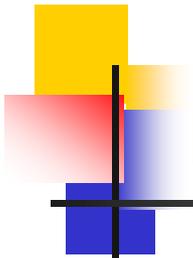


INSTITUTIONAL GOVERNANCE AND LEADERSHIP IN A CHANGING POLICY CONTEXT

EUA General Conference

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Luc WEBER, University of Geneva

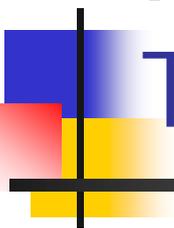


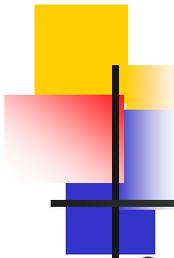
Introduction

- n Today's world is characterised by:
 - n **Globalization**, which provokes
 - n Uniformisation
 - n Competition and delocalisation
 - n **Knowledge society** (economy)
 - n Knowledge as a production factor
 - n Knowledge is a necessity in complex societies
- n These developments matter also to universities
 - n Higher Education is also globalizing
 - n Universities are key to the knowledge society
- n **OUTLINE: THREE MESSAGES**

1ST MESSAGE:

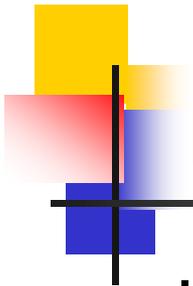
TRADITIONAL UNIVERSITIES ARE
INCREASINGLY CHALLENGED BY
THE CHANGING ENVIRONMENT!

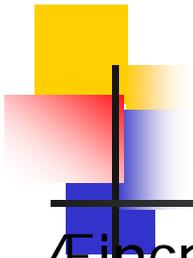




“Traditional” challenges

- n Consequences of globalization and of the Bologna process:
 - Æ universities are increasingly subject to world competition (loosing their regional monopoly)
- n Increasing competition for
 - n Good students, good teachers and researchers
 - n Funding (State, individual, sponsors and contracts)
- n Increasing costs of research
- n Changing innovation model:
 - n Innovative research requires interdisciplinarity and new innovation models (from linear to circular)
 - n Relations University-Industry are changing:
 - n Increasing competition from private labs or
 - n Industry is outsourcing risky research

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- n Increasing costs of teaching and learning
 - n Flat European demography, but increasing needs for second chance and life long learning
 - n Universities are not where the students are (China, India)
 - n Increasing pressures to be efficient (“do more with less” and to respond to the market needs)
 - n Increasing difficulties to promote values (sustainable societies: politically, economically, socially and ecologically)
 - n **Last but not least**, European universities are underfunded and overregulated

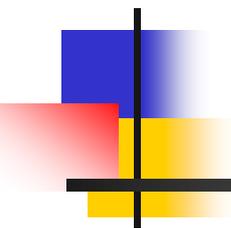


New providers and new medias

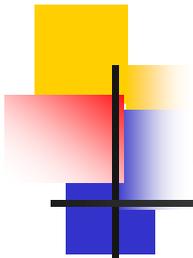
Æ Increasing competition from non traditional HEI or providers

- n Subsidiaries and franchise (Australian, US, UK)
- n Private for profit (growth rate: 4 times)
- n Distance learning for first, second chance and LLL students
- n Internet : Google, Google scholar and library, Youtube, Myspace, Facebook, Wikipedia, electronic journals, accessible scholarly archives like Jstor
- n Open learning initiative (MIT)
- n Attractive packaging
- n Interactivity through cell phones, video on demand

Æ The metauniversity (Chuck Vest)

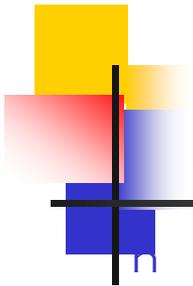


2ND MESSAGE:
UNIVERSITIES SHOULD ADAPT
FASTER



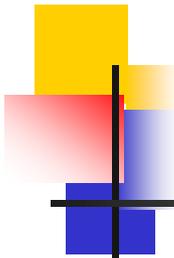
Traditional universities are adaptable! fast enough?

- n **Indeed**, universities are adaptable to the development of science and to the changing world
 - n A “genetic” aptitude for researchers and research teams
 - n Institutions have the opportunity to introduce change on the occasion of the recruitment of a new professor or researcher
 - n Institutions do also adapt their teaching programmes, and sometimes their organization
- n **Obviously**, the model worked well for centuries; otherwise, most universities would have disappeared like nearly all firms over hundred years (Drucker's prophecy: *“twenty years from now, universities will be only relics”*)



The relevant question

- n Is this model of (bottom up) adaptation up to the increasingly rapid environmental changes and to the knowledge society?
- n My belief: all but certain!
- n Why?
 - n Organization of Universities is unique $\hat{=}$ extreme decentralization! nearly all the competence is at the base of the pyramid (professors, researchers, advanced students); this is conform to **the subsidiarity** principle
 - n However, decentralization is subject to limits (see federal model)
 - n **External effects** (spill-over effects)
 - n **Quest for economies of scale**
 - n Case of **strong preference for equal treatment of equals**



Uni. should have clear missions, objectives and strategies!

