professor is offered an opportunity for comment and rebuttal. Only names of outside reviewers and names of the members of the ad hoc committee are confidential (Switkes, 1999).

Post-tenure evaluation

Post-tenure evaluation has been a topic of discussion for more than 25 years in the American higher education community. At most colleges and universities in the United States, a faculty file is almost never reviewed by peers except at promotion steps. Discussions at the annual review with the department chair or dean are normally private and confidential. The type of post-tenure evaluation that occurs at University of California campuses throughout the faculty career is very unusual. From time to time, legislatures at public universities and governing boards at private universities call for increased post-tenure review to address perceptions of poor performance among senior faculty. Some call for the abolition of tenure in the mistaken belief that not having a tenure system will result in a more productive senior faculty. Faculty Senates and faculty unions strongly rebuff the efforts to put significant post-tenure evaluation in place because of reasonable concerns that these

evaluations will be used to dismiss faculty (Hoffman, 2012). College presidents may be subject to votes of no confidence if they propose a post-tenure evaluation program. In contrast, the purpose of University of California post-tenure evaluation is not to target poor performers but rather to encourage continuing excellence by making post-tenure review a regularized and routine peer review for all faculty.

Following World War II, American public universities expanded to accommodate large increases in enrollment. As the faculty who were hired during this time became tenured, there was concern that the percent of faculty with tenure would become excessive. However, what has happened recently is that large increases in enrollment and declining state support for public education has resulted in increased use of lecturers or other non-tenure track faculty, and the percent of faculty with tenure has decreased over time.

Dismissal for incompetence

The UC policy on dismissal for incompetence is another example of faculty involvement in policy development and also illustrates faculty involvement in maintaining standards.

The United States eliminated mandatory retirement for most employees in 1986 with exceptions for certain senior executives, safety officers and university faculty. Mandatory retirement was expected to be eliminated for higher education faculty in 1994 unless the university community could provide convincing argument to change the mind of Congress (Hammond, 1991). Major research universities in the United States argued that the existing age profile of faculty retirement would predict that the end of mandatory retirement would result in delayed retirements of many senior faculty. Before 1994, faculty at many major research universities including the University of California often delayed retirement until the then mandatory retirement age of 70. Elimination of mandatory retirement was predicted to result in an ever aging faculty with fewer opportunities for faculty renewal, fewer spaces for younger faculty and increasing payroll costs. At major research universities, this is what has happened.

Starting in 1986, the University of California looked closely at its existing policies to ascertain what changes, if any, would be needed to address the end of mandatory retirement. One change that was made was to tighten the faculty review process. Some individual faculty and departments had made mutual agreements to delay regular faculty reviews. Some faculty felt their work was

below standards and didn't want to be embarrassed by a peer review. With concurrence of the Academic Senate, a new policy was issued that required that all faculty be reviewed at least every 5 years, no exceptions. When this new policy was implemented at one campus, several faculty retired immediately, but one professor had a major advancement. In the past, he had convinced his department to delay his review, but his work was excellent, and when he was finally reviewed, his excellent work was rewarded.

With mandatory retirement, faculty who were not doing good work could be counted on to retire. In all but the most egregious cases, this seemed like a reasonable way to deal with older faculty who had performance problems. With the end of mandatory retirement, it would no longer be possible to rely mandatory retirement to deal with performance problems. In addition performance problems can arise at any time in a career, not only among older faculty.

Dismissal of tenured faculty for poor performance was clearly going to be a contentious issue among faculty. A few tenured faculty had been dismissed in the past for "moral turpitude" including sexual harassment and other illegal activities. The university administration approached the issue of dismissal for performance problems very cautiously and proposed a policy to demote poor performers with a reduced rank and reduced salary. The feeling was that demoted faculty would then have incentive to retire to avoid adverse impact on their pensions. Surprisingly, the reaction to this proposed new policy on demotion for poor performance was loud and angry. The faculty was united in opposition. Individual faculty members who worried about their own performance reasoned they were not bad enough to be dismissed, but maybe they could be demoted. The Academic Senate itself then recommended a policy of dismissal for incompetence rather than a policy of demotion. The standards needed to be very high and include considerable due process. The policy on dismissal for incompetent performance was finally issued in 2000.¹² The process for such a dismissal is long and complicated. In fact, the purpose is almost never to invoke this policy but rather to have it available to threaten to use it if an incompetent professor fails to separate voluntarily, and to have it available if needed.

¹² <http://www.ucop.edu/acadpersonnel/apm/apm-075.pdf>

Faculty dismissal

While this paper will not discuss the detailed procedure for dismissal for incompetent performance, the general policy for dismissal of tenured faculty is another example of faculty involvement in university governance. If the university administration recommends dismissal of a tenured professor for any reason, the professor is entitled to a hearing by a committee of the Academic Senate, the Committee on Privilege and Tenure. It is fairly standard at universities in the United States to have such a committee and to guarantee the right to a hearing. The Committee on Privilege and Tenure hears evidence and makes a recommendation to the Chancellor. In almost all cases, the Chancellor accedes to the recommendation of this Committee and forwards a recommendation to dismiss to the President, and the President forwards the recommendation to the Regents. The Professor has an opportunity to appear before the Regents. If the Regents agree with the recommendation of the President, the dismissal may take place immediately or at a designated date in the future. In the United States, colleges and universities which fail to provide such a hearing by faculty peers may be sanctioned by the American Association of University Professors (AAUP).¹³

Conclusion

What makes the University of California one of the top ranked universities in the United States? Former University Provost C. Judson King has outlined some of the reasons. Among these are 1) a single set of policies in the Academic Personnel Manual that apply to all faculty on all 10 campuses, jointly developed by faculty and academic administrators working together to develop and review new and revised policy; and 2) in depth review of all faculty on a regular schedule by faculty colleagues. Add to that list constitutional autonomy which is vitally important to protect the University from governmental political and bureaucratic interference.

Several examples of detailed involvement of faculty in governance at the University of California have been presented. UC faculty complain about serving on so many committees and about the time involved in peer review. University administrators new to the University are astonished by the complexity

¹³ <http://www.aaup.org/AAUP/pubsres/policydocs/contents/statementon+proceduralstandardsinfaculty+dismissal+proceedings.htm>

of shared governance. However there is clear consensus among faculty that the current system of shared governance has benefits which far out way the complexity. Faculty involvement in shared governance has worked very well for this public university. The University has a tradition of hiring young faculty and fostering their successful careers. Many faculty have long university service. They come to understand and value their role in university governance. University of California faculty feel empowered and responsible for their university. Their personal reputations are enhanced when they work for a first quality institution (Simmons, 2009).

While the final and formal decisions makers are often Chairs, Deans, other Academic and Administrative Officers, the President or Chancellors, Trustees or Regents (Carnegie Commission on Higher Education, 1973) prior consultation with the faculty and its concurrence is an essential component of a successful university administration and a mark of successful leadership. It is the faculty who maintain excellence, not just from their individual excellence in teaching and research, but in their involvement in university governance that creates a great university.

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The Governance of Higher Education in England

Bahram Bekhradnia*

Introduction

You have been kind enough to give me a good long time for my presentation, so I plan to cover three broad and related areas in my talk.

First I will describe the arrangements for governance of the higher education system in England. Second I will identify some of the issues that have arisen recently that in my view require changes to the present governance arrangements. And third I will briefly make some suggestions for changes. Two other points to make by way of introduction – there are two aspects of governance that I will be dealing with – the governance of individual universities and the governance of the HE system as a whole, though I shall be focusing on the former. And finally, please bear in mind that most of what I have to say concerns England. Much of it applies to Scotland, Wales and Northern Ireland as well, but they have their own HE systems and they are diverging. But although I shall be speaking about England, I do believe that much of what I say is generalizable as principles that will apply here and in other countries as well, including, perhaps, in Japan.

Part I Current governance arrangements

Background

One essential characteristic that all English universities have in common is that they are private bodies – they are not owned by the state nor are they

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governed by the state. They have their own independent governing bodies that are the supreme authority in the institution. And although much of it has been eroded in recent years, universities in England retain a great deal of autonomy. Indeed a recent survey by the European Universities Association found them to have the most autonomy of any university system in Europe.

¹Having established that they have these extremely important characteristics in common, nevertheless, the institutions which make up the English higher education sector have diverse backgrounds and traditions which are reflected in their constitutional arrangements and the structure and powers of their governing bodies. They can, however, be divided into two broad groups. In the case of the so-called pre-1992 universities, the constitution and powers of the governing body are laid down in, and limited by, the charter and statutes of the institution. For the so-called post-1992 universities and colleges, they are laid down in the Education Reform Act 1988 (as amended by the Further and Higher Education Act 1992 – that is why they are called the post-1992 universities), together with the instruments and articles of government or equivalent. Some institutions are companies limited by guarantee, in which case the memorandum and articles of association incorporate the provisions of the instruments and articles of government.

Pre-1992 universities

The pre-1992 universities themselves are a diverse group. They include the ancient universities of Oxford and Cambridge, the federal University of London, the ‘civic’ universities founded in the late nineteenth and early twentieth centuries, the former university colleges which awarded degrees of the University of London, the group of universities established in the 1960s, and the colleges of advanced technology which achieved university status following the Robbins Report of 1963.

Post-1992 universities and colleges

Most of the post-1992 universities are former polytechnics which until 1988 were part of, and funded by, local education authorities (LEAs) and awarded degrees validated by the Council for National Academic Awards. The Education Reform Act 1988 transformed them into independent corporations. Subsequently the Further and Higher Education Act 1992 enabled these

¹ Much of what follows is taken from the Guide for Governors, published by the Council of University Chairmen http://www.hefce.ac.uk/media/hefce1/pubs/hefce/2009/0914/09_14.pdf

institutions to award degrees in their own right, and to acquire the title of university. So the law created universities from what had previously been polytechnics.

Legal status of institutions

Although the institutions in the current higher education sector are diverse in origin, size and organisation, they share the following characteristics. They are:

- legally independent corporate institutions
- bodies with charitable status
- accountable through a governing body which carries ultimate responsibility for all aspects of the institution.

The legal status of particular institutions can, however, take different forms, as described below.

Pre-1992 universities

Most of the pre-1992 universities were established by a royal charter granted through the Privy Council – an arcane body originally established to advise the monarch, and now with some small residual duties like approving changes to the charters of chartered bodies – with an associated set of statutes. This form of organisation is known as a chartered corporation.

The structure of governance for each university is outlined in the instruments of its incorporation (*i.e.* the Act or charter and the statutes). The charter and statutes can only be amended on application to the Privy Council. Most universities have supporting governance arrangements in the form of ordinances and regulations.

Post-1992 universities and colleges

The Education Reform Act 1988 established as higher education corporations (HECs) certain higher education institutions in England previously maintained by local education authorities. The Act stipulated that any HEC should be conducted in accordance with articles of government approved by the Secretary of State.

Structure and governance

I now turn to the structure of governance for the pre-1992 HEIs and for the post-1992 universities and colleges. However, although these structures can be described in general terms, there are considerable differences at the institutional level in terms of detailed arrangements, particularly for pre-1992 universities.

Pre-1992 universities

[Governing body]

The governing body of these institutions is normally called the council and is the governing body of the university. It is responsible for the university's finances and investments, and for the management of the university estate and buildings. It has authority to make contracts on behalf of the university and to enter into loans and mortgage agreements. In many cases it also has responsibility for the oversight of learning and teaching and research. University statutes will normally state that, subject to the powers of the senate in academic matters, the council has responsibility for the conduct of all the affairs of the university. The council will carry out many of its functions through committees: in particular it will often have, jointly with the senate, a resources or strategy committee which is responsible for planning the development of the university, bringing together academic priorities, financial considerations and building needs.

It is an important principle that the governing body has a lay majority, that is a majority of members who are external and independent, *i.e.* not staff or students of the university. Its membership is specified in the statutes by class of appointment and will typically include officers of the university, both lay and academic; co-opted members; elected staff members; and student representatives.

Following the report of the National Committee of Inquiry into Higher Education (the Dearing Report) and the report of a subsequent review into the operations of universities (the Lambert Review), universities undertook reviews of the size of their governing bodies. There should be a balance of skills and experience sufficient among members to enable the institution to meet its primary responsibilities and ensure stakeholder confidence. A governing body of no more than 25 members is generally thought to represent a benchmark of good practice.

Governing bodies meet regularly, and normally not less than four times a year. A great deal of business will be conducted through committees concerned

with finance, property and capital development, or through joint committees of the council and the senate concerned with university strategy, resource allocation or employment, with the committees bringing forward recommendations for the governing body's approval.

[Senate]

The senate is responsible for regulating and directing the academic work of the university. In some cases, the statutes state that power in academic matters (for example the awarding of degrees) rests with the senate; but even where the statutes do not explicitly state this, the senate is regarded as the authority on purely academic matters. Constitutionally, the senate reports to the council. The council – or governing body to use its colloquial name – is the supreme authority in a university. Decisions of the senate on academic matters which have financial or resource implications are subject to approval by the council. Conversely, decisions by the council which have academic implications (for example the creation or closure of an academic department) are subject to “consultation” with the senate (but only consultation – the Council makes the decisions), and the senate would normally be the initiating body in such matters.

The senate is chaired by the head of the institution. Unlike the governing body its membership is drawn from within the university, except where representation is accorded to external institutions for academic purposes. It consists of academic staff, with the proportion of staff in the various grades (professorial, non-professorial, research *etc.*) varying among universities. Student representatives are also included. Senates vary in size from under 50 to well over 100 members.

Specific senate responsibilities normally include:

- academic strategy
- promotion of research
- approval of content of the curriculum and new programmes
- academic standards
- procedures for the award of qualifications
- appointment of internal and external examiners
- policies and procedures on examinations
- criteria for admission
- student discipline.

[Officers]

The statutes of the pre-1992 universities provide for a number of officers, including the following.

Chancellor

The chancellor, who is generally a distinguished public figure often with no ties to the university, is formally the lay head of the university and the chair of the court. The role is largely ceremonial – for example, the chancellor presides at degree congregations – but may include other non-executive functions.

Pro-chancellor

The pro-chancellor (or one of the pro-chancellors if there is more than one) will normally be the chair of the governing body. The chair will be elected to the post by the governing body from among its lay members. Other pro-chancellors will assist the chair, for example through chairing committees.

Treasurer

The treasurer is also appointed by the governing body from among its lay members.

Head of the institution

The statutes of many pre-1992 universities define the head of the institution (most commonly entitled vice-chancellor, principal, director, rector or provost) as the chief academic and administrative officer of the university. The head of the institution is the chief executive of the university.

The head of the institution has overall responsibility for the executive management of the institution, and is accountable to the governing body for the exercise of these responsibilities. He/she is responsible for ensuring that the institution is well connected to its stakeholders. He/she is identified as the designated officer of the institution, which means that he/she is responsible for ensuring that the institution complies with the terms and conditions specified by the Funding Council for the use of its funds, and may be called to give evidence before Parliament. The head of the institution also chairs the senate.

Deputies to the head of the institution (most commonly entitled pro or deputy vice-chancellors or principals) are normally appointed by the governing body for a fixed period of time. In some institutions, these appointments are now made on a permanent basis. These officers assist the head of the institution, but sometimes continue to carry out academic duties.

Registrar

The registrar is often the head of the administrative staff and will sometimes also be designated in the statutes as secretary or clerk to the governing body and the senate and other statutory bodies. The registrar is answerable to the head of the institution for his or her administrative responsibilities. In some universities, all the senior administrative officers – such as the bursar, finance officer, estates officer, personnel officer, and academic registrar – report to the registrar. In others, some of these officers report directly to the head of the institution.

Post-1992 universities and colleges

Looking now at post-1992 universities, fundamentally, we are similar, if not the same as those of older universities, with subtle differences, as described below.

[Governing body]

The articles of governance of the post-1992 universities state that the governing body shall be responsible for:

- determining educational character and mission of the institution and for oversight of its activities
- using effectively and efficiently its resources, the solvency of the institution and safeguarding its assets
- approving annual estimates of income and expenditure
- appointing, grading, suspension, dismissal and determination of the pay and conditions of service of the head of the institution, the clerk to the governing body, and such other senior post-holders as the governing body may determine
- setting a framework for the pay and conditions of service of all other staff
- appointing external auditors.

So they are very similar to the old universities, but more formalised with their functions more explicitly spelled out.

The 1992 Further and Higher Education Act and the instruments of government state that the governing body shall consist of no fewer than 12 and not more than 24 members (plus the head of the institution unless he/she chooses otherwise). Of the appointed members:

- up to 13 must be independent members, namely people appearing to the appointing authority to have experience of, and to have shown capacity in,

industrial, commercial or employment matters or the practice of any profession, and who are not members of staff or students of the institution or an elected member of the local authority

- up to two may be teachers of the institution, nominated by the academic board, and up to two may be students of the institution, nominated by the students
- at least one and not more than nine shall be co-opted members, nominated by the members of the governing body who are not co-opted members.

At least one of the co-opted members must have experience in the provision of education.

Subject to the above maxima and minima, the governing body itself can determine the number of members in each variable category, but must ensure that at least half of all members of the governing body are independent members. Or another way of putting it is that it is a requirement that fewer than half of the members of the governing body should have links with the university.

Governing bodies should meet not less than four times a year. A great deal of governing body business may be dealt with through committees.

[Academic board]

The academic board in the new universities is equivalent to the Senate in the old, and is responsible for academic affairs, including academic standards, research, scholarship, teaching and learning, and courses at the institution, and for considering the development of the academic activities of the institution, subject to the overall responsibilities of the governing body and the head of the institution.

The power to award degrees rests with the governing body. The academic board's responsibility for the administration of any awards is therefore by virtue of delegation from the governing body.

