

HUMANE

Heads of University Management & Administration Network in Europe

Seminar

MANAGEMENT OF CHANGE

Universitat Ramon Llull, Barcelona

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After an informal lunch the participants were formally welcomed by the Director of the Management School and by the Rector. Each of these brief contributions stressed the importance of comparative studies of management issues and of managing human capital.

The Universitat Ramon Llull: A Federal Model

Andreu Morillas, Director General, Universitat Ramon Llull.

Abstract

The Ramon Llull University (URL) was created in 1990 and started its activities in 1991. In fact it is the first university created according to the Spanish law of 1984 on University Reform. URL is the result of the union of several leading centres of higher education which reached an agreement to create a new private university.

URL is a very decentralised model, based on the principle of subsidiarity. The member institutions maintain a high degree of autonomy to develop their own projects according to the traditions, expertise and financial capacity of each one. This autonomy allows a high level of flexibility and adaptability to major changes.

Centralised functions encourage the coherence and homogeneity of the university. Central Sections or offices hold core competences such as strategic development, promotion and communication policies, common academic policy, external relations (including international links), campus-wide or other common services, political and administrative relations with government, etc. A private foundation, comprising representatives of the founding institutions, leads the project and appoints the Rector,

Vice-Rectors and a general director. The academic Board of all the centres is responsible for coordination of academic affairs.

URL has increased its number of students (now 13,250) by a factor of four since 1991 and has increased substantially the number of undergraduate and postgraduate courses which it offers. Demand for places is still increasing.

Summary and Discussion

Describing the way in which the URL had been created out of several other institutes on a federal model, Andreu illustrated the evolving structure and growth of student numbers with various charts, and stressed the importance of maintaining autonomy through subsidiarity. Participants were interested in exploring what were seen as the difficulties (for example, the absence of any previous model, the need for consensus, and the lack of a single campus) but also by the advantages (the willingness to consider new ideas, and the flexibility of using different strengths). Several questions were based on the increasing demand for places at a university where fees were so much higher than in the State system, and Andreu explained what he saw as a rational investment in a product known to be of high quality (and especially well-regarded with employers). Other questions explored the idea of autonomy and the fact that each part of the federal university remained a separate legal entity.

The University of Exeter: academic and administrative restructuring

Philip Harvey, Academic Secretary, University of Exeter (UK).

Abstract

Exeter University is a small to medium sized institution in the south-west of England with approximately 8,300 full-time students and 2,000 students studying part-time. The University received its Royal Charter in 1955. It is a broad-based university, with a reputation for offering high quality higher education primarily to undergraduate students studying full-time for three years to bachelors level - 70% of the total student population. The University has approximately 370 students studying from EU countries other than the UK and a population of around 550 students from countries outside the EU. In addition, there are comprehensive student mobility programmes which include Erasmus and Tempus and Junior Year Abroad schemes.

Universities like all organisations are in a constant state of change. Most universities in the UK now plan for change and consider processes for managing change as part of a rolling strategic planning exercise in order that resources can be allocated to position the institution relative to the planning horizon. For universities which have paid insufficient attention to this key aspect of institutional planning, a rapidly shifting HE environment means that managing change can become a more cathartic experience. External and internal factors can combine to trigger the need for trenchant action by those

who hold managerial and leadership roles in the organisation, and on occasion by stakeholders outside the institution.

The paper presents Exeter as a case study of a university which has recently undertaken major academic and administrative restructuring. It will cover:

- the external and internal factors prompting radical change at Exeter
- the role of leadership in implementing change and overcoming the obstacles to change in the University's culture
- assessing the impact of change on the University
- the lessons learnt:
 - evolution or revolution in planning for change?
 - seeking change by strong central direction or by trying to build consensus?

Summary and Discussion

Philip gave an overview of the factors which currently demand change (most easily summed up by the idea of consumer-led provision of services), and outlined the effects within universities - notably the increasing levels of specialisation, more stress on vocational relevance, the challenge to the idea of a residential community, and a new regional role. In all these areas there were links with the situation of Ramon Llull. In a presentation with some 30 slides he provided a case study of change at the University of Exeter, with particular emphasis on the need for leadership and a perceived mission. He outlined the major changes in management structure, and the ways in which staff turnover had been achieved.

In response to questions Philip noted that external assessment (in this case, the 1996 Research Assessment Exercise in the UK) had been the vital trigger for change. Several questions concerned the way in which to deal with staff who do not accept the managerial changes. There was also some discussion based on comparisons between national systems which operated differential forms of funding (eg, research performance) and those where funds depended solely on student numbers or other ratios. This led to other reflections on cross-cultural models - for example, the way in which the UK Funding Councils used financial pressures to increase participation among certain social groups or classes, whereas in Spain this was an alien concept.

