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Autonomy and performance

Drivers and effects of changes in university governance in the Nordic countries

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1. Background and relevance

In the knowledge society (Bell, 1973), higher education institutions are increasingly seen as an indispensable tool in government policies aimed at achieving economic growth. A traditional Humboldtian view of science as a public good where the sole role of the state, if any, was to ensure the autonomy of the universities has been overtaken by a vision of education and research as commodities. Within this new vision, the state operates as a mediator of the interests of society (Ferlie, 2008; Neave et al., 2007). The shift is connected to a general turn in public management that emerged from the concerns about public expenditure during the 1980's following the oil and financial crisis of the mid-1970s (Wright & Ørberg, 2008: 36-37). In this process, New Public Management replaced "old public administration" (Dunleavy and Hood, 1994); now, public institutions were to have more firm-like status in order to ensure efficiency and accountability (Fägerlind & Strömqvist, 2004: 28; Ramires, 2006; Kristiansen, 2014). Especially the European universities saw gradual shifts towards institutional autonomy and professional management. With minor reforms during the 1990s, a major shift in governance of the Danish universities took place in 2003. A new university act granted the universities self-ownership (selveje) with professional, appointed leaders and an independent governing board with a majority of members external to the universities (Wright & Ørberg, 2008: 40-41). In the same period, new government steering mechanisms were introduced (development contracts, performance-based allocation of funds, more competitive funds, etc.). As a result, the meaning of "autonomy" has changed. While institutional (or formal) autonomy of universities has surely increased, it is unclear how new forms of governmental steering have affected the university's autonomy in practice. Moreover, knowledge about the effects of these developments on performance is scarce and inconclusive (Enders, 2013: 19).

2. Research problem

The proposed PhD project concerns the profound changes in university management outlined above with a specific focus on the effects of changing university autonomy. The main research question is as follows:

- What are the drivers and effects of the changes in university autonomy in the Nordic countries from 2003 and onwards?

The main research question will be answered through three sub-projects that are inspired by the research questions posed in the Nordic project¹ focusing on the themes *drivers*, *actors* and *effects*. The research questions for the individual sub-projects are:

1. How have general European tendencies towards changing university autonomy been translated into concrete reforms in the Nordic countries?
2. What are the consequences of changing university autonomy on academic freedom seen from the perspective of the academics?
3. What are the effects of changes in university autonomy on research performance?

¹ The PhD project is part of the Nordic project entitled *Does it really matter? Assessing the performance effects of changes in leadership and management structures in Nordic Higher Education*.

The PhD project will be a mixed methods (Bryman, 2006) study, where the mainly qualitative findings from subprojects 1 and 2 will be used to answer the question in sub-project 3 in a more nuanced way than existing studies have been able to do. Hence, apart from contributing with empirical knowledge, the project aims to develop new methodologies in the study of the effects of changes in university autonomy. Finally, the project has a theoretical ambition in clarifying the concept *autonomy* which in previous effect studies has been underdeveloped (as merely *formal* autonomy), mainly due to the prevailing quantitative methodology approach in the field.

3. Theoretical foundation: Formal and real autonomy

Theoretically, as well as analytically, the project revolves around the concept of *autonomy*. The classical meaning of autonomy refers to the concepts ‘auto’ (self) and ‘nomos’(rule of law). In continental Europe, the concept of autonomy, in the development of the modern university, was linked to the professional autonomy of the academic (academic freedom). Historically, the state took a protective role of the university. Although exercising bureaucratic control, “...*the state protected the autonomy of the university as a social institution, academic freedom as well as academic self-governance, and substantial matters were delegated to academics within a broad state framework*” (Enders, 2013: 7). The university was a bottom-heavy organization – not an actor in itself, but rather an arena for academic professionals (de Boer et al 2007). However, the changes outlined in the introduction above marked the rise of a re-interpretation of the concept of autonomy. Put briefly, this development represented a transition from the concept of the university as an *institution* to the notion of the university as an *instrument*. Instead of accepting the university as a social institution with “...a relatively enduring collection of rules and organized practices, embedded in structures of meaning” (Olsen, 2007: 27), the university is increasingly regarded as an instrument where objectives have to be achieved in the most efficient way. However, both views still have merit in analyzing the university today and they highlight different aspects of the ways in which the university is viewed and the ways it operates.