The articles specify that the academic board should normally consist of not more than 30 members, although exceptionally membership of up to 40 may be permitted. Additionally, the articles state that individuals in senior management positions (*i.e.* deputy and assistant principals, deans of faculty or equivalent, heads of schools and departments) must make up at least 50 per cent of the membership – so the character of the Senates in old and new universities differs.

[Officers]

The articles of government of the post-1992 universities and colleges make

provision for each institution to appoint to senior posts.

Chancellor

Some post-1992 universities have appointed chancellors who may, among other non-executive functions, carry out ceremonial duties – for example, conferring degrees at degree congregations.

Chair of the governing body

The chair of the governing body is appointed by the governing body from among its independent members.

Head of the institution

Subject to the responsibilities of the governing body, the head of the institution is the chief executive of the institution, and is responsible for:

- making proposals to the governing body about the educational character and mission of the institution, and for implementing the decisions of the governing body
- organizing, directing, and managing the institution and leadership of the staff
- appointing, assigning, grading, appraising, suspending, dismissing, and determining – within the framework set by the governing body – the pay and conditions of service of staff other than the holders of senior posts
- the determination, after consultation with the academic board, of the institution's academic activities, and for the determination of its other activities
- preparing annual estimates of income and expenditure, for consideration by the governing body, and for the management of budget and resources, within estimates approved by the governing body
- maintaining student discipline and, within the rules and procedures provided within the articles, for the suspension or expulsion of students on disciplinary grounds and for implementing decisions to expel students for academic reasons.

The head of the institution, working with the secretary or clerk to the governing body, must ensure that the governing body receives proper and appropriately timed information to fulfil its responsibilities.

Deputy (or deputies) to the head of the institution

The deputy (or deputies) to the head of the institution assist the head of the institution and have specific management responsibilities. In some institutions they are appointed on a permanent basis and in others for a fixed term. They may be responsible for providing leadership in academic or related functions. In some instances they may be designated as pro vice-chancellors.

Secretary (or clerk) to the governing body

The secretary or clerk to the governing body normally has other management responsibilities within the institution. Some are designated as secretary, registrar, deputy or pro-vice-chancellor.

Functions of the governing body

So it will be seen that the governing body has ultimate responsibility for all aspects of a university. At the highest level it includes approving the strategic plan of the university, the key policies that set its direction and appointing the senior staff including the vice-chancellor. But it also includes human resources policies (including setting salary scales and levels, and establishing processes for discipline and dismissal of staff), overseeing the management of the estate (universities own their own premises), ensuring audits are carried out and being responsible to The Higher Education Funding Council for England (HEFCE) and Parliament for their audits. Essentially, the governing body embodies the University. In some respects, it is the University. Not the staff, not the students, but the governing body.

The funding council

So that is how universities are governed internally. Turning now to national governance, a key feature in England (and actually the rest of the UK too) for the past 100 years, and now repeated elsewhere in the world, is that the Government does not have direct dealings with individual universities. 100 years ago the University Grants Committee was established as a 'buffer body' to come between the government and universities and to perform some of the key functions in dealing with universities that might otherwise have been performed by the government. Buffer bodies are generally bodies created by the Government to perform some of their functions, but which are to a greater or lesser extent independent of the Government. Although they are part of the machinery of government, they are outside the relevant ministry.

The functions of buffer bodies classically include the allocation of funds. That has generally been the starting point. However, it is generally also the case that the allocation of funds cannot be divorced from other aspects of regulation of the sector, and that these go hand-in-hand with the more general oversight and planning of higher education and its development. So the buffer bodies in higher education often have the functions of planning and regulating the higher education sector, as well as deciding on the distribution of funds between universities.

That is the case in England where HEFCE was formed by the Further and Higher Education Act 1992, to fund higher education in England.

The role of the Funding Council is to distribute public funds made available through Parliament via the relevant ministry and to provide advice on the funding needs of higher education to the Secretary of State. It necessarily also gets involved in policy making for the development of the sector.

Relationship of the funding council with the government

Until now, the main source of funding for higher education has been the grant made available annually to the Funding Council. The grant is determined after the announcement of the Government's public expenditure plans.

It is the responsibility of HEFCE to determine how the grant is to be allocated to individual institutions. HEFCE determines annually:

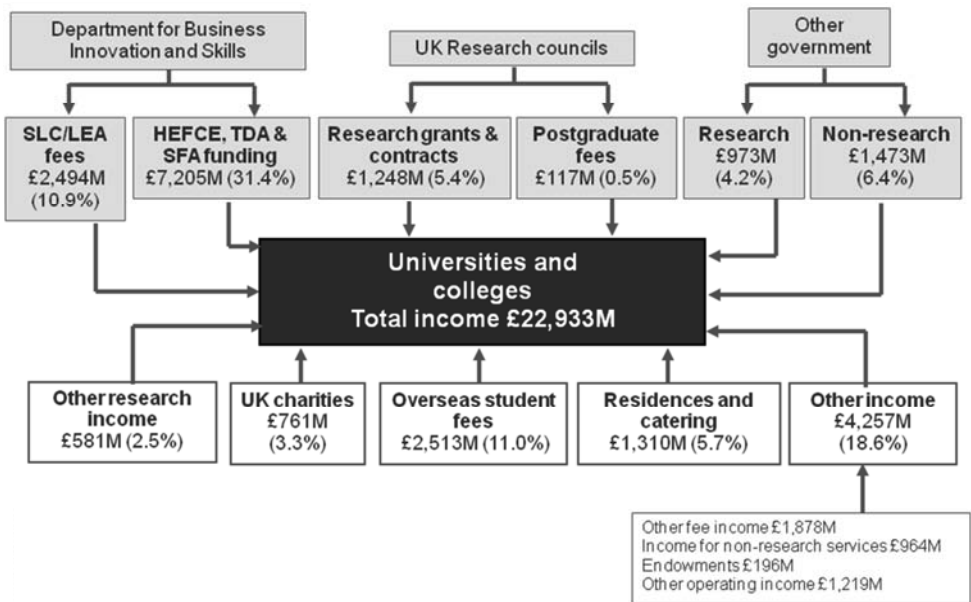
- the total number of funded students in the sector based on data collected from institutions
- the number of additional students to be funded to meet government-planned student numbers
- the block grant for teaching and research allocated to each HEI
- special funding and earmarked capital to be used to secure change or fund activities that cannot be secured through core funding.

In making the grant available to HEFCE, the Secretary of State can impose conditions which must be met by all institutions, or by all institutions of a particular category – but not individual universities. The Secretary of State can also require HEFCE to impose a condition of grant on an individual institution relating to the level of fees it charges, but otherwise conditions cannot be imposed on individual institutions, nor can they be framed by reference to particular courses or programmes of research (including the content of such courses or programmes and how they are taught, supervised or assessed), nor can they refer to the criteria for selecting and appointing academic staff or admitting

students. So the system is clearly designed to avoid any possibility of politicians getting involved in academic matters.

Members of the HEFCE Board are appointed by the Secretary of State; a representative of the Secretary of State is entitled to attend as the Assessor at HEFCE’s board meetings, but not to take part in the decision-making process. Although appointed by the Secretary of State, note that board members are not for the most part political appointments – generally you cannot tell the political affiliation of the members of the Council.

The Board of HEFCE appoints the Chief Executive, who is actually a more important appointment than the Board members. Invariably the Chief Executive has been a very senior Vice Chancellor, and has commanded great respect; and that has undoubtedly contributed greatly to HEFCE’s success.



Source: HESA finance record 2010-11, HEFCE-funded HEIs

Note 1: This income includes a share of income in joint venture(s) of £121M.

Note 2: This income includes £95M of income that has been passed on to other institutions or organisations as part of a collaborative project or subcontracted work.

Note 3: We do not have precise data on postgraduate fees paid by UK research councils. Full-time postgraduate research fees from ‘other’ sources is used to estimate this. (‘Other’ sources are those other than the SLC and DH)

Note 4: 2010-11 refers to the academic year ending 31 July 2011.

Figure 1. Sources of income for HEFCE-funded higher education institutions, 2010-11²

² Source: *Guide to funding: How HEFCE allocates its funds.*
<http://www.hefce.ac.uk/pubs/year/2010/201024/>

The funding of higher education

Institutional funding

Higher education institutions attract income from a variety of sources. The relative proportion of income provided by each source reflects the diversity of institutions' missions and the markets they serve.

The total income of institutions in 2010-11 was £22.9 billion, of which £7.2 billion (or 31.4 per cent) was provided by HEFCE, the Learning and Skills Council (LSC) and the Training and Development Agency for Schools (TDA).

Figure 1 shows the main sources of funding in 2010-11 for universities and higher education colleges. However, it needs to be noted that from 2012 income from tuition fees (SLC/LEA fees) will treble, and grant from the HEFCE will reduce commensurately.

[Tuition fees]

From 2012, universities are now free to charge tuition fees up to £9,000 (\$14,000) *per* year. Most are charging the maximum or close to the maximum, despite some limited controls that are in place that could in principle limit the fees. And as fees have risen, so government grant has reduced. Students themselves are now the main providers of the funding that universities receive for teaching them.

Admissions themselves remain the sole responsibility of each HEI, which sets its own criteria for admission and selects its own students. However, as a condition of being allowed to charge higher fees, universities have to satisfy the Semi-Independent "Office for Fair Access" that their admissions policies are fair and will not deter students from poor backgrounds.

The governing body of each institution approves the level of fees for home and EU postgraduate and part-time students. Some of these students are self-financing; others are funded by their employers or other organisations. In the case of postgraduates, some students are funded by central Government, primarily through studentships from the Research Councils.

Overseas (*i.e.* non-EU) students are charged higher fees so that their fees cover the full economic cost of their tuition. Institutions are free to decide what level of fee they charge overseas students.

[Funding council grant]

The funding council is having to reconsider its relationship with universities, and in particular the method and the purposes for which it distributes its grant,

now that the grant that it provides has diminished substantially as fees have increased. In principle, though, although the amount has reduced, the grant from HEFCE falls into the following categories:

- funding for teaching
- funding for research
- other related funding
- Higher Education Innovation Fund (HEIF).

HEFCE minimises the accountability burden on institutions by allocating the bulk of its funding using formulaic, conditional allocations, so that institutions receive a known sum of money as long as they meet specified criteria.

Funds for teaching and research are all part of a block grant. In other words, the institution may distribute the funds internally at its own discretion, as long as they are used for teaching and research and related activities. Other funding must be spent on the activities agreed with HEFCE.

Research grants and contracts

In addition to HEFCE support for research, institutions obtain research funding through grants and contracts from Research Councils, contracts from industrial and commercial firms and government departments, and grants from charities and the EU. Where a contract, as opposed to a grant, is provided, the funder is normally looking for a specific return on its investment.

Business and community engagement

Institutions are increasingly undertaking knowledge transfer and providing other services to external bodies, often on a commercial basis. The scope of such services is wide-ranging, from advice on business development to the testing of products and goods, the exploitation of intellectual property, contract research and the letting of university accommodation. Many universities and colleges have established separate companies to market their services, with profits covenanted back to the institution. The University keeps all such income, which is not taken into account by the funding council for grant calculations.

Endowments, donations and other sources of income

Universities and colleges have several other sources of income, including:

- income from endowments and trusts to raise money for the institution, especially through alumni
- donations
- sponsorship of posts (in particular professorial chairs, which are often in areas of immediate interest to the sponsoring company and sometimes for a fixed term)
- interest earned on cash balances and investments
- income from exploiting the results of research or inventions which have commercial applications
- teaching contracts for specific customers (nursing, other professions allied to medicine, further education, continuing professional development, initial teacher training)
- fee income from short courses
- income from halls of residence fees and vacation lettings.

The importance of these other income streams varies from institution to institution: income from invested endowments, for example, tends to be more significant in the older universities, and donations tend to be focused on universities with medical schools.

Other national governance bodies include

The quality assurance agency

A body owned jointly by the universities themselves and the Government, responsible for carrying out assessments of the quality of education.

The higher education statistics agency

Responsible for collecting and analysing data from universities.

The office of the independent adjudicator for higher education

A semi-judicial independent body responsible for deciding on complaints that students may bring against their universities.

The office for fair access

Referred to above all stop this is a semi-independent body, created by the government to ensure that University admissions policies are fair and to encourage participation in higher education by students from disadvantaged backgrounds.

Part II Governance in England – a critique and suggestions for reform

I now turn to a critique of current governance arrangements, with some prescriptions for how it ought to develop in the future. In this I am drawing substantially on a report³ produced by my Institute in 2011, written by Professor Malcolm Gillies, Vice-Chancellor of London Metropolitan University.

The background

State funding is diminishing

By 2015 through their tuition fees students will be the undisputed majority funders of most English universities. Government increasingly takes on the role of loan facility to students rather than direct funder of institutions for their educational provision: the government lends the money to the student to pay the tuition fees. Any future government teaching grants to institutions will be made to priority areas, such as sciences. Through this transition, the state's stake, both moral and financial, is weakened and the stake of students, or more correctly alumni (because students will only repay the loans that are provided to them to pay fees after they have graduated), is strengthened. On current projections, a majority of erstwhile students will still be making repayments against their government loan well into their fifties, when a majority will still not have paid it all back.

The global economic crisis

Spectacular failures in banking governance during 2008 have given reason to question the growing acceptance of corporate tendencies in university governance since the late 1990s. Several lessons have been learned from the banking debacle:

- governors do need to understand the core business over which they have authority, and demonstrate a wide range of specialist skills in relation to that business;
- the interests of governors do need to be patent and to connect more directly with the interests of stakeholders and shareholders.

³ University Governance: Questions for a New Era by Malcolm Gillies
<http://www.hepi.ac.uk/466-1965/University-Governance--Questions-for-a-new-era.html>

The failures in banking governance have proven hard to correct partly because of the limits of regulatory authority of any one state.

The pace of change

The slow speed of traditional state regulation as well as of internal academic processes now directly conflicts with the speed required in entrepreneurial activity:

- to capture a market niche,
- respond rapidly to changing international trends,
- close down selective operations, or
- develop new business with external partners.

This changing balance of public and private enterprise affects the balance, needs and speed required of institutional governance. University governance has been “moving away” from slower forms of civic-minded external and collegial internal governance, but “towards what” has been less clear.

The neutral space of academia

With an increasing play to market forces both in higher education and in research, the traditional “neutral space” of academia – based upon its dedication to professing the truth without fear or favour – can be threatened. Periodic crises of confidence in research results, whether in global warming or pharmaceutical testing or other areas of public interest, illustrate this threat. Within the curriculum, intellectual liberalism frequently runs up against the dictates of employability or professional accreditation. Governance has an important, sometimes a required, role in protecting that academic freedom, freedom of speech and, hence, academic neutrality.

Such contemporary circumstances as these raise significant, new questions for the governance of British, and more specifically English, universities: Whose interests should governors serve in future? What skills should be required of them? What authority should they hold, or should be held over them?

Reflections on the current governance arrangements described above

Governance is about steering, not rowing

In contrast to the more commercial “director”, “governor” implies an oversight, a trust (hence, the North American and charity equivalent of “trustee”), but not a denial of final responsibility. And what is steered is an education and research

institution. Education (including teaching and learning) and research are the core “business” of the university. Indeed, the university could be considered to be constituted through their synergy. Governors take ultimate responsibility for this higher education enterprise. Governors may also steer the directions of other consequential issues, such as employability, community engagement and social mobility, but the core business is education and research.

In whose interests?

So that is what they are steering – that much is relatively uncontroversial, and would be accepted by most people. But more controversial is the question whose interests should they be serving in steering this enterprise? A university has many competing interests. Students want a good-quality education and exciting social experiences. Staff want to deliver the core business or support that delivery. Businesses want well-educated employees and to supply services. The community wants an intellectual, possibly entrepreneurial, hub. The bureaucracy seeks “value for money”, while governments want policy outcomes which will contribute to re-election.

Governor interests?

Any community of governors, too, brings many different interests to the table:

- perpetuation or reform of institutional ethos;
- connection with local community;
- family tradition or obligation;
- stakeholder representation;
- devotion of professional expertise;
- political commitment;
- “pro bono” work requirement;
- opportunities for building new business links and commercial connections.

The flux of internal interests

Universities have their competing priorities, for instance, between educational and research investment, the fostering of enterprise activity, and devotion to community service. There is interest in keeping a healthy financial bottom line but also in growing scholarly reputation and providing models of intellectual or moral response to difficult questions. A university is also subject to an ever-shifting balance between disciplinary and professional interests, reflective of broader trends in society and employment, but also a product of its own

internal hierarchies of intellect and achievement. Universities cross-subsidise activities in recognition of these shifting balances as well as to maintain the scholarly “completeness” befitting the very name of “university”.

The state's interest

Once predominating, and legitimated through its majority funding stake, the state's interest becomes of lesser significance and lesser moral authority through the coming years of massive cost-shift to the student. While the interests of the government, the bureaucracy and the undifferentiated “public” can be distinguished from one another, all are diminished through the state's lessening funding stake in individual institutions. The “public interest” in future is more protected through regulation than it was in the past, when it was asserted through conditions over expenditure of substantial public funds.

But although the state's not a principal funder any more, higher education remains a strategic national infrastructure and the state retains a substantial interest in ensuring its higher education system is successful.