The Collegial Tradition and Change Management

Dugald Mackie, Secretary, University of Glasgow, UK

Abstract

Founded by Papal Bull in 1451 on the model of the University of Bologna, the University of Glasgow is among the largest universities in the UK in terms of student numbers, research activity and general financial turnover. With a system of internal and external governance dating from an 1858 Act of Parliament, the University epitomises in many ways what is meant by the “collegial” tradition of HE in the UK.

For a variety of reasons, Glasgow did not react quickly to many of the changes in British HE in the 1980s which were largely instigated by the (then) Conservative government. For University management, the most significant series of changes were the recommendations made in a major report by the Jarratt Committee in 1985. Transparency in decision-making, devolution of responsibility to managers - not least for resource allocation and management - better accountability and improved value-for-money through increased efficiency and effectiveness were all innovations which were all slow to take effect at Glasgow.

By the mid 1990s, a period of “consolidation of growth in student numbers” had led to a situation where reductions in Government funding could not be counter-balanced by growth in the number of funded students. As a result the University faced serious long-term financial problems. Urgent action was required both to increase income and to reduce expenditure in order to keep recurrent expenditure within projected levels of income.

Action has included departmental closure, departmental and subject rationalisation, the early retirement or voluntary severance of almost 400 staff (160 academic and professional), process re-engineering, more effective income generation from research activity and physical relocations. Key factors in this management of change have been: a new Principal (Vice-Chancellor); development of a realistic strategic plan (acknowledging weaknesses as well as strengths) to give a sense of direction and purpose; a radical simplification of the structure of the Administration and an attempt to change the culture among staff; a strengthened management team working with the Principal but nonetheless part of the “collegial” tradition; fully discussed and thought-through strategies for areas such as staffing; a proper estates plan; open communications using the campus intranet; and a full explanation of difficult policies such as early retirement.

This process of change has resulted in an institution which is in reasonable financial health, internationally oriented (through founding membership of the global alliance known as Universitas 21), clear in its mission and direction (a research-led civic university with community responsibilities), supported by realistic financial and estates plans and with policies in place which provide a clear framework for administrative support. Much remains to be done but what has been achieved so far has been in the context of the “collegial tradition”. It shows that change is possible within that tradition, without worshipping at the shrine of the false god of managerialism!

Summary and Discussion

In the first of two presentations reflecting on the Collegial or Managerial approaches, Dugald examined the need (and catalysts) for change at his own university. He drew attention to the ways in which an ancient university with long-standing official posts sometimes found itself with unclear structures unsuited to the modern world, and where rapid decisions were difficult. Like Philip Harvey he stressed the need for vision on the part of the academic leader of the institution, and the need for a complete review of administrative structures. Glasgow's strategic plan was based on reality rather than mere aspiration, and all staff had been allowed to comment via its appearance on the Web. This ownership by all staff was vital - open communications and clear explanations were fundamental to success. It was in this way that the significance of the managerial/collegial split could be reduced - and Dugald's stout defence of intelligent and/or eccentric contributions from members of Senate was obviously sincere!

Questions and discussion concerned the way in which change seemed possible in universities only when there was a crisis. The ideal of on-going, incremental change was very much harder to achieve. A linked theme concerned the ideal form of leadership (not at all synonymous with dictatorship). Other speakers noted that the current generation of senior managers were the very people who had been so outspoken as young people in the 1960s, and that the various radical changes in the UK were paradoxical in terms of that country's reputation for gentle conservatism.

The development of management and administration at Utrecht

Willem Kardux, Secretary-General, University of Utrecht (NL).

Abstract

This presentation will illustrate the experience of Utrecht University in improving the management of the university in two rounds of management renewal. These stages concerned both the academic and the administrative parts of the university, because central in our view is the concept of *integral management*.

The special problems of university management have its roots in the past. Since Von Humboldt an ongoing policy programme applies: *Less bureaucracy, more cohesion and a better 'antenna system' to pick up signals from society*. For this purpose two opposite movements are needed - firstly, decentralisation of the administration, but at the same time, strengthening of decision power in academic affairs at faculty and university level.

Major themes in our first project were: decentralisation, management by objectives and integral management. Decentralisation implied that the faculties became the central points in the administrative organisation. The faculty directors were given control over finance, personnel and housing facilities.. Management power in academic affairs has been strengthened by introducing development plans at faculty and university level, and a planning & control cycle.

A special part of the decentralisation process concerned the *support services*. The main point was the change from input- to output-funding. The corresponding part of the central budget was decentralised to the actual customers. They became free to order the same facilities outside the university. Our support services could acquire orders from external customers, and were thus transformed into semi-independent businesses. This turned out to have obvious advantages, but some shortcomings too, and some further steps are needed. One possibility is the outsourcing of those activities that do not belong to the core competence of the university. We are trying to assess whether the service will be competitive in the long term. The computer centre is not, in our opinion. Therefore it has recently been sold to a private company.