The *instrumental* notion of the university can be viewed as in line with the rational view of organizations. In this view, formal structures, procedures and other formalized rules are seen as key in explaining how institutions develop and actors behave (Scott, 2003). But accepting that universities could also be seen as *institutions*, more emphasis is needed on the norms and behavior of the different organizational participants in responding to e.g. changing management and governance structures. This leads back to the definition of *autonomy*. If both the *instrumental* and *institutional* approach is important in understanding the university as an organization, autonomy could be analyzed as *formal* autonomy (e.g. rules, contracts, goals, monitoring, incentives, etc.?) and *operational* autonomy (e.g. how the increased formal autonomy and room for maneuver are experienced in practice) (Enders et al., 2013: 13-14)². This taxonomy will serve as the basic foundation for the analyses in the subprojects described in the following.

While the development has generally been in the direction of increased *formal* autonomy of universities, it is more questionable, in light of new government steering mechanisms, whether the reforms have in fact increased *operational* autonomy.

4. Sub-projects, method and state-of-the-art

² Enders et al uses the concepts formal and *real* autonomy. I suggest using the term *operational* instead of *real* in order to avoid going into the philosophical ontology of the concept autonomy.

In the following I will present three sub-projects that are in line with the three research questions in the project description of the Nordic project (*drivers, actors and effects*). I will be participating in the data collection for the comparative Nordic project, both in the survey questionnaire and the interviews, using this data in my own subprojects when appropriate (see elaboration below). The ambition is that the three sub-projects will result in at least three articles in peer-reviewed international journals which will be collected to a PhD thesis.

4.1. A regional historical study of the *drivers* of university autonomy

This sub-project will take form as a historical examination of how general European tendencies towards changing university autonomy have been translated into concrete reforms in the Nordic countries. Most accounts of the drivers of university reforms take either a European/global perspective (e. g. Olsen, 2007), a country perspective (e.g. Wright & Ørberg, 2008) or a university perspective (e. g. Ramirez et al., 2013).³ Hence, a regional study of the Nordic countries could offer new insights, highlighting how and why different national contexts are open or less receptive to more general European or global tendencies. As outlined very briefly in the introduction, the drivers of the recent changes in university governance has historical roots going further back than the 2003-reform in Denmark. This calls for a longer historical perspective going back to the 1980s, and maybe even further back. In a field of study dominated by political scientists, I hope to give nuances to the historical account of these changes through the use of new sources and with a sensibility to historical specificity. By using a range of different historical sources, I expect to be able to show not only how *formal* autonomy has changed, but also get closer to describing *operational* autonomy. I will make use of the *institutional/instrumental* approach and track how notions of autonomy of the different actors have changed over time and how they have developed in the different Nordic countries.

The primary sources will be policy documents from the relevant ministries and supranational organizations (such as OECD and UNESCO), annual reports from a number of selected universities, legislation and general academic literature. I will also trace the central debates and discussions on the role of the university in newspaper articles from different years over the period.

4.2. University autonomy and the academic freedom of *actors*

The second sub-project will examine the effects of changing university autonomy on academic freedom. Following the description above of the *institution-instrument* shift in the approach to seeing the university, the (somewhat ironic) hypothesis is that greater university autonomy (formal autonomy) has resulted in a reduced or constrained academic autonomy. There is no doubt, at least in a Danish context, that the management reforms have caused a lot of anger and frustration among the academic staff at the universities (Aagaard, 2012). But has this in fact changed the behavior of academics and do they feel less free to choose research topics, publications formats, forms of collaboration and activities in general? Are the effects different in different universities/faculties/institutes, depending on size, organization, etc.? From which levels does constraints and pressure emanate in the experience of the academics (ministry/faculty/institute/center/research group)?