The business interest

Recent UK government policy could have sought a higher contribution from business to university funding, given the hundreds of thousands of new graduates annually provided to business, but government explicitly sought not to do so. Its view is that business is there to make profits, and thereby, through paying taxes, already contributes enough to higher education costs. Now, in the era of the student as principal funding agent, a majority of students will not gain any direct benefit from those taxes for their higher education tuition costs. They will be provided for directly through their fees – not other people's taxes. This observation does not mean that business-university links are not vital. Rather, it suggests that business will continue to command an insignificant financial stake in most individual universities. Moreover, business-driven reforms of university governance – as has been the model in England for the past 30 years – need to be reassessed as they envisaged neither such a reduction in the state's contribution (to which business contributed) nor such an increase in the students' stake. The business interest, then, comes with an unclear sense of authority in the newly emerging era. In recent years the business interest has been more and more represented on most Boards of Governors. This is partly through a view of government that business people do know how to run a business, partly through use of a narrowly conceived “skills matrix” in recruiting governors, and partly through a greater willingness of business people to take

part. With this change has grown the largely undebated assumption that the university exists to provide qualified workers for businesses, normally according to some unstated assumptions of priority, utility or financial advantage to business itself.

Inter-generational interests

The “new era” poses a series of new questions, as well as new answers to old questions. The punitive, sometimes inter-generational nature of much government policy – not just in England – is apparent. That is what happens when today’s taxpayers are replaced as the principal funders of universities by students themselves. There is a regressive intergenerational transfer of liability.

Student interests

With the new funding system, students, through loans or up-front payments, will eventually be providing the majority of income in a majority of institutions. This is already the case in several UK universities with high proportions of international or postgraduate students. That is, students, in one way or another, will hold the main financial stake, in many less research intensive institutions providing as high as 80 per cent of annual income.

Alumni interests

Of course, under income-contingent loan arrangements – as we have in England and also Australia – it is only after graduation, as alumni, that erstwhile students start to make their loan repayments. In such cases it is the alumni, then, rather than current students, who become the largest funders of the institution across succeeding decades. A new governance question emerges of how this major, even majority, funding stake should be represented in institutional governance? The closest parallel is that of the private universities of the United States, where the student investment in high tuition fees leads to power and recognition as alumni. Sometimes this is reflected in a majority of institutional trustees being alumni and, in the collegial model, high levels of alumni giving across a lifetime.

Some consequences of the changing times

Changing staff and student relationship

As co-workers in the institutional enterprise, according to the collegial compact, staff and students are often subject to similar interests, for instance, in holding management – and, indeed, governors – to account. In many regards they can

do this better than independent (lay) governors because of their daily experience of institutional life and regular opportunity to witness the implementation of agreed policies. The changing financial base of universities, however, now reinforces the difference between staff and students in terms of financial stake. Where the student becomes responsible for a majority of income – as in so many institutions – while staff remain the majority of expenditure. This can easily lead to a more directly consumerist, rather than collegial or communitarian, relationship between staff and students.

At heart, this debate is between an old ethos of public service, reinforced by high levels of government funding, and an emerging ethos of market-oriented entrepreneurialism that more overtly serves the interests of those paying for the service:

- between the interests of little-funding business and that of much-funding students or alumni, who nonetheless do want a job;
- between the interests of students or alumni and those of minority funders (philanthropists, private research funders, government) as well as the broader community;
- between the ultimate education-and-research purpose of the institution and more immediate employment and accreditation purposes.

More representative governance

This growing interests debate, heightened by funding changes in England, suggests newly emerging balances of interests, more directly related to the financial stake. It signals a move towards a more overt, more passionate balance in institutional governance and away from the dispassionate, “independent” adjudication of matters in the interest of an undefined public that is still found in the current governance arrangements I have described above and much governance practice. This may mean a move back to a more representative model, but now of funding stakes and coalitions of institutional interests, rather than of diverse community interests through trusteeship of the once public, or publicly funded, institution.

The institutional interest

The funding changes of coming years underscore the real autonomy of universities. Governors then, while respecting all conditions attached to government funding and regulation, must primarily serve the complex of stakes that is the institutional interest. Where that conflicts with the public interest – for instance, in the setting of tuition fees, disposal of property, or entrance into

commercial ventures – then the institutional interest can reasonably be expected to prevail.

Conflicts of interest

At times of rapid change of interests in and of the institution, conflicts will proliferate. This is not just a technical issue of financial or other gain to governors or their immediate associates. It involves genuine conflicts between competing stakeholder groups over institutional priorities, as well as conflicts of belief: how much *should* an autonomous university be acting in more than its own immediate self-interest? As well, there is the difficult issue of how a dispassionate, adjudicational Board starts to embrace the more passionately articulated stakes of various interest groups.

Some considerations to guide the appointment of governors

So then, given the central importance of the Governing body and the changing environment, I set out here some of the considerations to guide the appointment of governors.

Responsibilities

Boards of Governors need skills to match their responsibilities. Although there is some common understanding in the UK of their ultimate responsibilities, how those responsibilities are exercised in individual institutions is less clear. Governors are often wary, for instance, of “intruding” directly into traditional areas of academic self-governance. The Board, for instance, must own the strategic directions of the institutions, but while some Boards respond to plans brought forward by their management, others initiate their own processes and demand of management that they follow their agreed plan. The Board must approve the appointment of specified senior staff, but how much is it involved in their selection or recruitment? The Board must ultimately take responsibility for all academic and administrative activities of the institution, but can it reasonably be expected to have its own expertise in areas of student complaints, fee-setting or commercialisation of research? In all these matters the Board may be more or less hands on. But in all cases the Board has ultimate responsibility for all these matters.

The skills matrix

Such matrices of professional skills are a common way of assessing the

appropriateness of the backgrounds of Board members for the Board's duties, and also of selecting new members. Given the inherited main agenda areas of the Board – such as finance, audit, estates, human resources – it is not surprising that professional expertise in these areas is considered advisable or, in some cases, required. Expertise in other designated areas of equality, students' unions, and health and safety may also be desirable, and so feature on the matrix.

Disciplines and backgrounds

Certain configurations of disciplinary (social sciences, humanities, creative arts, technology, engineering, physical sciences, health sciences) and social (socio-economic, ethnic, gender, regional/international, religious, family/alumni) backgrounds are clearly desirable for particular universities. In an age of shifting balances of interest, these need to be considered as carefully as the skills matrix, lest a university replicate the “people like us” phenomenon of the Anglo-Saxon corporate world.

Core-purpose skills

The Board, above all, must have a good knowledge of the institution's core purposes, of education and research. This is not just because finances, estate and human resources are to be devoted in an efficient manner to support educational and research purposes, but also because the strategic directions of the university – primarily in education and research – are to be debated, approved and updated, in light of performance, by the Board. Knowledge in education (such as curriculum, assessment, pedagogy, demand, funding) and research (fundamental, for example or applied) is only infrequently referenced at the Board level. This can lead to overall Board incompetence in dealing with core business or ineffective holding of management to account.

Values

Knowledge, however, is not enough. Values are equally important, as they reflect the various goals of the academic enterprise. A university has several bottom lines. Financial, human-capital and environmental bottom lines, for instance, reflect different, but hopefully inter-locking, values. Each institution will have a different balance between these values, reflected in its overall positioning as an autonomous institution.

Conclusions

And so in conclusion I return to where I started this critique of present arrangements in England.

Diminishing state funding

The withdrawal of the state as chief funding agent of higher education creates new balances in governance authority. The body which can be most expected to fill that space is the alumni, as they now become the chief funding agent of most English universities in direct replacement of that state interest, through their decades-long repayment of state-provided loans. The alumni also have the greatest, life-long stake in the institution's reputation and its protection. They understand the institution's symbolic value.

Global economic crisis

The move towards greater emulation of corporate models from the business world, initiated over the last decade, seems to have stalled, in part because of the inadequacy of the model for the corporate world itself and in part because of its lack of responsiveness to changing stakeholder interests. The very independence of governor interests in this model does not regularly transplant well to higher education. The current flurry of employability demands directly from government masks the failure of employers and business directly to establish a sufficient financial or moral stake within universities. The question for universities now is how to build more passionate, committed, representative governing bodies, without damaging existing links with employers or their involvement in institutional employability programmes. Of course, many alumni will themselves be employers, but the legitimacy of their stake comes more by virtue of the former than the latter characteristic.

The pace of change

Academia's slowness to change and conservational approaches towards knowledge have sometimes been its strength, but may now represent a dangerous weakness. The necessity to compete in increasingly open markets, with less regulated, often international competitors, poses challenges to all forms of institutional governance and management, as well as to orderly industrial relations. That necessity for entrepreneurial speed and confidentiality suggests more:

- delegation of authority to post holders;
- advisory, rather than determinative, roles for committees; and
- ambiguous questions of ownership of privileged information.

It also suggests that governing bodies themselves may move to mimic senior management, through bestowing greater authority upon committee chairs, in fact, creating a cabinet of chairs. That can raise difficult questions about the expectations of members of the Board outside this cabinet of chairs, particularly staff and student members, who may feel they are not full participants in decisions for which they will nevertheless carry responsibility.

Academic neutrality

The most distinctive quality of the university is its neutral space. This underscores the university's role as academic standard bearer. In an age of media spin, naturally partisan government, and the profit-maximising corporate motive, society looks even more than previously to its universities for trustworthy research results and verifiable educational standards. If institutional autonomy is to be maintained, then new alumni governors are in a good position to reinforce that ethical basis to research and education once held in trust by the undifferentiated public. Hopefully, they have been inculcated in that ethic as students.

Interests, skills, authority

Universities are hard to govern. A strongly independent Board is not necessarily the best guardian of an autonomous university. At moments of governance crisis, and holding no stake of dependency, independent governors can act to protect *their* professional or private interests and *their* reputation over those of the autonomous institution. Authority is better based in a body that actively and passionately represents the relative interests of the key university stakeholders. That representational balance is more likely to be found in a Board of Governors chosen, and reappointed, for the diversity of its members' attributes: knowledge of education and research, professional matrix skills, disciplinary and social background, along with a good understanding of the values enshrined in the institutional mission.

The Transformation of University Governance in France (1999-2011) Inertia, Institutionalization and Change

Stéphanie Mignot-Gérard*

Introduction

There is a common narrative that universities worldwide have undergone major organizational transformations in the past two decades. There is at once a heated debate among scholars about the forces (be they economic, demographic, technological, or social) that shape these changes, but also about the nature and the degree of the latter. At the core of these debates stand the capacity of universities to maintain their traditional priorities and their level of autonomy.

Among scholarships that address the issue of change in universities governance, three different perspectives, sometimes overlapping each other, are generally adopted.

A first effort consists in questioning the alleged convergence of national higher education systems either worldwide (Drori, Meyer & Hwang, 2006) or within a region, like Europe (Musselin, 2009; Paradeise, Reale, Bleiklie & Ferlie, 2009). These studies show that changes may be more or less radical, occur at different times, and affect distinct elements of higher education systems across countries.

The second, and may be the more prolific approach, investigates the impact of one or several institutional pressures for change on the governance of

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universities parts of the same national system. Again, change, complexity, and ambiguity is pointed out. For example, Paradeise and Thoenig (2012) have accounted for the diverse possible range of university responses to the increasing pressure of academic standards of excellence. As for American universities, it is often claimed that selective research universities may be less subject to market forces than other institutions, and that a higher level of collegiality is still prevalent in the former while a managerial approach of governance dominates the latter. Hence, because of institutional diversity, external demands for change do not affect all the universities of a given country at the same degree. Studies that delve more deeply into universities organization and study the 'shop-floor' levels show that changes may also vary within universities: with respect to their epistemic cultures and powerfulness, some parts of the same institution may adapt to change, while others will buffer it, or adopt window-dressing transformations (Frolich, 2005; Henkel & Vabo, 2000; Mignot-Gérard & Musselin, 2005). Furthermore, neo-institutionalists have convincingly argued that universities may experience big changes in their symbolic forms or formal structures while concrete organizational practices remain stable (Meyer & Rowan, 1977; Gumpert, 2002).

A third outlook consists in studying national systems of higher education in a multi-level and historical perspective (Kogan & Hanney, 2000; Musselin, 2004). Those studies highlight that the different parts of a national higher education (especially the state, the academic profession, and the universities) may not be affected by change simultaneously, and that change at one level does not mechanically transform all the system. The French higher education offers a good illustration of this point. While several national reforms have been put in place since the end of the nineteenth century to strengthen the universities autonomy, they have not attained their goal, because, Musselin argues, they neither affected the state structures nor the profession modes of regulation. That is the reason why 'big reforms' have led to small change at the institutional level (Musselin, 2004).

This paper departs from an alternative perspective, since it examines and compares the concrete governance practices within universities in France at two different time periods. However, the approaches developed earlier are very useful to point out the complexity of change, but also to identify the different dimensions that need to be studied when the issue of university governance change is addressed. This paper will thus draw on a theoretical approach that integrates the study of academic leaders values and practices; the relations and balances of power between the actors and organs that participate in the internal

governance of universities; the content of decisions made at the university level; and the relation between the state, the universities and the academic units.

Part one describes the national reforms led in France since 1968 in the sector of higher education. In a second part, the research design will be presented. The third and final part will outline the main findings of our studies.

1. The 2000s reforms in the French higher education: centralization of university governance and a rising concern for performance

Since the end of the nineteenth century, the structures of French university governance remained largely unchanged since the *loi Faure* of 1968 and the *loi Savary* in 1984. The latter aimed at improving the capacity of collective action of universities. They renewed the universities governance structures, but neither affected state funding to universities nor challenged the ‘corporatist-centralised’ model of professional regulation. As a result, these two laws failed to strengthen the universities capacity of collective action (Musselin, 2004).

In the late eighties four-year contracts were introduced between the universities and the Ministry. With the contracts, universities would negotiate a small part of state funding on the basis of the strategic plans drawn for the next four years. Albeit a subdued and not visible change, the contracts between the universities and the ministry entailed significant modifications in weakening the discipline-based logic of intervention of the ministry and promoted the recognition of universities as relevant actors within the French higher education system (Musselin, 2004).

1.1 The “Loi L.R.U.” aims to centralize decision-making in universities

French higher education did not undergo major governance reforms between the end of the eighties until 2007 when the president Sarkozy came into office. In 2007, Sarkozy’s government launched the law for the liberties and responsibilities of universities (L.R.U.). It had two main consequences on university governance.

First and foremost, the law strengthened the centralization of decision-making within universities. The university presidents benefited from enlarged powers. Regarding governance itself, presidents are now elected by the senate (while they had previously to be elected by the three deliberative

bodies altogether), they are given the possibility to renew their mandate one time, and to designate the external members of the university senate. They also gained power with respect to staff management, since the LRU gave them the capacity to allocate individual compensation to staff, and block faculty recruitment decisions (Legrand, 2007). The law also strengthened the preeminence of the senate over the two other governance bodies at the university level (the council for studies and the council for research) and aimed to increase its capacity for decision-making by reducing the numbers of its members (from 30-60 to 20-30).

Secondly, the universities were given enlarged autonomy regarding management of their budgets and human resources. With the LRU, all the resources granted by the state are integrated into the four-year contract negotiation; more importantly, the universities now pay the salaries of their staff. All these resources are integrated into a global budget that allows institutions to transform mutually credits into positions. Previously, state allocations to universities did not include university staff compensation.

1.2 State funding and the increasing measurement of university performance

Moreover, the calculation of the state funding to universities was changed in 2008 in order to better take into account the universities 'performance'. For teaching, 10 per cent of the state funding to universities are now based on qualitative results (success rate in exams, placement of graduate students on the job market). For research, it is suggested that 20 per cent of the funds should be based on 'performance'.

In addition to the introduction of performance measures in the state funding formula, an emphasis has been put on research assessment and quality. In 2005-2006 was created a new agency, *e.g.* l'Agence Nationale pour la Recherche (ANR: French national research council). The ANR role is to fund selectively research projects coming from universities on a competitive basis after peer-review evaluations. At the same period, another Agency, Agence d'évaluation de la recherche et de l'enseignement supérieur (AERES), was put in place to assess all laboratories, higher education institutions and graduate programs. The research laboratory are graded from 'A' to 'C' by the AERES; one important measure of the lab quality that influences heavily the grade finally obtained, is the number of scholars of the unit who publish in academic journals. Faculty whose production is under the standard of publications (which is variable from field to field) are counted as a 'non-active scholars'.

Last but not least, in 2010 was launched a state program, so-called the ‘Investissements d’avenir’. Research labs and universities were invited to apply for LABEX (excellent labs) and IDEX (excellent universities) labels. A jury composed of international scholars was appointed to designate the short list of academic units that would be recognized as excellent institutions and receive the financial resources dedicated to the program. Finally, a hundred of research labs were laureates of the LABEX and eight universities received the IDEX label.

2. Research design

The paper draws on a set of in-depth studies of universities conducted at two different time periods. The same research design was applied for all the studies. For both two studies were simultaneously conducted, one qualitative based on semi-structured interviews and a quantitative one based on questionnaires directed to a greater number of institutions and individuals.

In order to grasp the evolutions of the universities internal governance, two institutions that were part of the 1998 sample were studied again in 2010 (South University & West University).

These studies offer insights into the universities internal governance, by highlighting the university presidents’ values and leadership styles; the balances of power between the presidential teams, the collective bodies of decision-making at the university level, the university administration and the deans; the content of the decisions made at the university level.

Table 1. Qualitative studies

	Sample of institutions	# interviews	Sample of interviewees	Reference
1998	4 universities West University East University South University Paris University	250	*Actors involved in university governance (members of presidential teams, elected members of the decision-making bodies, deans, department chairs and labs) *Faculty and staff members	Mignot-Gérard & Musselin, 1999
2010	3 universities Science University West University South University	100	Only actors involved in the university governance	Musselin, Barrier, Boubal & Soubiron 2012

Table 2. Quantitative studies

	Sample of institutions	# questionnaires	Sample of interviewees	Reference
1999	37 universities	1,660	*Actors involved in university governance (members of presidential teams, elected members of the decision-making bodies, deans, department chairs and labs) *Faculty and staff members	Mignot-Gérard & Musselin, 2000
2010	All universities	2,598	Only actors involved in the university governance	Chatelain, Mignot-Gérard, Musselin & Sponem, 2012

3. Changes in the university governance

A first comparison of the empirical data collected in 1999 and in 2010 brings about a mixed picture of change. Firstly, there is evidence that French universities retain a good deal of collegiality (3.1). Secondly, the centralization of decision-making that had surfaced by the end of the nineties has been reinforced in the recent period (3.2). Finally, the most salient change regards the tighter relationship between the national evaluations of research performance and the internal allocation of resources (3.3).