In our second round of management renewal we were helped by two small but crucial changes in the law. The first one was that the faculty deans no longer are chosen by the Faculty Council but are appointed by the University Board. This made integral management at faculty level fully possible. The second one is that the department is no longer the compulsory operational unit for both teaching and research. So it is possible to replace the old formal structure of the university by *programme institutions*. Decentralisation of administrative power to these institutions brings integral management to the “shop-floor”.

To avoid the problem of management across three levels it is essential to align the strategy of the University Board and the strategies of the deans. To achieve this we introduced the concept of *the University Strategic Programme*.. The programme consists of a set of strategic aims and objectives and of corresponding activities, which replace the former development plans. Special attention has been paid to the idea of *programme management*, with great importance attached to the personal strategic work programme of the dean.

Summarising the changes in more abstract terms, one might say that in the second round of management renewal the three S's of *strategy* (development plan), *structure* (faculties) and *system* (planning & control cycle) of the first round are replaced by the more dynamic three P's of *purpose*, *people and process*.

Summary and Discussion

Wim's review of the concept of integral management was illustrated with slides, and the full text was given to participants. He noted the shift of control from Department to Faculty, and the problems which this had caused (as well as the overall success). He acknowledged that in some areas there had been a shift, or even an increase, in bureaucracy, but illustrated the overall advantages. Several participants asked about the issue of financial risk, which Wim explained remained at University level. His remarks on the outsourcing of various support services led to discussions of what should

properly be defined as a core business [for further discussion, see also the Helsinki seminar of June 1999], and was linked to discussions of whether it was possible or desirable to ask agencies to “head-hunt” professional Deans from outside the institution.

Setting up a Corporate University with the Three Antwerp Universities

Marc Van Boven, Universiteit Antwerpen (BE).

Abstract

Antwerp, as a commercial and industrial centre for many centuries, had two Schools of Economics, one organized by the state (RUCA) and one private organized by the Order of Jesuits (UFSIA). Both were recognized by the government in 1965 as university institutions, adding the natural sciences, human and social sciences and medical sciences to the undergraduate curriculum. This was fully extended in 1972 for the further degrees of licentiate and PhD, by establishing a pluralistic institution (UIA) as a top structure.

Confronted with three independent institutions, a programme of collaboration started in 1978. In 1995 this process led to the establishment of the Confederate University of Antwerp, with its own characteristics. In a confederate university decision-making is based on different principles from those in a “monolithic” university. In the presentation we shall analyse this process, and the role of the individual institutions in relation to the corporate Board of the university. How are the faculties and departments going to evolve in this new business culture? How does a student make sense of this new structure? What are the problems for the management and the administration?

Summary and Discussion

MvB related his subject back to the opening presentation about the host university, and noted the idea of the University of Antwerp as one body with a single curriculum structure, replacing duplication with diversification and improving quality. He argued that a confederation as a model of cooperation between universities (and other institutions of HE) can play an important role in the short-term future in Europe especially in cases where there is a need for economies of scale and differences in culture. He outlined the ways in which harmonisation of practice in both teaching and research needed to be established, and the problems attaching to representativity. Again (and as in other presentations) there was emphasis on the need for communication and information.

The University of Coimbra: Adapting to Change

Margarida Mano: Secretary-General, University of Coimbra (PT)

Margarida highlighted the influences which had led to major change at Coimbra. The rather recent development of university autonomy in Portugal was a major factor, with significant effects on administration and finance. Coimbra already finds itself with 47% of non-State funding, and at the centre of a wide range of forms of funding - at one extreme involved in joint ventures with private funds and at the other performing a public service in providing a theatre. Such different roles require considerable flexibility. It is not sufficient to remain isolated, and she pointed to the success of the "Coimbra Group", and noted video-conference links with HEIs in the USA. The University's management model had been based on the idea of internal clients, and this democratic model (with an elected Rector) had led to responsible management. Like other speakers she stressed the need for transparency in administration, and the need to eliminate non-functional elements from the organisational structure.

Discussion of the two final presentations included more general reflections on difficulties and tensions inherent in the change process - for example, the tension between (downward) devolution and (upward) movement towards federal responsibilities. This again completed the circle of the seminar by drawing in Andreu Morillas for more examples of how the University Board was organised at Ramon Llull.

Participants will remember Paolo Magri's notable concluding image of the university system in modern Europe being like a bus on a narrow road with various senior managers in charge of the steering wheel, brakes or accelerator, and the risk - without clear controls and vision - that the vehicle will leave the road. But they will also long remember a sunny and relaxed seminar with splendid meals and hospitality, including evening visits to two examples of rather different "change" - the reconstructed Liceu theatre, and Gaudí's masterpiece of modernism, the Casa Mila.

Summary by Trevor Field