Evidence suggests that you cannot change university structures arbitrarily without the consent of the academic base (Olsen, 2007) and that management attempts to make changes can be decoupled or

³ A UNESCO project on reforming higher education in the Nordic countries has a Nordic historical perspective. But it is from 2004 (Fägerlind & Strömqvist, 2004), and is written before the major changes from 2003 and onwards that are the focus of this project.

derailed further down the system, allowing academics to hold on to what could be considered classic ideals of the university (Bastedo, 2007; Aagaard, 2012). While some, in light of NPM reforms of universities, have expressed concern about the consequences for academic freedom (Christensen, 2011; Enders, 2013; Aagaard, 2011) less attention has been given to the study of how reforms actually influence the perception of academic freedom among academics. Both the *instrumental* and *institutional* perspectives will come into play, analyzing the constraints academics experience given the strategies, goals, performance indicators, etc. set by management or defined by ministries, and in examining the room to maneuver within these constraints. I expect to be able to show if different types/levels⁴ of autonomy has different outcomes in terms of the experience of academic freedom by academics.

In this sub-project I propose to draw heavily on the survey and interview data collected collectively in the Nordic project. I will be interviewing academic as well as management staff at different levels in the university hierarchy using in-depth semi-structured interviews (Kvale, 1997). The evidence from sub-project 1 will be used to qualify the findings in the interviews and survey.

4.3. University autonomy and performance effects

The last sub-project is the most central to the Nordic project – but also the most challenging. I will be focusing mainly on effects on *research* performance in this study.

Only few have studied the performance effects of changes in university autonomy and the findings are inconclusive (Enders, 2013: 19). Knott and Payne (2004) conclude in a study of university performance in the United States that economic and political conditions of states are the most important factors explaining performance, but that managerial autonomy does have slight influence on performance. Aghion et al. (2009) suggests a causal relationship between, on one side, increased competition for funds and university autonomy and, on the other side, performance (Shanghai ranking and patents) in the United States and Europe. And they go even further, stating that: “*Our results therefore provide support for policies that promote the package of greater funding, greater autonomy, and greater competition for European universities*” (Aghion et al. 2009: 26). But the study also concludes that even though there is a correlation between university autonomy and performance there are outliers that confirm that context also matters greatly. In Switzerland, for instance, they observe great academic performance but rather low autonomy (Aghion et al. 2009: 27). And since the study combines autonomy and competition as the independent variables, the effect of autonomy in itself is impossible to extract.

What all these previous studies have in common is that they define both autonomy and performance rather narrowly. Using huge set of data in regression analysis, trying to establish if there is a correlation between autonomy and performance, they are only able to define autonomy as *formal* autonomy. On the performance side, we see that these studies use very standard research indicators as publication volume, external funding, highly cited articles, Nobel Prize-winners and patents (Aghion et al. 2009:5; Knott et al. 2004: 20) ignoring newer indicators⁵ and alt-metrics. These

⁴ A typology of different aspects of autonomy could begin with Verhoests classifications *legal*, *organizational* and *managerial/economic* autonomy (Verhoest, 2004: 104), but these need further developments in order to be able to describe in a more adequate way the *operational* autonomy of universities.

⁵ New and other types of indicators could be the following: Innovative enterprises collaborating with higher education institutions (Community Innovation Survey), Private-public co-publication (Thomson Reuters ‘Web of Science’), Private funding of public research (OECD), Spin-out companies, International co-publications as share of total publications (Thomson Reuters ‘Web of Science’), International mobility.

problems can be accompanied by a more general critique of a reductionist method that pays no attention to the complex nature of research systems (Franzoni et al. 2011, Wang & Hicks 2013). Instead I suggest a mixed methods approach (Bryman, 2006) where both quantitative and qualitative methods are used in combination. I will create time series going as far back as data allows to track changes in performance over time. These data will be contrasted with the qualitative data from sub-project 1 and 2 in order to explore, if there is a connection to the development in university autonomy in the different Nordic countries. In order to examine if other changes in research policy could be contributing to the changes in performance, changes in funding (general level), competition for funding (tracking development in the balance between university core-funding and external funding of research) and other factors in the general development of the research systems in the Nordic countries will be studied. Especially the degree of competition for funding is in other studies found to be an important factor for performance (Auranen & Nieminen, 2010; Aghion et al. 2009).

Due to the methodological challenges in this sub-project, I expect it to be of a more explorative nature, only highlighting possible effects of changes in autonomy and performance, and in a more general way informing how changes in management and autonomy has affected the university.

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