3.1 French universities retain collegial traits

Many studies point to the “organizational turn” of universities worldwide (Krücken & Meyer, 2006). While universities were originally described as specific organizations (organized anarchies, loosely-coupled systems, professional organizations), the use of metaphors like “entrepreneurial university” (Clark, 1998), or “academic capitalism” (Slaughter & Leslie, 1997), reflects the idea that universities are perhaps no longer peculiar organizations (Musselin, 2006).

Several dimensions may be used to characterize organizations. Among others, organizational values and forms of control are at stake when the nature of organizations is debated. The transformation of universities into organizations postulates that managerial values become more prominent and tend to replace traditional academic ones. It is also argued that the control of professionals relies less on collegial mechanisms (for instance evaluation through peer review, definition of tasks through professional socialization), but more on hierarchy.

3.1.1 Academic leaders' values: the persistence of academic values over managerial ones

As within any professional bureaucracy (Mintzberg, 1979), managerial responsibilities in universities are undertaken by elected or appointed faculty members. Might the endorsement of a collective responsibility of management be a driver for adopting managerial values?

The “value” issue is subject to debates in the literature. Studies on universities in the United States argue that academic values are losing ground for the benefit of market or industrial values (Slaughter & Leslie, 1997; Gumpert, 2002). As far as European higher education is concerned, scholarships conversely emphasize the strength of academic or scientific values (Barrier, 2011; Henkel, 2000). In the United Kingdom, where New Public Management (NPM) was implemented in a particularly radical form, Henkel (2000) found that academic leaders in traditional universities were reluctant to a managerial identity, while leaders of post-1992 institutions were more akin to such description. Trowler (2010) shows that middle-management academics are not particularly enthusiastic about new public management ideas and principles.

In France, all academic leaders (either university presidents, deans, department chairs) are elected, usually for fixed-term mandates. University reforms in France since 1968 have strengthened the managerial role of university

Table 3. Academic leaders' values

As far as your work is concerned, how important do you consider the following activities?		% Important
(N = 1,514-1,619)		
Academic quality	... to offer teaching programs whose quality is recognized by your peers	89
	... to produce scholarship of quality in your peers' views	90
Innovation	... that your own research contributes to the advancement of science	87
	... to offer innovative courses	88
Autonomy	... to be autonomous in your research activities	87
	... to be autonomous in your teaching activities	84
Focus on management	... to pay attention to the costs of your activity	67
	... to raise external resources	60
Social demand	... to offer teaching valued by students	67
	... to produce research useful for your sponsors	53

presidents while they ignored the intermediate-level academic leaders (Musselin, 2009). By the end of the nineties, we observed that university presidents held proactive discourses of change, contrasting with deans' leadership styles that remained closer to the ones of *primus inter pares* (Musselin & Mignot-Gérard, 2002). We thus expected to find discrepancies of values between the two groups of actors. Surprisingly, we found a great deal of consistency of values between the academic leaders at both level of the university pyramid. In the questionnaire sent in 2011, several questions aimed at testing the current values of academic leaders. Results are presented in the Table 3.

The Table 3 thus reveals that traditional academic values (academic quality, innovation, autonomy) are considered as far more important than management issues (costs, fund-raising) or attention to the stakeholders' demand.

3.1.2 Lateral forms of organizational control

The studies that were conducted by the end of the nineties demonstrated that the implementation of university policies required persuasion, negotiations, and repeated pressures upon faculty members. In other words, organizational controls could hardly be achieved without the (explicit or implicit) consent of the faculty (Musselin, 2006). As an example, a presidential team of a Parisian university planned to close the teaching programs where the numbers of students enrolled were too small. Instead of cutting these programs unilaterally, he asked the faculty members in charge of those programs to make the case in front of the university deliberative bodies every year. Ultimately, some of the targeted programs were closed, not as the result of the president's decision, but because the faculty renounced defending their programs at the council for studies (Simonet, 1999). The mobilization of peer evaluation was an additional mechanism used for enforcing organizational policies. At South University (Mignot-Gérard & Musselin, 1999), the president wanted to restructure two research teams. Instead of constraining them to take the measures for change, he claimed that the teams were given a bad evaluation from experts of their respective fields two years earlier. He then appointed an *ad hoc* committee composed, among other members, of renowned scholars of the institution. The committee advised the two research teams to change their research agenda, and they actually did. In that case, the presidential team achieved restructuring of both research teams, by drawing on two convergent peers' expertise.

The studies in the nineties thus brought empirical evidence that the government of academic communities drew on 'unobtrusive forms of control' as well as on professional reviews rather than on hierarchy. As characterized by

Lazega (2001), these “lateral forms of control” are a distinctive feature of “collegial organizations”.

The observations made in 2011 indicate that such collegial patterns are pervasive in French universities. Firstly, the research by questionnaires (Chatelain *et al.*, 2012) shows that the definition of faculty activities is still characterized by a great deal of autonomy and little intervention of the ‘hierarchy’ (either deans, department chairs or heads of research labs).

With the recent reforms that place more emphasis on evaluation, it is also of interest to ascertain the extent to which evaluation of teaching and research is implemented throughout universities.

Respondents to the questionnaires that were sent in 1999 and 2011 had to answer very similar questions about teaching evaluation. The objective was to determine if the practice of evaluation was developed within French universities, but also to understand how these evaluations were used. Results are provided in the Table 5.

Table 4. Perceptions about teaching assessment (1/2)

“Would you say that... (Responses of faculty members, N= 1581-1629)	% agree
... a tight control on your activities is exerted by your director (dean, department chair, university president, research lab director)”	23
... your director has a hierarchical conception of his/her role”	35
... you are accountable on your results”	53
... that you benefit from a large autonomy in exercising your activities”	65

Table 5. Perceptions about teaching assessment (2/2)

	1999 questionnaire	2011 questionnaire
Is there an evaluation of teaching in your academic unit?	% yes: 21.9%	% yes: 59.9%
	% not a uniform evaluation across the unit, but some faculty ask their students to evaluate their classes: 28.9%	
What happens when a faculty receives a bad evaluation?		
- nothing happens	23.2%	35.8%
- the faculty receives advisory comments from the dean (or department chair)	14.3%	26.1%
- the course is suppressed or handled by a new faculty	4%	5.9%

One may firstly observe that the evaluation of teaching is more developed today than it was in 1999; however, teaching evaluation is not widespread since less than 60 per cent declare that their own academic unit actually put it in place. In addition, the numbers of 2011 indicate that low teaching performance has little concrete effects, even though the intervention of academic leaders is perceived more frequent in 2011 than it was in 1999.

Similar findings may be drawn for the micro-management of research activities. There is stronger institutional pressure for assessment in research than in teaching ... and university leaders show a greater concern for research productivity (Musselin *et al.*, 2012). In the three universities studied by Musselin *et al.* (2012), the budget allotted to research teams was partly dependent on their grades and the directors of research laboratories were far from indifferent to these measures of performance¹. When members of their labs are designated as ‘non-active scholars’, they would provide incentives rather than sanctions.

[as for the ‘non-productive’ scholars], we adopt a strategy of help rather than sanction. It may work with some individuals, and fail with others. Everyone is aware of the risks, and handle the issue accordingly ... anyway, our collective strategy is to help individuals stick to research requirements, instead of sanctioning. (a research lab director)

The latter testimony suggests that self-discipline is preferred to managerial intervention. Another illustration of actions initiated by research directors is to try to convince their colleagues to spend less time in teaching in order to put more efforts in research production; or to encourage ‘non-productive’ colleagues to publish in collective books supported by the laboratory. However, as suggested by the testimony below, such support might go unheeded and the responsibility ultimately falls on the individual’s shoulders.

I can give you the example of a young guy, very smart, but he used to manage a program, which is very much time-consuming. One day, he talked with one of my doctoral student and they realized that they shared common research interests. So I told him: “well that’s nice, you could

¹ However, the degree of attention to these measures may vary, depending on two factors: the dependence of the lab on university research funds (which is higher for research labs in humanities and social sciences than for the ones in sciences); the extent to which such performance evaluation is customary for research labs: the less evaluation was rooted into actual practices, the greatest the resistance to the new instruments (Musselin *et al.*, 2012).

work with my doctoral student on this project, I could give you some extra funds...”. I thought that would have been interesting for him, that he would have been less isolated, ... but he turned down my proposal, he turned it down because he felt attacked. (a research lab director)

The empirical findings of both quantitative and qualitative studies thus lead to convergent conclusions: academic values remain strong and go hand in hand with the pervasiveness of unobtrusive forms of management that mix persuasion, incentives, and reliance on faculty self-discipline.

3.2 The ‘institutionalized centralization’ of universities governance

The studies conducted by the end of the nineties would point out a shift of the university president function. Presidents in office at that time would say that their function had become more ‘managerial’; in addition, they would engage ambitious projects and try to centralize decision-making. This presidential perception was convergent with the views of academic and administrative lay members of the universities. In the questionnaire sent to 1,660 respondents in 1999, 66 per cent answered ‘yes’ to the question: “Recently, do you have the feeling that presidential teams have emerged and that their influence over university governance was strengthened?”.

This leadership shift went hand in hand with a greater decision-making capacity at the university level and with the definition of strategies on issues that were previously ignored (Musselin & Mignot-Gérard, 2002).

However, the concrete exercise of presidential power would entail complex negotiations with the other actors involved in university governance, and notably with the administration, the deans, and the deliberative bodies at the university level.

With the administration, the frontier between decision-making and implementation roles was often unclear and subject to negotiations. In some universities, there was very close cooperation between the presidential team and the administration, and the administrative officers would recognize the preeminence of the members of the presidential team in strategy making. In other institutions, the administration would take more part in decision-making, and the overlap of roles would result in conflicts between the presidential team and the administration chiefs (Mignot-Gérard & Musselin, 1999).

The relation between presidential teams and university councils was also a complicated one. Elected members of the decision-making bodies used to say that presidents would prepare the decisions within small governing boards, and

complained that they were often ‘rubber-stamp bodies’. On the other hand, in the view of presidents and vice-presidents, university bodies were not just a mere formality: on the contrary, they would place much effort in preparing mature decisions in order to receive a large endorsement by the councils; in addition, they paid a great deal of attention permitting the elected members deliberate upon their proposals.

The relation with the deans was not less ambiguous than the two latter. The four presidents studied in the nineties had adopted different tactics: some used to have close and frequent relations with the deans in order to involve them into the elaboration of university policies, while others would merely inform the deans of the decisions made by the president and his vice-presidents. In both situations, deans were not entirely powerless: when involved in the university governing board, they had the chance to defend their faculty interests within this board; when they were excluded from the presidential team, they would oppose more passive resistance to university plans by delegating to the lower levels of authority (departments, research labs) the responsibility to implement university plans.

In comparison with studies of French universities of the middle eighties (Friedberg & Musselin, 1989), the observations made at the turn of the millennium would thus bring evidence of a strengthened presidential leadership and certainly a greater capacity of decision-making at the university level. But still, the multiple trade-offs between the president and his partners would often result in incremental and marginal change.

We now endeavor to demonstrate that the emerging centralization of power has hitherto been institutionalized.

3.2.1 A high degree of cooperation between presidential teams and university administration

This centralization is firstly reflected in the respondents’ opinions in the 2011 questionnaire: 72 per cent (n=1,861) disagreed with the following question: “As far as your university is concerned, have you noticed a decentralization of decision-making?”

Another good proxy to measure this process of centralization is the composition of presidential teams. This issue was addressed in the two questionnaires sent in 1999 and 2011.

These results hence suggest that presidential teams now involve more ‘central’ actors than they did ten years ago: on one hand, the participation of the deans has decreased (from 24 to 14.2 per cent); on the other, the participation of the administrative heads has slightly risen (from 45 to 52.5 per cent).

Table 6. The composition of presidential teams in French universities

In your university, who are the members of the presidential team?	1999 study (n=1,660)	2011 study (n=2,050)
The president only	4.7%	3.4%
The president and vice-presidents	21.5%	25.3%
The president, (vice-presidents) and the deans	24%	14.2%
The president, vice-president and the administration chiefs	45%	52.5%
Other	4.9%	4.5%

The observations of concrete practices of governance in three universities (Musselin *et al.*, 2012) confirm the higher involvement of the administration to (and cooperation with) presidential teams, as well as the declining participation of the deans.

In all three universities, the president and the administrative chief are close collaborators. The following statement illustrates it.

Concretely, my work is very tightly related with the president. We meet each other at least twice a day. Early in the morning, at 7.45 a.m., we review our projects; at night, I ask for his signature on paper works. We work on joint projects, there is a good deal of information sharing. This president is very much involved in the day-to-day management of the university. There is perfect coordination and consultation between us. (Administration Chief, Science University, 2011)

Contrasting with the findings of the 1998 studies, the administrative and strategic roles are more explicit today than they were in the past. The members of the administration express being at the president's (or vice-president's) service and appreciate the support of the latter when they have to implement decisions. Reciprocally, the vice-presidents respect the leadership of their administrative counterpart in their respective fields. These results are all the more striking that they concern the three universities, even the institution (West University) where there was an open conflict between the presidential team and the administration ten years earlier (Mignot-Gérard & Musselin, 1999). This closer cooperation was accompanied with the recruitment of staff for the central administration, the implementation of information technologies handled at the university level, the adoption of common norms and rules across the institution, and the centralization of decisions regarding the allocation of research budgets.

3.2.2 The decline of deans' influence

Centralization of decision-making went hand in hand with a decline of schools' autonomy, and with the weakening of the deans. Before the Law L.R.U., the deans already felt dispossessed of the management of research. Since the reform, they can no longer decide the expenses of their unit, for this prerogative was given to the president himself. In South University where the deans were influent actors in the late nineties and would work in close cooperation with the president, such evolution is patent, and is perhaps all the more harmful that it suddenly broke long-term governing habits.

When I arrived in 1997, no decision was made without the deans' consent. At that time, we called it the 'bureau'. All the decisions had to be endorsed by the deans. The president used to make phone calls to the deans to avoid conflict. It is no longer the case. The deans have lost their political weight. On one hand, research has gained importance and the heads of research institutes were strengthened and they now reached a position almost equal to the one of the dean. On the other, only the university president holds the right to decide upon expenses and cannot delegate this right to the dean. When the L.R.U. was initiated, we thought that it would be a revolution within our schools. But in the end, nothing happened, this measure accompanied a decrease of deans' power. (a member of the central administration, South University, 2011)

As a consequence, the limitation of their strategic role has led the deans to focus more on administrative issues. This feeling is shared across the three institutions, even at West University where the deans are nonetheless more involved into the definition of the university policies.

Our function should be strategic since we are elected. But I do not see clearly how I could have a strategic ambition, except perhaps in the management of facilities... or provide very concrete help to my colleagues. But when it comes to university strategy, e.g. the development of research, curricular policies, well, the dean is not a central actor. My feeling is that I am just a link in the chain. (Dean, West University, 2011)

3.2.3 Collective decision-making bodies more constrained by presidential decisions

In line with the observations led in the nineties, university presidents prepare their decisions with their executive team before submitting proposed decisions to the university councils. However, the process today is

simultaneously more centralized and more sophisticated than in the past. In the nineties, small sections of deliberative councils (Council for Studies and Council for Research) would meet under the leadership of a vice-president to prepare the larger assembly of the council. The executive team ('bureau') would meet regularly and prepare the decisions to be voted at the major university decision-making body (the senate).

In the universities studied in 2011, the decisions are prepared by a series of *ad hoc* committees, starting with the president's inner circle, circulating into a larger team, to end up at the 'bureau'... before attaining the agenda of the university councils.

During the whole process, the centrality of the university president is remarkable since he participates in all the *ad hoc* committees and appoints the members of the latter. The impression of centralization is reinforced by the fact that the president also interacts with individuals within the institution without necessarily following the line of the elected hierarchy.

The president went to present his strategic project (2010-2012) to large assemblies of colleagues in all schools. The project came out from the governing team without discussion. One colleague commented this to him: "is everything already planned?". The president answered: "well, when I come to my class for teaching, I do not ask the students what I am supposed to do". (Dean, South University, 2011)

As a consequence, the roles of councils are more and more restricted to a technical function, rather than a strategic one.

The size of the research council does not help working... and both the president and vice-president play a very active role in orienting the deliberation of the council and I often have the feeling that its role is more administrative than scientific. Our input into the university scientific policy is low. We merely endorse the president and vice-president's decisions and agendas. (Member of council for research, Sciences University, 2011)

For the senate, the president's influence is even stronger than it was before the law L.R.U.. The latter reform indeed reduced the size of the assembly and changed the mode of election of this council. In the past, the principles of election would guarantee a balanced representation of the different university disciplines. Since the L.R.U., election of the senate is based on lists built up upon a collective project for the entire university, regardless of staff, union, or

discipline representation. The electoral system provides that the elected list holds the majority of the seats of the senate. In practice, the lists either endorse or oppose the presidential project. In the three universities studied in 2011, the governing board lists would endorse the presidential team, so that there was hardly opposition to presidential proposals of decisions². The findings of the qualitative study are confirmed by the responses to the questionnaire, where 60 per cent of the respondents (n=2,107) declared that “since the law L.R.U., the governing board votes are more in favor of the president’s orientations”.