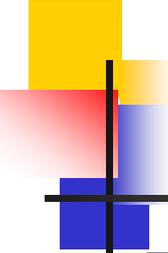
- n Not a single institution can do everything well, even the most reputable ones!
 - n Teaching masses and life long learners
 - n Doing frontier research in all disciplines
 - n Doing applied research and development for business
 - n Serving the community
- n Consequently, universities should **revisit their missions**, **better define their objectives** and **fix strategic priorities**. This implies:
 - n Thinking SWOT analysis
 - n Revisiting the missions and objectives
 - n Drafting and implementing a strategic (long term) plan, with clear strategic priorities and posteriorities

3RD MESSAGE:

UNIVERSITIES NEED

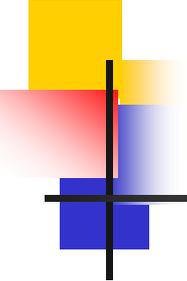
A GOOD GOVERNANCE SYSTEM

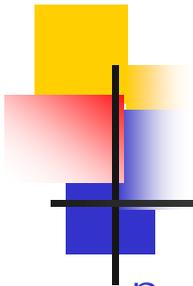
AND A STRONG LEADERSHIP



Main characteristics of a good governance system

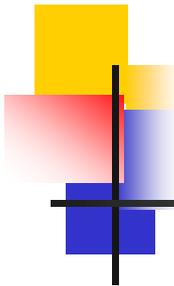
- n **The challenge:** design a system allowing **both**
 - n To take full advantage of the capacity of teaching and research units to know what is good for them and to take initiatives (decentralized system are motivating)
 - n To allow for a strategic conduct of the institution (responsibility of the leadership)
- n The most delicate questions:
 - n To **make sure that decisions are made possible!** Subtle mix between
 - n The preparation, as well as consultation and information phases
 - n The decision phase (who should decide?):
 - n For the decisions to be made at University level: Rector? Rectorate? Rectorate and Deans?
 - n What about a **supporting** or **counter power** (internal, external or mixed board? Senate? University parliament?)

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- n Determine the **optimal degree of (de)centralization**: bottom up vs top down: Ærefer to the federal model
 - n Revisit the **organizational structure**: Ægo beyond the pure faculty system (faculties are too often ivory towers)?
 - n Innovation is at the border between traditional disciplines
 - n Societal problems are not disciplinary
 - n The relationship “Rector - Deans” is often electric
- ÆIn particular **for research**,
- n go for an organization based more on **outputs (projects)** than on inputs (grouping according to discipline, even if projects are often different)
 - n Project based organization implies the creation of light structures (advanced or interdisciplinary research centers)



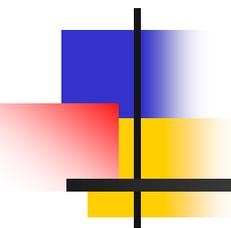
Modern governance is a question of leadership

- n A **good governance system is insufficient**; universities **need to be lead!** This is mainly the responsibility of the rector/president who need to have many qualities
 - n Be a visionary
 - n Be a leader
 - n Be a strategist and a fine “politician”
 - n Have a “thick skin”
 - n Last but not least, needs to fully understand the functioning of a university and of its administration
 - n In other words, **the perfect leader** is an academic with a strong personality and good management capabilities?
- n Moreover, an institution as complex as a university cannot be lead by a single person: a **team** is crucial

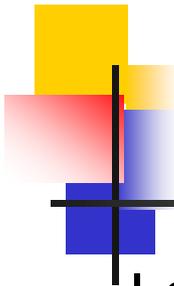


Modern governance is also a question of tools

- n **Preference for incentives** over pressures (German excellence initiative)
- n **Competitive budgeting** (base on output and performance)
- n Promotion of a **comprehensive quality improvement system** (quality culture)
- n Students and academic staff **centered** administration



BY WAY OF CONCLUSION



Is my call for better governed and lead European Uni. exaggerated?

- n I do not believe it is considering:
 - n The mediocre ranking of the great majority of European universities
 - n The emergence of new leading universities (Singapore national university, Kaist, in China, India,), which are competing for talents
 - n The technological revolution which is a threat for mediocre institutions
 - n The increasing importance of new providers and new ways of provision
 - n The great difficulties of most European universities
 - n To revisit their missions, objectives and to implement new strategies
 - n To develop a rigorous quality culture
 - n To make decisions
 - n To be adequately funded and be freed from political micro-management
- è **This is why I believe European universities should improve their governance system and have a strong leadership!**