The analysis of balances of powers within institutions thus demonstrates that a process of centralization that was initiated by the early nineties has been strengthened lately. A significant signal of this pattern is the relative convergence of ‘governing styles’ (e.g. the balance of powers and the interactions between the presidential team, the deans, the administration and the university councils) adopted by institutions. While in the nineties the systems of relations between the presidential team, the administration, the deans and the governing bodies were pretty diverse, they are more converging towards centralized governance styles today.

3.3 Tight coupling between national policy instruments and university governance: the most radical change?

While the two previous sections have successively identified inertia and continuity, in this third and last point, we show that national reforms based on performance on one hand and the internal governance of institutions on the other, are by far more tightly-coupled than they were in the last decade.

The State has always been quite interventionist in the French higher education system: an important part of university resources come from public funds, academic careers are regulated by national committees, governance structures are uniform across universities, university degrees are national ones, *etc.* However, many studies have shown that formal uniformity could conceal a large variety of practices, while others suggested that state control over local actions (at the university or departmental levels) was eventually weak. The ability of university presidents to adapt national reforms to serve their own

² West University contrasts Science and South University. While the majority list elected at the CA would endorse the presidential team, the CA played a greater role of opposition since the list was built against the L.R.U.. They thus vetoed some measures of the L.R.U., but it was less against the president than an expression of contest against the recent ministerial policies.

university strategies is a good illustration, as shown, for instance, by the implementation of the Bologna process in French universities (Mignot-Gérard & Musselin, 2005). Besides, due to the “loosely-coupled” (Weick, 1976) character of universities, a diversity of practices within institutions might also be observed, as a result of academic units resistance, adaptation, or adoption of national rules, norms or instruments.

With recent reforms, it seems more difficult for universities to decouple their activities from the pressures exerted by their institutional environment. Among those pressures, the changing national modes of research steering seem to have particularly strong effects on universities internal governance, as was highlighted by the two studies led in 2011.

The quantitative study points firstly that the indicators to measure teaching and research performance do not have the same function. While indicators of teaching performance are mostly used for accountability purposes, the measurement of research outcomes are rather used for evaluative goals and decisions of resource allocation (Chatelain *et al.*, 2012).

The qualitative study also shows that the creation of the AERES (see part 1), combined with the responsibility for universities to decide themselves on the internal allocation of resources (either budgets or academic/staff positions) impact the academic leaders’ behaviors. To start with, much effort is put by the directors of research laboratories in conforming to the requirements of quality defined by the AERES. Some research teams have thus run auto-evaluations in order to identify (and solve) their possible weaknesses regarding the AERES criteria. Conforming sometimes went hand in hand with gaming the rules: in order to improve the performance of their laboratories, some directors decided to not count ‘non-active’ researchers of their team by allocating them the status of ‘associate researchers’.

People who were not active publishers in academic journals became ‘associates’. [...] We did this four years ago, and the ones who were active researcher four years ago are still today, and the ones who became associates are still non-active. But as they are only associates, we do not count them as full members of the team. And as they are not on the list, they do not receive any individual funding. In the end, we have only active researchers, as regard of national norms and local norms. (Research Lab Director, West University, 2011)

Secondly, the measures of research performance influence the internal decisions of resource allocation. The grades obtained by the labs and the numbers of ‘active researchers’ are integrated into the funding formula defined at

the university level. For example, at Science University, a multiplicative coefficient was applied to the recurrent budget to the labs (1.1 for a lab graded A+, 1 for 'A lab', 0.9 for 'B lab'). Furthermore, when the reallocation of academic position that was left vacant has to be made (after a retirement for example) across the university, the latter gives the priority to research teams that received the grade A+.

Thirdly and ultimately, the AERES grades are rationales for restructuring research teams. Within the three universities that were studied, there are several examples of labs that received a B or C and were either absorbed by other labs or had to cut some of their research activities.

Not only do these behaviors illustrate a strong relationship between national policy instruments and the internal governance of universities, but they also manifest a noticeable change in the behaviors adopted by academic leaders when they have to make decisions of resource allocation. In the nineties, whether university governance bodies had to make choices of retrenchment or to distribute additional funds to their academic units, these choices were less selective than they are today. The 'internal equity' was the main principle that served as a basis for the allocation of budgets between the university schools (or faculties). Likewise, when the allocation of new faculty positions was discussed between the deans, research performance was balanced with teaching needs, and the latter were often a better argument than the former to negotiate a new position (Barrier, 2005; Mignot-Gérard, 2006).

We hypothesize that the new policy instruments that are currently used for steering the French higher education have become critical tools of State control. As argued elsewhere (Mignot-Gérard, in press), the pressure to conform to these instruments is related to the quantification of quality that they bring about: because evaluations are now publicized, directly connected to resource allocation, they may create vertical differentiation... which entails a high level of anxiety that is a powerful driver of actors' behaviors. The external constraint is thus internalized and the behaviors change accordingly, even though concrete action may go against traditional academic values (Espeland & Sauder, 2007; Sauder & Espeland, 2009).

Concluding remarks

This paper examined the issue of change in the governance of French universities. It highlights the complexity of the transformation that universities in France currently experience. We first point to the non-linear relation

between national reforms and ‘local institutions’. Indeed, the reform that retained the most attention in the past five years, *e.g.* the law L.R.U., marked in fact the institutionalization of a process (the increase of university self-governance) that had started more than thirty years ago. The empirical data presented here also suggests that reforms may have (unintended) side effects: *e.g.*, the AERES, originally created as an ‘evaluation agency’ has in practice become a ‘rating agency’ that actually has a strong impact on the latter.

Yet, universities seem to remain organizations where hierarchy is not the main mechanism of coordination, cooperation or control. This paper recalls that professional norms and evaluations (Musselin, 2011) as well as self-discipline are more powerful than hierarchy. Here a question has to be raised: to what extent are these mechanisms specific to academic organizations? Scholarship on modern, liberal organizations indeed point out very similar mechanisms of control (Courpasson, 2000; Lazéga, 2001). These remarks point to an interesting paradox. At the time when the French reforms of higher education more than ever emphasize the ‘institutional autonomy’ of universities, it seems that the latter have never been more controlled by the ‘evaluative state’ (Neave & Van Vught, 1991). Paralleling this movement, while university presidents have gained greater power within the institution that they govern, they look at the same time very much constrained by the pressures exerted by their institutional environment, and their traditional values look more and more at odds with their actual behaviors.

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University Governance Reforms in Japan – incorporation of national universities –

Jun Oba*

Introduction

In recent years, numerous governments have proceeded with reforms with a view to increasing the efficiency and effectiveness of university systems. These reforms aimed generally at according greater freedom to institutions and, at the same time, rationalising their governance by clarifying the responsibilities of the management, with a shift in power away from departments in the institutional decision-making process (OECD, 2003). The recent reform of national universities in Japan has also reflected such global trend.

Japanese national universities were, until March 2004, a part of the national government under the Ministry of Education, Culture, Sports, Science and Technology (MEXT) and were directly operated by it, although they enjoyed academic freedom in a limited manner. In 2004, by virtue of National University Corporation Law of 2003 which accorded them the status of national university corporations (NUCs), they were given a legal personality and became more autonomous in terms of their management. Being detached from the government direct control, central authorities of the NUCs have been required to strategically manage their institutions within the legal framework and given resources, which have tended to decrease and be allocated on a competitive basis.

After nearly ten years since the incorporation, remarkable changes as well as problems can now be observed in diverse aspects of the NUCs' governance. This article examines the impact and challenges of the recent reform of Japanese

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national universities, focusing on their internal governance¹.

1. Incorporation of national universities

This section will outline the NUC system.²

1.1 Background of the reform and the theoretical framework of the NUC system

Japanese national universities, which used to be a part of the government organisation, involved various problems deriving from their legal status as a state facility. Kaneko (2012) summarises them into the following three types: 1) internal conflict between state control and academic autonomy, 2) strong resentment about the disparity between the national and the private institutions, and 3) inefficiency of their management. There were many criticisms vis-à-vis national universities from a wide range of stakeholders in society, particularly concerning their collegial style of administration.

Incorporation of national universities is one of the reforms driven by New Public Management (NPM) thinking aimed at improving their efficiency. This kind of reform – according more autonomy to national universities and clarifying their responsibility – had long been discussed by academics as well as by the government, but this idea never gained enough interest or much support among the academic community in Japan. In spite of reluctance of most national universities, the reform was finally decided in 1999 by the government in the course of administrative restructuring, and the process was accelerated during Koizumi administration (2001-2006) which promoted “neoliberal” reforms.

As a result, the design of the NUC system was significantly influenced by the NPM concept which governed the administrative reform. In particular, the same scheme used for independent administrative institution (IAI)³ arrangements was adapted to the NUC system. One of the consequences of such designing concerning NUCs’ governance, is that, as is explained below, the president of NUC is given unusually strong powers (Kaneko, 2012). However,

¹ Specific examples and other information cited in this chapter, unless otherwise noted, come from diverse reports of the NUC evaluation committee (NUC-EC) in MEXT and performance reports of the NUCs.

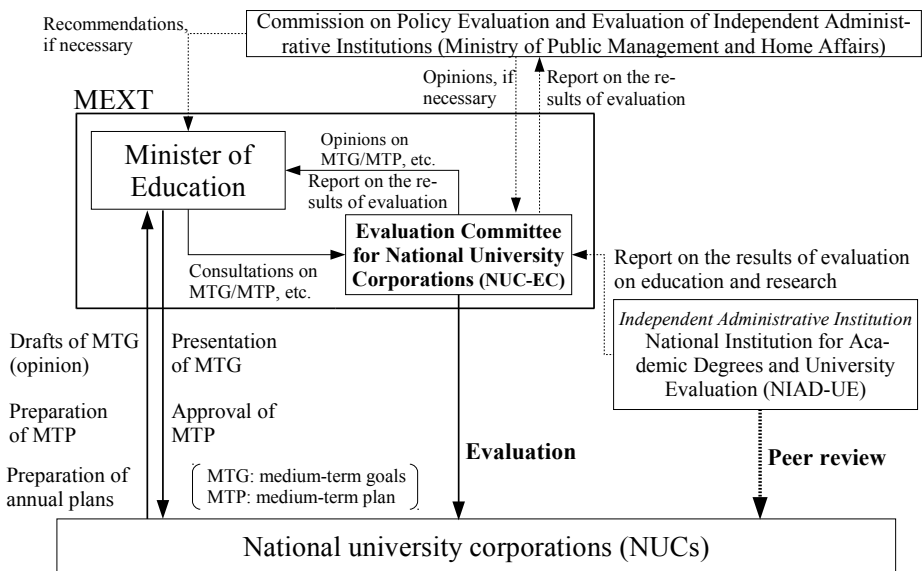
² Readers already know about the NUC system may want to skip this section.

³ Government agencies with corporate status delivering various types of goods and services, using management methods of the private sector. The system was developed in the course of government administrative reform and began operation in 2001.

viewed as a whole, although the reform was implemented under the framework of administrative restructure, incorporation of national universities was quite in line with reforms of universities undertaken in many countries since the 1990s (Christensen, 2010).

1.2 Relationship between NUCs and the government

Under the NUC system, the budget is allotted by MEXT to each university as a lump sum (operational grant) including staff salaries, on the basis of a medium-term plan (MTP) prepared by each NUC according to its medium-term goals (MTG) (Figure 1). The MTG are presented by the MEXT, and are elaborated on the basis of the views of each NUC. The duration of MTG/MTP is six years, based on which MEXT provide operational grant to NUCs.

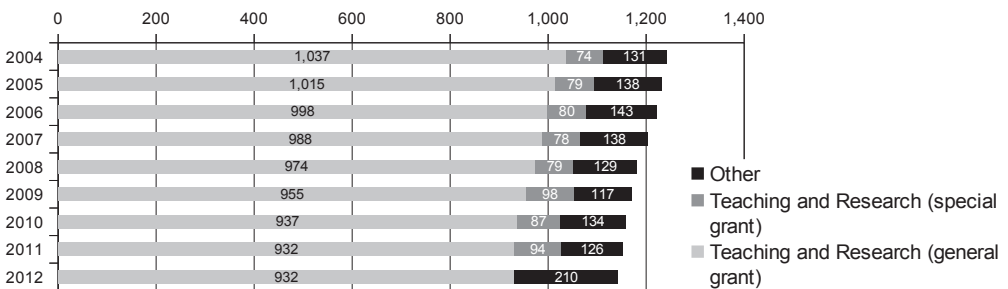


Source: Author

Figure 1. MTG/MTP and evaluation of national university corporations

The largest source of revenue for national universities comes from MEXT as an operational grant. It represented 47.7 percent of the total revenue (including external resources) of all the national universities in FY 2004. The operational grant has continued to decline, which has been only partially compensated by the special grant allocated on a competitive basis. As a result, the

proportion of operational grant in the total revenue has continuously decreased. Tuition and entrance fees are now own revenue sources for the NUCs. All the NUCs charge fees according to the standards set by MEXT (535,800 yen for tuition fees and 282,000 yen for entrance fee)⁴ to almost all of their students, although they are allowed to raise them by up to 20 percent from the standards⁵. In spite of the reduction of operational grant, payment differentiation involves most often a reduction of fees; only two universities have applied a higher rate respectively for one of their programmes⁶.



Source: Derived from data provided by MEXT

Figure 2. Block funds (operational grant) to the NUCs

Every NUC has to submit a self-evaluation report annually to NUC-EC in MEXT. Based on the self-evaluation reports, NUC-EC assesses the extent of attainment of the MTG/MTP of each NUC and compiles an annual evaluation report of the overall performance of the NUCs. All the reports – self-evaluation reports and NUC-EC’s reports – are published. It should be noted that NUC-EC’s annual reports include not only overall performance assessment results but also some “characteristic practices” reported by NUCs. Although NUC-EC stresses that these practices are merely examples that do not necessarily have to be followed by all the NUCs, it is clear that these practices are shown as good practices that MEXT recommends NUCs to employ, in order to meet accountability requirements. Ironically, in spite of the fact that one of the main objectives of incorporation was to increase the diversity of national universities, diffusion of good practices by NUC-EC has promoted isomorphic

⁴ These standards have not been revised since 2005.

⁵ The maximum surcharge rate has been increased from the 10 to 20 percent since 2008. As to the lower limit, there is no regulation.

⁶ Professional accounting course (Master), Tohoku University (589,300 yen) and Master of Management of Technology, Tokyo University of Agriculture and Technology (572,400 yen).

change in NUCs, as seen in the case of academic staff evaluation, which risks homogenising institutions (DiMaggio & Powell, 1983), at least in each stratum of institutions.

After each period of MTG/MTP, overall performance of each NUC is assessed by NUC-EC. In 2008, NUC-EC assessed the first-term performance of NUCs based on their activities of FY2004-2007⁷. The evaluation report was published in March 2009, in which the president of NUC-EC expressed his satisfaction, asserting that NUCs had well implemented their MTP and that they had performed the role of public institutions supported by taxpayers. However, at the same time, he pointed to several problems observed in some national universities, including under-utilisation of enrolment capacities and unsatisfactory levels of education and research. Evaluation results regarding education, research, administration and finance are provided in the following table.

Table 1. Results of the evaluation by NUC-EC for the period of FY2004-2007 (number of NUCs, including inter-university research institute corporations)

	Excellent status	As planned	Largely as planned	Slightly behind the plan	Much improvement needed
Education	1	10	79	0	0
Research	3	27	60	0	0
Administration	11	56	18	5	0
Finance	3	83	1	3	0

n=90 (86 NUCs and 4 inter-university research institute corporations)

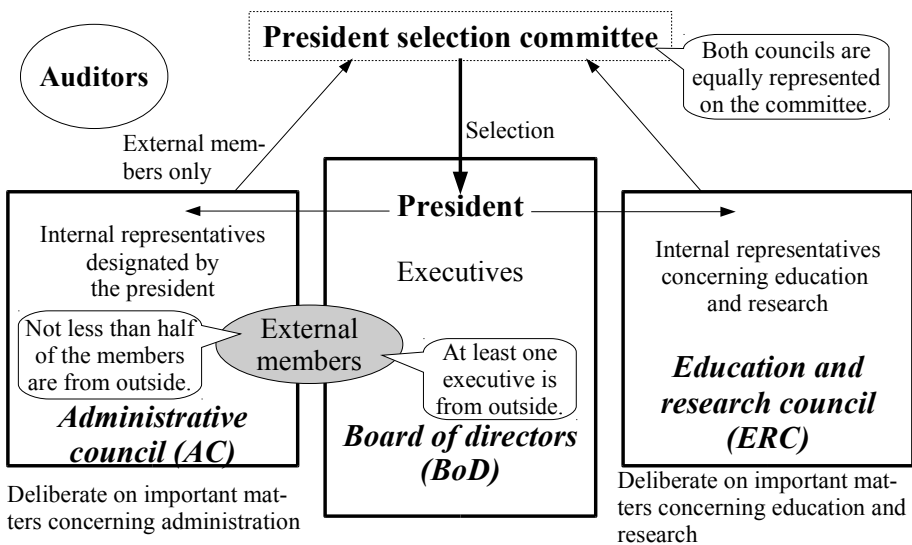
1.3 Arrangements for governance and management

Traditionally, national universities were managed predominantly based on the consensus of academic staff, although the scope of their autonomy was restricted under the direct government control. The reform notably extended the authority of the president and the board of directors (BoD). The president – the final decision-maker – is now selected by a president selection committee (PSC), composed of external and internal members, before being appointed by the Min-

⁷ The evaluation of NUC-EC consists of assessment of each NUC's performance in the improvement of the quality of education and research as well as in the administration. For the former, NUC-EC receives assessment reports of academic units of national universities prepared by NIAD-UE.

ister of Education⁸. The section procedure and the term of office of the president are determined by each PSC. In addition, in preparation of extreme circumstances, the Law stipulates dismissal procedures of the president. The same procedure as the selection procedure applies to the removal of a president.

As shown in Figure 3, the president is seconded by a board of directors, whose members are appointed by the president. The BoD is to receive recommendations from an administrative council (AC) concerning administrative affairs and an education and research council (ERC) concerning academic affairs. In addition, there are two auditors, appointed by MEXT and entitled to check business operations of the NUC.



Source: Author

Figure 3. Governance structure of NUCs

Each BoD is composed of the president and executives. Executives are selected and appointed by the president; the majority of them have been recruited from the professoriate (Kaneko 2007). The maximum number of executives is defined by the National University Corporation Law; the average number of executives is 5.8 (CNUFM, 2007). At least one of the executives should come from outside the university. Every NUC has to include external persons as

⁸ Minister in charge of MEXT This administrative action is merely a formality; the decision of the PSC is de facto final.

members of the BoD and of the AC, whereas the ERC is composed solely of internal members. In 2005, out of 403 executives (internal and external) in all NUCs, 80 were from the business community, but most of them (over 80%) are in part-time positions (Honma, 2005). Some NUCs appointed foreigners as board members.

NUCs have much more discretion over their human resource management. Before incorporation, the number of staff for each unit was fixed by the government by positions, and each university could not modify its staff quota nor establish new units or restructure existing units without ministerial authorisation. The staff quota tended to be considered a vested right for each unit, which impeded efficient manpower policy at the institutional level. In addition, permanent clerical staff could be recruited only from among successful candidates of the national public service examination. High-level secretarial officers were regularly relocated from one university to another by MEXT. This system came to an end at the time of the incorporation, when the appointing power was transferred from the Minister of Education to the president of each university.

1.4 Academic structures and staff

Although National University Corporation Law does not stipulate academic structures of national universities, they remain regulated by MEXT on the basis of School Education Law⁹. This section provides information concerning academic structures of national universities, necessary for understanding their governance issues.

Historically, Japanese higher education has been characterised by a closed structure, supported by a chair (*koza*) system, and research-oriented academics (Arimoto, 1996). The Japanese chair system, established in the nineteenth century and consolidated in research universities¹⁰ before the Second World War, was criticised for its rigidity and lack of responsiveness to society (Amano, 2001). Clark (1983) pointed to the problem associated with the chair system – reduced adaptability to change in the expanded higher education system – and this was especially true in Japan (Ogawa, 2002). Based on School Education Law, each basic academic unit (faculty or graduate school) has a council (faculty

⁹ The greater part of this regulation concerns also non-national (private and local public) universities.

¹⁰ In other, post-war universities, as a rule a 'department subject (*gakkamoku*)' system has been adopted, in which staff were allocated according to programmes instead of disciplines (chairs), and not necessarily expected to undertake research (Amano, 2001).

council) to deliberate important matters. The faculty council is composed as a rule exclusively of academic staff in each academic unit; it has often worked for its vested interest. Academic structures and education programmes should be authorised by MEXT according to the Standards for the Establishment of Universities (ministerial ordinance); the validity of programme authorisation is unlimited.

Since the 1990s, traditional academic units have been restructured. Along with the expansion of graduate education, chairs were amalgamated into large chairs (*Daikozo*), to break down disciplinary boundaries. In 2001, universities were no longer required to adopt one of the systems (*koza* or *gakkamoku*) but could design a new form of academic unit. In 2007, finally, both systems were withdrawn from national regulation and each university is now free to organise its own structure, even though it is still under the control of MEXT via programme approval procedures mentioned above.

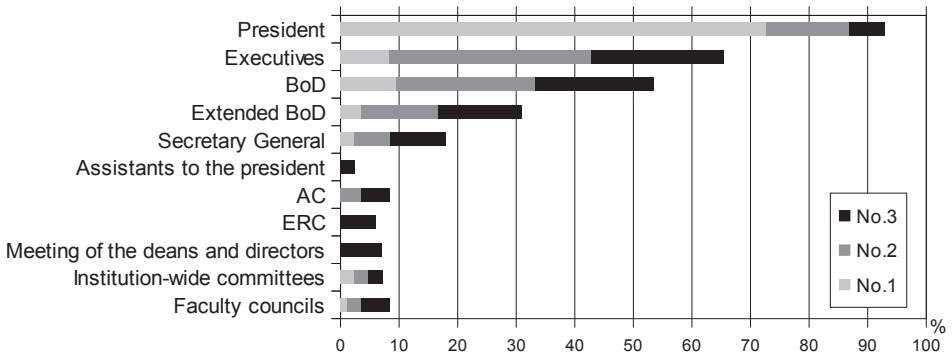
Alongside the structural reforms, MEXT has continuously revised the qualifications required for academic staff, so that institutions may recruit different types of professionals and promote mobility. Notably in 1997, a law relating to fixed-term employment of university teaching staff was introduced which enabled universities, in particular public universities, to employ academic staff on a fixed-term contract basis. Incorporation of national universities finally removed related regulation and enabled them to adopt an appropriate personnel system.

2. Consequences of the reform in relation to internal governance

This section outlines the consequences of the incorporation of national universities for their internal governance, in particular with reference to the decision-making process, participation of stakeholders, the financial and human resources management, and participation of students.

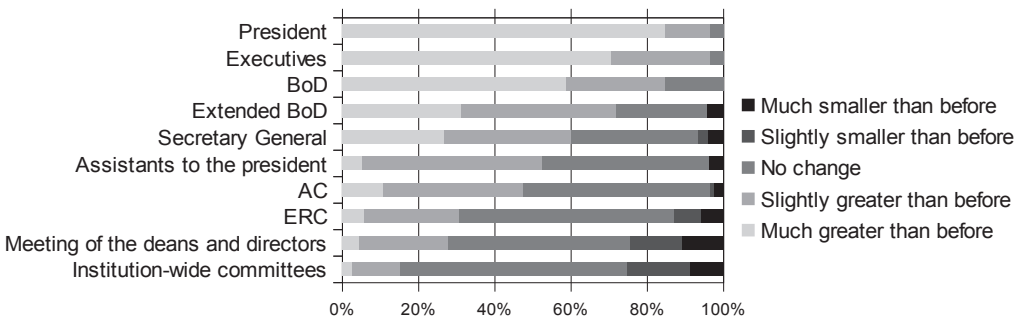
2.1 Centralisation of the decision-making process

National universities have centralised decision-making by concentrating administrative powers in the presidents and to a lesser degree executives (BoD). In terms of the definition of budget plans, both entities – in particular the presidents – clearly exercise strong influence over this decision-making process. (Figure 4) Furthermore, this tendency has been reinforced during the first period of MTG/MTP. (Figure 5)



Source: Adapted from CNUFM (2010)

Figure 4. Entities exerting influence in the definition of budget plans (the three most important)

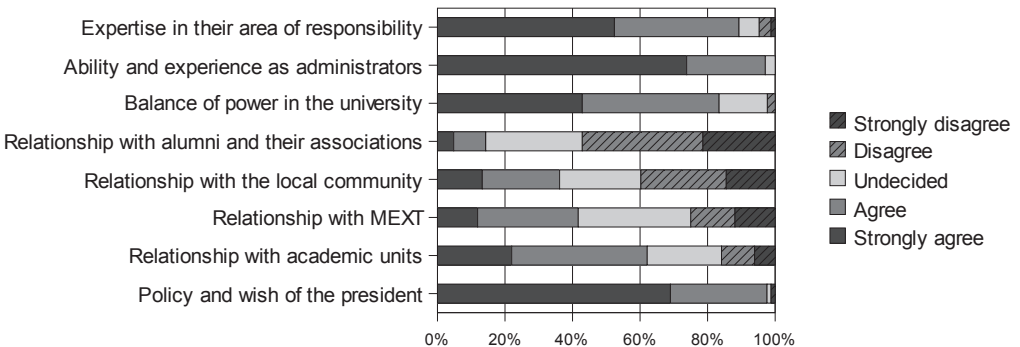


Source: Adapted from CNUFM (2010)

Figure 5. Change of the role in the definition of budget plans after incorporation

National universities have reduced the number and frequency of meetings of different committees, and reinforced their management by creating diverse units in the presidency to consolidate the leadership of the president. Before incorporation, a significant number of committees were set up in each national university to build consensus among academic staff members, which was a time-consuming process. For example, Aichi University of Education reduced the number of committees from 36 to 24, as well as the number of committee members from over 400 to around 100. Hitotsubashi University not only reduced the number of committees from 89 to 16 committees and 22 specialised committees but also created some strategic units such as Office for the promotion of international relations, Public relations office and Information systems management headquarters.

In many universities, PSCs have made it a rule to take into consideration the vote by staff members organised in the form of a “reference ballot”, but the selection of a president is not always dependent upon the ballot outcome. Other top managers in the central offices tend to be selected to strengthen the managerial capacity of the university. According to a survey (CNUFM, 2007), the factor regarded as most important in potential executives is ability and experience as administrators (Figure 6). Presidents also attach much importance to expertise in their area of responsibility and the balance of power in the university. However, if responses in the categories “Strongly agree” and “Agree” are combined, the most important factor perceived to influence the selection is the “policy and wish of the president”. Relationship with academic units – most important in the pre-corporate collegial system – is no longer an influential selection criterion.



Source: Derived from CNUFM (2007)

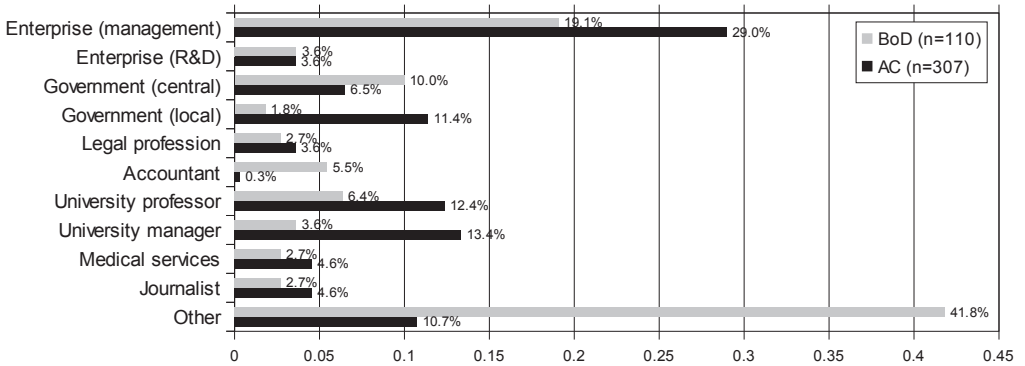
Figure 6. Factors regarded as important by the presidents in the selection of executives

2.2 Participation of stakeholders

Under the NUC system, each national university ought to invite external persons to participate in BoD and AC. According to a survey realised in 2006 (Honma *et al.*, 2007), the largest majority comes from enterprise management (19.1% for BoD and 29.0% for AC). The second largest comes from the central government for BoD (10.0%), university management for AC (13.4%).

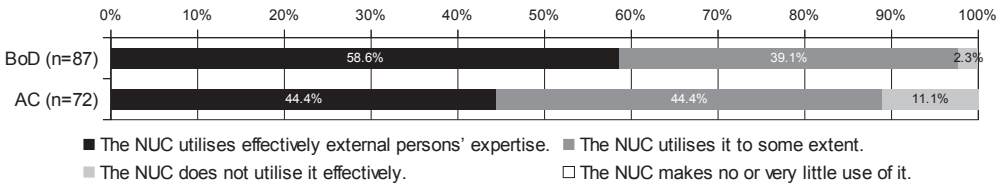
The extent of involvement of external members in university management through the AC is varied. Some universities have expressed their intention to consult their AC in detail concerning their management, including their budget

allocation. Others intend to consult them only in relation to general directions. The president of Kyoto University, for example, was reported to have said that the council should discuss matters only from a broad perspective (Yokoyama, 2004). According to Honma *et al.* (2007), the vast majority of NUCs are satisfied with the involvement of external members in BoD and AC, but some NUCs consider their involvement insufficient (Figure 8).



Source: Derived from Honma *et al.* (2007)

Figure 7. Breakdown of external members of BoD and AC by origin



Source: Derived from Honma *et al.* (2007)

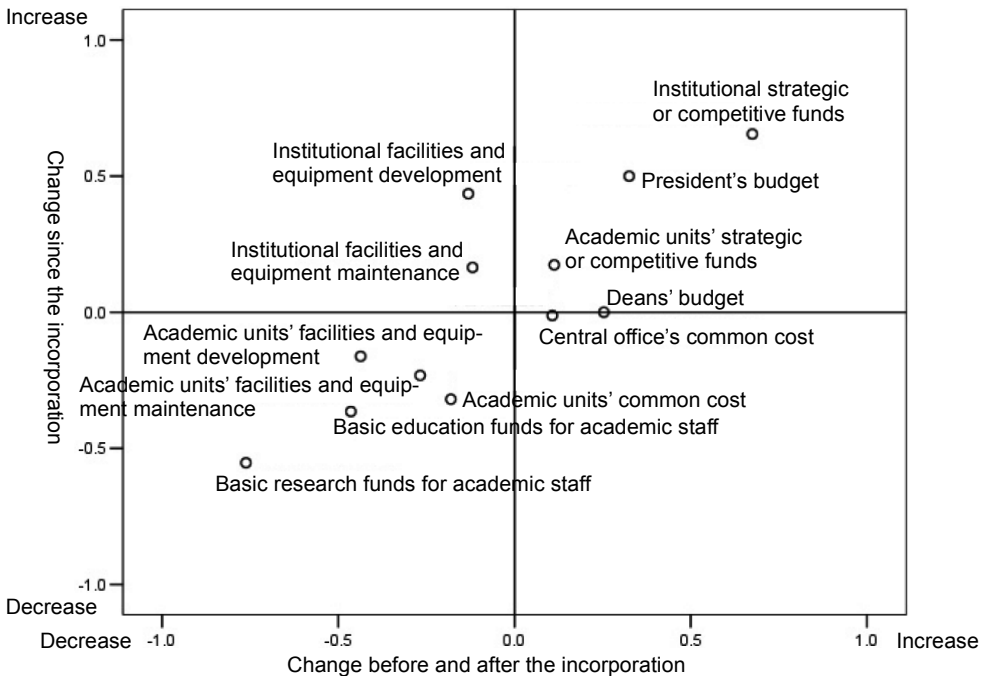
Figure 8. Involvement of external members in BoD and AC, judged by NUCs

2.3 Financial management

Given greater autonomy over financial management, and in the context of an annual reduction of operational grant, NUCs have taken various measures to use their resources efficiently. Many universities have focused their reforms on managerial efficiency in allocation and utilisation of existing resources. All the universities have adopted annual budgeting policies and have set aside a budget at the disposal of the presidents. During the budget alignment process, there

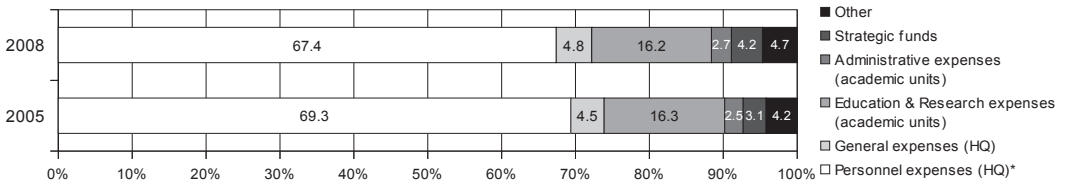
has been a significant shift of emphasis from “periphery” to “centre” as well as from basic funds to strategic or competitive funds. Institutional strategic or competitive funds and budget at the discretion of the president particularly increased at the time of incorporation and have continued to increase since then (Figure 9). As a result, between 2005 and 2008, the share of strategic funds in the institutional budget increased from 3.1 to 4.2 percent and the headquarters’ general expenses from 4.5 to 4.8 percent, whereas academic units saw their budget decline (Figure 10).

However, while the central office has reduced budget for academic units (faculties, graduate schools and research institutes), it has relaxed the control over the utilisation of their financial resources. Between 2005 and 2008, the proportion of NUCs in which academic units had full control of their budget increased from 17.5 to 30.4 percent and partial control from 62.0 to 65.0 percent (CNFUM, 2010).



Source: Adapted from CNFUM (2010, Figure 13-3 by K. Shima & Y. Watanabe)
 Note: This figure plots mean change values (increase=1, no change=0, decrease=-1) in relation to the budget by item of expenditure.

Figure 9. Change of internal resource distribution



Source: Derived from CNFUM (2010)
 Note: Permanent staff salary is administered by the headquarters.

Figure 10. Budget distribution by item of expenditure

2.4 Human resources management

NUCs have realigned their human resource management systems so that they may centralise staff management and strategically make use of given human resources. Gifu University, for example, passed from a staff quota management system to a “points system”, allowing deans and other unit directors flexible staffing within the limit of points allocated to each component¹¹. Many NUCs have made it a rule that the posts of retiring academic staff should be centrally managed, not automatically filled by researchers from the same area.

Concerning recruitment of non-academic staff, although some high-level secretarial officers are being relocated under the initiative of MEXT, their appointments come under the auspices of each NUC. Some NUCs have begun recruiting experts in various areas as staff with either academic rank or administrative title. The larger universities have set up diverse units for supporting education and research activities. In 2004, the University of Tokyo, for example, recruited 10 experts from the business community as associate managing directors or specially appointed experts. Among these experts was a patent attorney in the office of intellectual property.

On the other hand, increased autonomy emphasises the need for staff development (SD), particularly in managerial roles. Most NUCs have realigned their SD programmes and promotion schemes in that direction and revised their recruitment and evaluation systems. The University of Tokyo advertised some director-level positions internally and appointed seven successful candidates to the positions in FY 2004.

¹¹ A professor accounts for 100 points, an associate professor 78 points, an assistant professor 73 points, and an assistant 60 points (one point corresponds to approximately 100,000 yen). Each component determines how to utilise its points.

An increasing number of NUCs have developed their academic staff evaluation systems. Traditionally, evaluation of academic staff members has been carried out almost exclusively through peer review in Japanese universities. Although peer review remains the most effective and important evaluation means, NUCs have been implementing evidence-based periodical evaluations, being promoted by third-party evaluations including those of NUC-EC. According to a survey realised in January 2008 (Okawa & Okui, 2008), nearly 90 percent of the NUCs have introduced evaluation systems for academic staff. The introduction rate is lower in the larger universities – slightly more than 70 percent in universities with more than 1,000 academic staff. Concerning their objectives, 72 percent of the NUCs aim at reactivating their activities, 71 percent of them aim at improving education, and improvement of research is being aimed at by the same percentage of NUCs. With regard to use of evaluation results, few NUCs link them with pay scales or promotion of staff.

2.5 Academic structures and education/research

Although it still seems difficult for most universities to significantly reallocate internal resources from the areas of least need to those of greatest need, certain universities have reviewed their entire academic structures. In 2008, Kanazawa University integrally reorganised its academic structure, by regrouping its 8 faculties and 25 departments into 3 academic domains and 16 sub-domains, to offer diverse programmes crossing disciplinary borders and to allow students greater choice of courses and of future careers.

As regards pedagogy and student learning, evaluation of teaching by students has been generalised. ITC has increasingly been utilised for teaching and learning; most often the relevant system is centrally managed. All the national universities have been organising activities for improving education and teaching (faculty development: FD)¹². An increasing number of NUCs have set up academic support centres for improving teaching and learning (Oba, 2010).

In addition, national universities have increasingly promoted research excellence and cultivated interdisciplinary research programmes to better meet the needs of society and to maintain and strengthen their scientific excellence. In many universities, no small part of the resources has been devoted to developing interdisciplinary approaches that cross borders of existing faculties, gathering

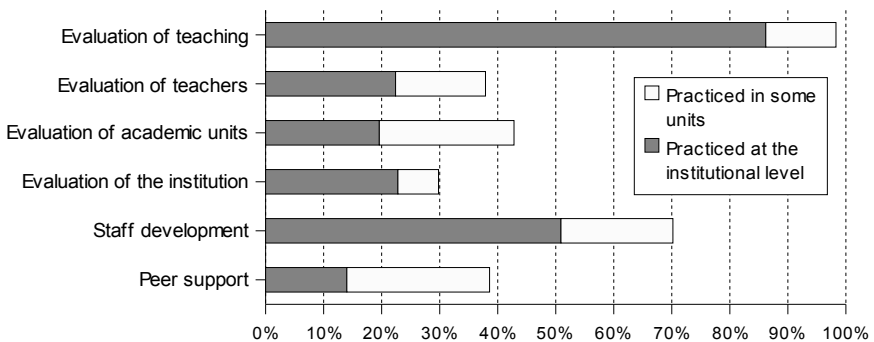
¹² FD was made obligatory in 2007 for graduate education and in 2008 for undergraduate education.

researchers from different units and outside. The University of Tokyo, for example, set up a Comprehensive Project Group in 2004 directly under the auspices of the president, aimed at combining several disciplines and opening up new horizons of knowledge. In Yamaguchi University, with its “Research Initiative” scheme, 43 inter-faculty research bodies were set up by the end of FY 2007.

2.6 Student participation

In contrast to the decrease in academic staff involvement, participation of students in university governance has been increasingly observed. Traditionally, students have not been regarded as full members in the campus community, and have rarely represented themselves in decision-making processes at any level; whereas in many European countries and the United States, they often have a voice in the university governance structures, although very seldom as a major influence in these structures (Altbach, 1998). After incorporation, in some national universities, students have been involved as full members in evaluation committees and other decision-making organs.

In Okayama University, for example, students and staff members (both academic and non-academic) sit conjointly on a Student – Staff Committee on Educational Improvement, where 37 students are present among 56 members. The committee has implemented academic staff development activities largely inspired by students, including the establishment of new courses and improvement of student questionnaires on teaching. According to a survey conducted in



Source: RIHE (2007)

Figure 11. Participation of students in diverse campus activities in national universities

2006 among the NUC presidents (RIHE, 2007), students are involved in evaluating instruction in almost all universities and participate in staff development activities in more than half of the universities (Figure 11). But in other activities studied in the same survey, student participation remains confined to a limited number of universities.

3. Discussion

In the light of the above-mentioned consequences of the reform, this section investigates problems associated with governance issues in NUCs after incorporation.

3.1 The legal framework and its implementation

The basic governance structure is stipulated by the National University Corporation Law. Each NUC has a president¹³, a board of directors (BoD), an administrative council (AC) and an education and research council (ERC). Not only the competences of these organs, their membership (or qualifications), selection process and size (in case of the BoD¹⁴) as well as basic decision-making procedures in NUCs are defined by the Law. The president makes final decisions after deliberations in the AC or ERC and then in the BoD. Although the Law does not stipulate the governance arrangements in detail, it constraints more or less NUCs' initiatives associated with organisational structure and authority distribution, which may reduce their managerial effectiveness. In fact, as is stated below, participation of stakeholders is not always regarded contributing to the university management.

In reality, in spite of the existence of a legal framework, various governance arrangements can be found in NUCs (Kaneko, 2012), leaving sometimes statutory organs ineffective or de facto incompetent. For example, the University of Tokyo makes it a rule that the president selection committee (PSC) shall select a candidate based on the result of reference ballot. Thus, the PSC has no discretion as to the selection process. As a matter of fact, the legal framework in place is not working in the manner intended in some NUCs and may not be suitable to ensure their effectiveness.

Concentration of authority to the central management has caused various

¹³ This is also stipulated by the School Education Law.

¹⁴ The size of the AC and the ERC is subject to discretion of each NUC.

problems in NUCs. The new decision-making framework was designed to enable rapid decisions, reflecting opinions from outside the university, among a small circle of high officers. However, in reality, it is quite difficult to expect academic executives to have sufficient competence and expertise in university management, where presidents are selected often on the basis of their academic achievement and where most academics try to escape from managerial work. It is impossible for the presidents to assume every responsibility in administration in a loosely coupled organisation like universities (Weick, 1976). As Bensimon & Neumann (1993) suggest, even in spite of competent leaders, their abilities have a limit, and therefore teams that are open and equalised in their conception of leadership, that view leadership as a shared process should be more effective. Besides, Osaki (2009) points to problems associated with centralised management in NUCs and calls for devolution to academic units.

Concerning the selection of the president, while several presidents – known as reformers for their audacious managerial innovations – have been defeated at the polls (Sakimoto, 2005), the second-ranked candidates have been deliberately favoured in some universities. Elsewhere, universities have either not employed or have abandoned the voting system entirely. However, presidents selected against ballot results or without voting often lack legitimate authority. In some cases, first-ranked candidates filed suits with courts to seek revocation of the appointments as presidents of the second-ranked candidates.

Dismissal of the president of a NUC presents another problem. In the NUC system, the president is given unusually strong powers: he or she does not have any supervising body comparable to board of governor or trustees, found in Anglo-Saxon countries, whose members are either perpetual or externally selected (Kaneko, 2012). The removal of a president, which is the competence of the Minister of Education, should be proposed by the relevant PSC. However, the majority of its members are those appointed by the president, and it is not responsible for the NUC's administration, in contrast with governing bodies in Anglo-Saxon countries. Therefore, it is very unlikely that it will make such a proposal. In addition, evaluation of the president is not legally stipulated; only institutional evaluation is defined in the National University Corporation Law. Kaneko (2012) argues that this logic, deriving from the independent administrative institution (IAI) arrangements, is difficult to apply to universities and that the MTG/MTP scheme does not provide correct incentives for a better achievement of the NUC. The current arrangements have no provision against self-righteous behaviour of a president.

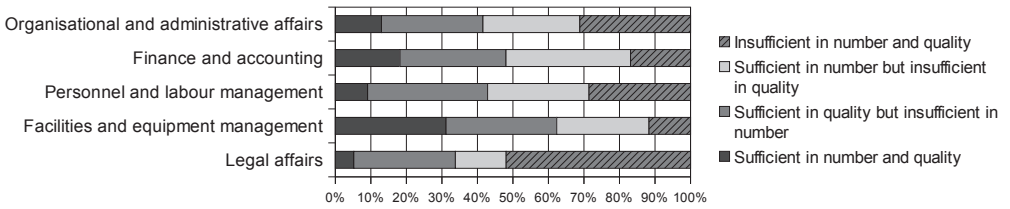
Participation of external personalities in the manner provided by the Law

often lacks effectiveness. According to a survey (Yokoyama, 2005), in FY 2004, the majority of the external members (60.1%) felt that their opinions had been sufficiently reflected in the decisions of the AC; but nearly a quarter of them (24.3%) thought that their opinions had little impact, and 9.4 percent of them found only a small number of important matters in the discussion. In comparison with the same survey carried out the previous year, fewer members found the council performing a core role in university management (62% against 66%), and orienting reform of the university (53% against 60%). Furthermore, more members feared that the council might become merely a formality before decisions are taken by the BoD (40% against 35%).

3.2 Organisational structures and cultures

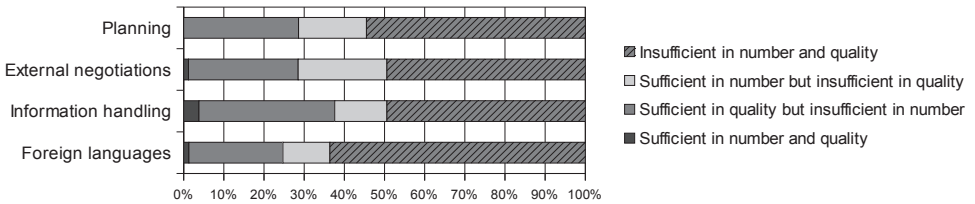
In preparing for incorporation, most national universities tried to construct perfect structures, particularly in the larger research universities, which were later found to be too sophisticated to be operational (Ikoma, 2004). This lesson conforms to arguments advanced by numerous researchers that a specific arrangement in governance structure of a university versus another has little implication for its performance (Henkel, 2007; Kaplan, 2004; Kerr, 2001). Kerr (2001) states that changes in formal governance have generally made little difference and that, where they have, this has been mostly for the worse. An example is that, with the disappearance or diminution of the integrated secretariat in some NUCs, even miscellaneous issues requiring coordination began frequently going to the presidents, thus reducing the efficiency of the university management (Isoda, 2005).

Rather than organisational arrangements, many researchers and practitioners call for attention to human-related or cultural issues (Lombardi *et al.*, 2002; Pope, 2004; Tierney, 2008). An OECD report (2004) called for a need to develop professional strategic managers in the key non-academic functions of finance, personnel, estates, and so on. However, Japanese national universities are severely lacking in such capacities in their human resources. According to a survey of NUC directors in charge of personnel affairs, non-academic staff are being poorly evaluated in terms of number and quality both by field of activities and field of competence (Figure 12 & Figure 13).



Source: Adapted from CNUFM (2007)

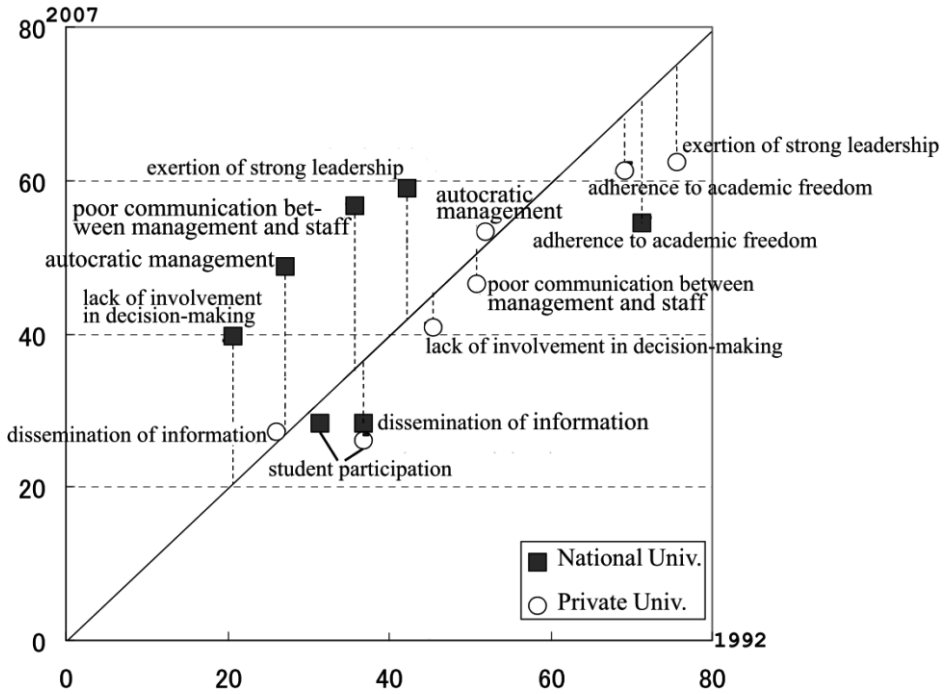
Figure 12. Evaluation of non-academic staff by board director (executive) in charge of personnel affairs, by field of activity



Source: Adapted from CNUFM (2007)

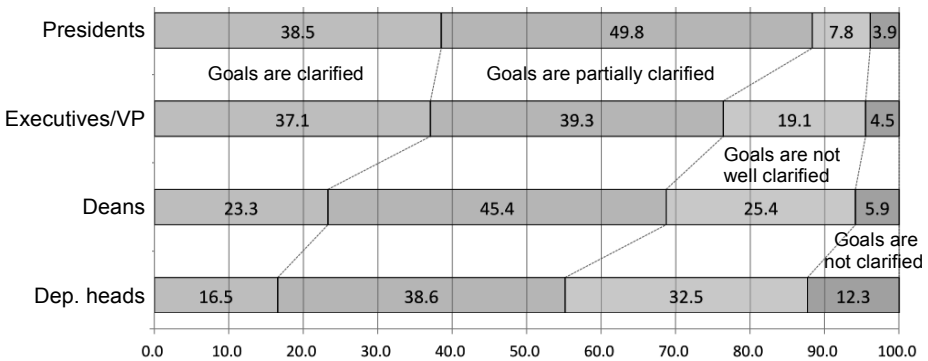
Figure 13. Evaluation of competencies expected of non-academic staff by board director (executive) in charge of personnel affairs, by field of competence

Development activities should address the entire organisational culture of each institution (London, 1995). In Japan, these kinds of activities are all the more necessary as the cultures of universities have changed. Between 1992 and 2007, in national universities, academic staff admitting the existence of exertion of strong leadership, autocratic management, poor communication between management and staff, or lack of involvement in decision-making significantly increased. On the contrary, they found less adherence of their managers to the principle of academic freedom (Figure 14). As a result, a significant divergence of values and understandings in relation to management has been found in universities. According to a survey conducted in 2012 by a research group, for example, performance goals are being clarified more at the institutional level but less at the faculty level and much less at the department level (Figure 15).



Source: Adapted from Arimoto *et al.* (2008, Figure 6-2 by M. Fujimura)

Figure 14. Percentage of academic staff acknowledging selected governance-related practices in their university (1992 and 2007)

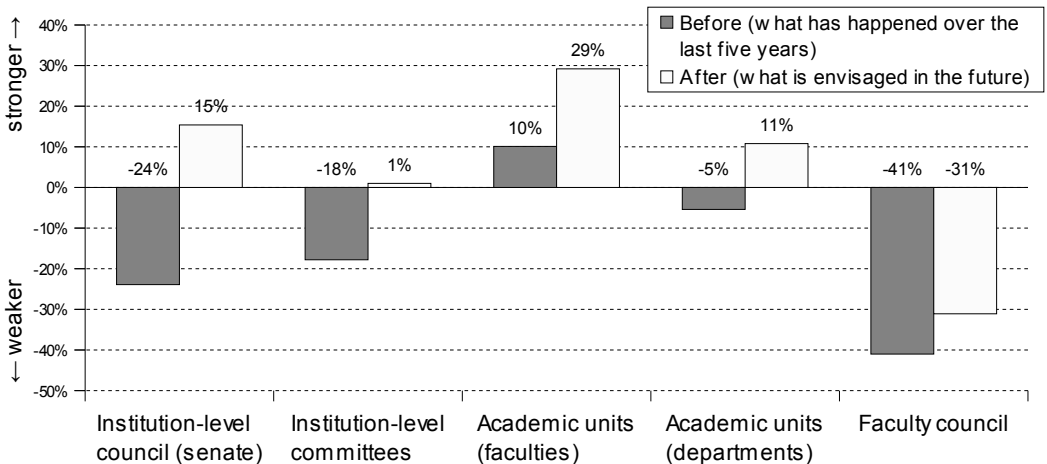


Source: Unpublished research data by a study group on the university management (Figure by M. Murasawa)

Figure 15. Clarification of performance goals by level of administration (2012)

3.3 Participation of the campus community and stakeholders

Although a genuine institutional policy cannot be developed without involving academic staff members, their participation in the decision-making process has been significantly reduced by the incorporation arrangements. In many countries, the importance of academic staff involvement in personnel decisions (recruitment and promotion), selection of academic managers, and determination of academic policies and education programmes has been emphasised. Birnbaum (2004) underlines the fundamental need for shared governance in academic institutions, and regards it as the most effective process through which academic institutions may achieve their goals. A French experience also shows that participation of the campus community in the decision-making process is a key factor for successfully implementing institutional strategies (Frémont *et al.*, 2004). Similarly, in the United Kingdom, the strength of a university is considered to depend significantly on the commitment of academic staff and their identification with their university (Henkel, 2007).

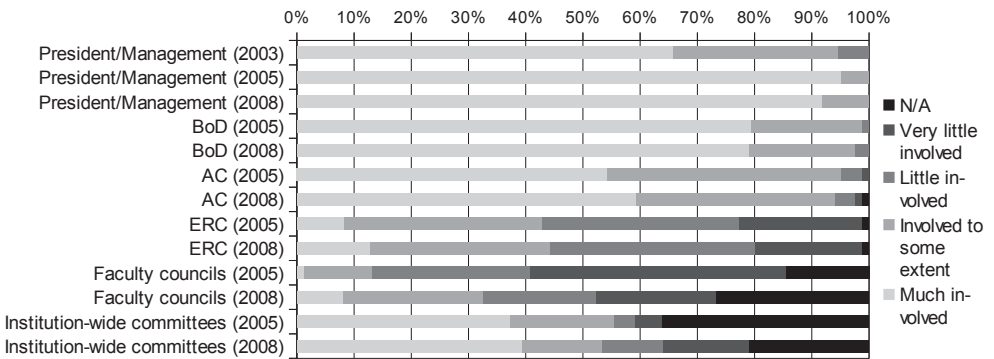


Note: Each column corresponds to the difference between percentages of affirmative and negative responses concerning an enhancement of the authority of each collegial body. Vertical bars with a negative value indicate that a majority of respondents have recognised or wish an abridgement of the authority of each body.

Source: RIHE (2007)

Figure 16. Evolution over the last 5 years and envisaged evolution in the future of the authority of collegial bodies and academic units in national universities, based on responses by presidents

In Japan, although the initial NUC system design provided for a system placing much importance on top-down decision-making, most presidents have acknowledged the need for academic staff participation. According to a survey (RIHE, 2007), although they have recognised a reduction in the authority of collegial bodies and academic units (except for faculties) over the past years, they now wish to see an enhancement rather than a reduction of this authority (except for that of faculty councils) (Figure 16). Many of the more recent studies stress the importance of consensus building and bottom-up approaches (Amano, 2008; Osaki, 2009; Uesugi, 2009).



Source: Derived from CNFUM (2010)

Figure 17. Extent of the involvement in the definition of budget plans

The trend in favour of a wider participation of the campus community has been confirmed by another survey (CNFUM, 2010). Whereas the authority of the presidents in the budgeting process were much reinforced at the time of incorporation, they were less involved in the definition of budget plans in 2008 than in 2005 (Figure 17). The same trend was observed for BoD. By contrast, involvement of institution-wide deliberative organs – AC, ERC and institution-wide committees – increased their involvement. Notably, faculty councils also extended their influence in this matter between 2005 and 2008.

As previously demonstrated, participation of external stakeholders is still problematic. A survey conducted in 2006 of all the external members (directors, AC members and auditors) points to multiple issues raised by them regarding university administration including relationship between the managements and themselves. A more recent study (Uesugi, 2009) reports that there still is much frustration between external members and NUC administrations: many external

members complain that they go merely through pro forma deliberations, whereas the latter expect external members to know more about the university and to provide more relevant advice.

4. Conclusion – future of the governance of national universities

In an age of knowledge, the need for advanced education and knowledge is becoming increasingly pressing. Higher education institutions should meet such demands, adapting themselves to an ever-changing society, just as the university has done over time (Sporn, 1999). In terms of university governance, this change calls for a more complicated decision-making process (Eckel & Kezar, 2006). University reforms undertaken in a vast majority of countries during the past few decades have encouraged institutions to be more responsive to changing societal demands with fewer resources, by according them greater autonomy, rationalising their governance (OECD, 2003).

The incorporation of Japanese national universities adheres *grosso modo* to the same logic. This reform accorded them much greater autonomy, and in search of efficiency, concentrated power to the president and to a lesser extent the BoD. According to the result of the institutional evaluation concerning the first cycle of MTG/MTP, this reform could be regarded as a success. But in reality, as seen in this article, many problems have been observed in terms of governance. A report of the Central Council¹⁵ for Education, published in August 2012, recommended again enhancement of the leadership of the president in terms of undergraduate education management, criticising the lack of integrated efforts in this matter in universities.

Despite the similarities between the incorporation policy and the global trends in university reform, the NUC system presents some particularities. The reform of 2004 was only partial (Christensen, 2010) and state intervention remains still strong. However, it is unlikely that the government will give up its supervisory role for fear that it may not be accountable *vis-à-vis* the Parliament. Very delicate managerial operations are required to overcome the principal-agent dilemma. Along the same line, as seen previously, the legal framework stipulated in the Law seems rigid enough to reduce the effectiveness of NUCs, and may need rethinking and restructuring. In particular, the presidential leadership arrangements should be reconsidered, including competences, selection process and evaluation. In addition, centralisation and devolution as well as participa-

¹⁵ Advisory body to the Minister of Education on overall educational policy.

tion of the campus community and stakeholders are also issues that should be addressed.

More fundamentally, NPM, the concept on which the reform was based, is a theory that is far from perfect and leaves many ambiguous questions concerning its implementation. The extent of change in practice – has varied quite a lot in line with differences in structural constraints, cultural traditions and environmental pressure. In fact it has many critics, particularly concerning its application to higher education institutions (Christensen, 2010; Ferlie *et al*, 2008). The effectiveness of its application to university governance and management has not been sufficiently attested, and little is known about the effects of the shifts in governmental steering paradigms at the institutional level (Amaral, Meek & Larsen, 2003).

What is said above is quite understandable in view of the fact that each university has a different cultural profile. It is imperative that each NUC be innovative and find appropriate practices, by building a good team around the president and developing staff, with the participation of as many internal and external stakeholders in the decision-making process as well as a deep understanding of its organisational culture.

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Comment

Comments and Questions on the Presentations of University Governance

Fumihiro Maruyama*

It is my honor to make some remarks on the informative presentations and papers of three guest speakers from the US, the UK, and France.

First I address the three models of university governance proposed by Dobbins (Dobbins *et al.*, 2011). The first one is called “the state centered model” which is roughly applied to France, Spain, and Portugal. The state established universities and has strong power to control them through such instruments as allocating public funds, regulating academic careers, introducing uniform governing structures, and conferring national degrees. The mission of university in this model is an implementation of national objectives such as training in special areas, research and development. The state oversees program content and provides an itemized budget to the university. Faculty members and administrative staff are civil servants by state appointment.

The second model is “the academic self-governance model,” also called “the Humboldt” model whose characteristic is collegial control by the professoriate with financial dependency on the state. There is no government intervention in personnel. The university is the Republic of Science whose mission is to pursue the truth. Thus there is sometimes difficulty coordinating institutional and state priorities. This model can be applied to Germany, the Nordic countries and probably Japan.

The third is “the market-oriented model” which is close to the UK and the state university in the US. There the university compete for students and financial resources. It is managed by the corporate governance idea which often includes a board of trustees. Block grants are provided to the university

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which it can use at its discretion. The government only involves regulation and incentives for competition and quality. University administration can possibly dismiss “moral turpitude” or unproductive academics but government cannot.

These are the three different types of university governance but there are some common trends of change among them. As Bekhradnia notes, there are higher expectations for university contributions to stronger economy while using less public money. And university ranking attracts policy makers’ attention. Thus efficient university management is required everywhere. It is often achieved by central government empowering institutions, by giving university corporative status in some countries like Japan and the Nordic countries, establishing board of trustees like in Germany and France, and giving block grant instead of itemized budget. There are similar movement in public funding allocation from basic to competitive and project funding and providing centers of excellent programs which appeared in France, Germany, and Japan.

It also can be pointed out that there is a common trend toward the market-oriented model from the state centered or academic governing model. Since the 1990s universities have been reformed in developed countries and there are common key words such as accountability, evaluation, state steering via performance based funding, product not process control and so on.

Questions in common

University reforms have spread in Europe and Japan since the 1990s as Mignot-Gérard explained in her paper. Most reforms aimed at increased efficiency and effectiveness of university teaching and research by government’s empowering university governance, allocating block grants which can be used at the institution’s discretion, and by introducing performance funding and evaluation by the third parties. However, one social scientist argues that the reform has brought higher formal autonomy than before through empowerment, but actual autonomy has decreased since more reports, scrutiny, financial incentives, and acquisition of external fund have been required (Christensen, 2011). We want to know whether this argument is appropriately applied to the US, the UK, and France.

European and Japanese university reforms in the past two decades aimed at activating both teaching performance and research productivities although universities in the US have continuously undergone reforms and there is no special “reform” or “reform period”. In some countries, the president’s leadership has been strengthened by the reform of internal governance. How

does the change of internal governance affect teaching and research activities? Is there clear evidence which shows teaching performance and research productivity have been improved in three countries?

Questions on the University of California system

Switkes' paper describes shared governance at the University of California (UC) system which Dobbins considers a market-oriented model. Switkes pointed out that in the University of California system faculty are strongly involved in internal governance and that this contributes to quality and excellence of academic programs of the university (Switkes, 2012). This is quite an interesting argument because faculty involvement in governance is often criticized as an obstacle to university reform which aims at activating teaching and research. Her argument certainly encourages the adherents of the "Humboldt ideal."

The UC is quite a large system with 10 campuses and over 232,000 students. It is astonishing that such a huge system has only one Board of Regents who are supposed to be engaged in final decision making. Questions are raised on the governance of such a large system. Compared to the board of trustees in private universities in the US, the council in English universities, or board of directors of national universities in Japan where the number of student varies from 500 to 20,000, the Board of Regents in the UC system covers both geographically and academically larger areas than others. Thus one may ask whether the Board of Regents actually plays a role in decision making or does it just rubber stamp the decisions made at each campus level. One also wonders what are the merits of having only one Board of Regents in the governance and whether it is efficient.

A questionnaire survey reveals that faculty members in Japanese national universities tended to spend more time on teaching, social service, and internal administrations after the 2004 reforms, but they spent less time on their own research. The survey also reveals that faculty also feel fatigued due to spending more time in preparing applications for research money, their own evaluation report and evaluation of others and institutions. Faculty members in the national universities miss the "good old days" before reform when they were able to devote themselves solely to their own research. Switkes pointed out that UC faculty spend a lot of time on attending committees and evaluations. Are there any complaints among faculty members in UC who attend meetings and may lose their time for research?

Switkes briefly summarizes the complicated processes of academic program approval and policy development. But readers may have a question who or which organizations coordinate duplication of academic programs among UC campuses and the State University system? She pointed out that UC has constitutional autonomy but it heavily depends upon funding from the state government. Thus one may ask whether there is any Governor's or State's intervention in academic affairs such as closing unpopular programs or opening new courses which possibly attract more students?

Questions on governance of universities in England

Bekhradnia pointed out that both the pre-1992 and the post-1992 universities in England have legally independent corporate status and enjoy the most autonomy in European universities. It is a unique system of higher education and the universities in England are quite different from private institutions in the US and Japan which are less government controlled than their public counterparts. US and Japanese private institutions receive less public subsidies and compensate them by charging students higher tuition. In any countries there are public universities which were established and controlled by the state and are pursuing national missions and objectives.

If there are no public or national universities in England, a plausible question is: which institutions are pursuing national goals and targets? Are the pre-1992 universities including world famous Oxford and Cambridge functioning as national universities which achieve national objectives? Or who and which organizations control and coordinate the national system of higher education, especially conducts higher education system design and manpower planning for certain areas? However, as one continues to read his paper answers to these questions are found in the section describing "The Higher Education Funding Council for England (HEFCE)" which is a buffer body between the government and universities. He clearly explains that the HEFCE's role is not only the allocation of funds but also oversight and planning of universities. It is an independent organization which functions as the central government does in other European countries and Japan.

As in other developed countries, the state funding in England has been diminishing. Thus we want to know how this affects the role of the HEFCE, Does its power over the university decrease? Do universities get more autonomy while the recent trend has been pointed out as the reverse?

Questions on university governance in France

University reform in France during the past two decades shares similarities with Japan's reform of national universities in 2004. So are some of the consequences as revealed by one of the surveys. The Center for National University Finance and Management in Tokyo conducted several questionnaire surveys to presidents, directors of finance and deans of eighty six national universities to ascertain the consequences of reform. According to the survey, university presidents are more likely to prefer their stronger leadership in governance but faculty members prefer collegial decision making based upon consent among faculty members. The surveys also revealed that Japanese professors tend to spend more time and energy on teaching and social service and less on their research after the reforms.

Mignot-Gérard's survey revealed that academic values (academic quality, innovation, and autonomy) are considered more important than management issues (costs, fund-raising) by French academic leaders (Mignot-Gérard, 2012, p.8). The survey also revealed that for the use of evaluation results for teaching and research, self-discipline is preferred to managerial intervention (Mignot-Gérard, 2012, p.10). One understands that this reflects that traditional values are still kept by French faculty members despite reforms emphasizing manageability but one wonders if it will last and reform affect changes of this attitude in the future?

Mignot-Gérard pointed out that ten percent of the total budget for teaching are allocated by performance and twenty percent for research (Mignot-Gérard, 2012). In post-reform Japan, performance based funding has also been introduced in the national universities, but only 0.5 percent of total budget in the basic fund has been allocated by performance. Many people initially believed that the percentage by performance funding was set at a higher percentage – 10 percent or 15 percent of total allocation by the Ministry of Education. However it has gradually appeared to be difficult to satisfy those who are involved such as evaluatees and even evaluators, so the final percentage was determined at such a lower level. In France how do they implement the performance funding to satisfy university people through clearing the validity, reliability, fairness and transparency of evaluation for teaching and research?

The survey shows that in Japan the presidents of national universities appear to enjoy their strengthened leadership in internal governance. However there are strong complaints among faculty members that reform only brought about time-consuming “formalization” which forces academics and staff to work

more according to new implementations (reports, evaluations, applications, peer reviews) which did not previously exist but reform produced s very little in their teaching and research? One can imagine from reading Mignot-Gérard's paper that the similar complaints are expressed in France also.

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Appendices

Appendix 1: Seminar Program*

Comparison of University Governance USA, UK, France and Japan

Date: November 24, 2012

Venue: Hiroshima University

Saturday, November 24

9:00 - Registration

***** Opening Address *****

9:30 - 9:45 Masashi Fujimura, Director & Professor, Research Institute for Higher Education (RIHE), Hiroshima University, Japan

***** Presentations *****

9:45 - 10:30 MC: Yumiko Hada, Professor, RIHE, Hiroshima University, Japan
Presentation 1
 “Governance at the University of California: An example of faculty involvement”
 Ellen Switkes, Senior Associate, Center for Studies in Higher Education, University of California, Berkeley / Assistant Vice President Emerita, University of California Office of the President, USA

10:30 - 10:45 Coffee Break

10:45 - 11:30 **Presentation 2**
 “The Reform of the Governance of Higher Education in England: The gap between rhetoric and reality”
 Bahram Bekhradnia, Director, Higher Education Policy Institute (HEPI), UK

11:30 - 12:15 **Presentation 3**
 “Higher Education Reforms in France: Change or continuity in the governance of universities?”
 Stéphanie Mignot-Gérard, Maître de Conférences en Gestion, IAE Gustave Eiffel et IRG (Université Paris-Est Créteil) / Chercheur Associée, Centre de Sociologie des Organisations, Sciences Po et CNRS, France

* As of November, 2012

12:15 - 13:30 Lunch

13:30 - 14:15 **Presentation 4**

“University Governance Reforms in Japan”

Jun Oba, Associate Professor, RIHE, Hiroshima University, Japan

14:15 - 14:30 **Comment**

Fumihiro Maruyama, Professor, RIHE, Hiroshima University,
Japan

14:30 - 14:45 Coffee Break

***** Panel Discussion *****

MC: Satoshi P. Watanabe, RIHE, Hiroshima University, Japan

14:45 - 16:30 **Panelists:**

Ellen Switkes

Bahram Bekhradnia

Stéphanie Mignot-Gérard

Jun Oba

Fumihiro Maruyama

Appendix 2: List of Participants*

OVERSEAS PARTICIPANTS

Invited Experts

Ellen Switkes	Senior Associate, Center for Studies in Higher Education, University of California, Berkeley/ Assistant Vice President Emerita, University of California Office of the President, USA
Bahram Bekhradnia	Director, Higher Education Policy Institute (HEPI), UK
Stéphanie Mignot-Gérard	Maître de Conférences en Gestion, IAE Gustave Eiffel et IRG (Université Paris-Est Créteil)/ Chercheur Associée, Centre de Sociologie des Organisations, Sciences Po et CNRS, France

and another 3 overseas participants

JAPANESE PARTICIPANTS

Research Institute for Higher Education (RIHE)

Masashi Fujimura	Director and Professor
Fumihito Maruyama	Professor
Tsukasa Daizen	Professor
Futao Huang	Professor
Yumiko Hada	Professor
Satoshi P. Watanabe	Professor
Jun Oba	Associate Professor
Masataka Murasawa	Associate Professor

and another 52 Japanese Participants

* As of November, 2012

R.I.H.E. PUBLICATION IN ENGLISH

RIHE International Publication Series

- No. 1: Kaneko, M. (1987). *Enrollment Expansion in Postwar Japan*.
- No. 2: Guocai, Z. (1989). *Higher Education Research in China: An Annotated Bibliography*.
- No. 3: Abe, Y. (1989). *Non-University Sector Higher Education in Japan*.
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