



European  
Commission



# Promoting the Relevance of Higher Education

*Annex 1:  
Country case studies*

**EUROPEAN COMMISSION**

Directorate-General for Education, Youth, Sport and Culture  
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# Promoting the Relevance of Higher Education

## *Annex 1: Country case studies*

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# 1 Introduction

## 1.1 Introduction

The country case studies are part of the empirical data collected for the 'Promoting the Relevance of Higher Education' project. Before presenting the case studies, this introductory chapter describes how the case studies were selected, the case study methodology, and provides an overview of the interviewed organisations and experts.

## 1.2 Selection of case study countries

To select the eight case study countries envisaged for this study, a two-staged approach was taken. In a first step, 17 potential case study countries were selected that appeared to be interesting on the basis of the following criteria:

- Demonstrating a relative high number of country-specific policies connected to the relevance of higher education in the international policy literature review
- Countries with a well-documented record of past and present higher education policies
- A balance in size and regional distribution of European countries, thus representing different higher education traditions and a variety of geographic locations
- As specified in the ToR, two non-European countries that are relatively active regarding the issues of the relevance of higher education and demonstrated in the international policy literature.

Using the criteria, the following countries were selected: Australia, Belgium (Flanders), Canada (Ontario), The Czech Republic, Croatia, Denmark, England, Finland, France, Germany, Ireland, Italy, Latvia, The Netherlands, Norway, Slovenia and Spain.

For these 17 countries, a systematic analysis of national regulations, strategies and policies was made to provide a more targeted and transparent overview of the countries' approaches towards the relevance of higher education. This country specific information was presented in the country-fiches included in Interim Report 1. In a next step, the more qualitative policy information was complemented with more quantitative information about the countries' performance on indicators of the relevance of higher education. Because not all countries are equally well-represented in the international indicator overviews it was not easy to discern between good and less-good performing countries. As a result, we particularly focused on the following criteria to select the final eight case study countries for a more in-depth analysis of the national policy approaches towards the relevance of higher education and their effectiveness:

- We include countries with relatively high scores on a number of relevance indicators.
- We particularly include countries that were mentioned several times in the international policy literature review as having a relatively high number of country-specific policies connected to the relevance of higher education. This provides a high probability of finding good practice examples.
- We select countries that have already applied relevance policies for a number of years. This enables to monitor the impact and effectiveness of such policies.
- We select countries that have a well-documented record of past and present higher education policies. This allows a more thorough analysis and comprehensive insight

into country-specific policies, contexts and the potential relationship between policy levers and relevance outcomes.

- We select a mix of countries, so the set of countries includes those that address all three dimensions of relevance (personal development, sustainable employment and active citizenship), but also countries that strongly address one, or two of the three dimensions.
- We seek a balance in size and regional distribution of European countries, thus including countries with different higher education traditions and representing a variety of geographic locations.
- We include one non-European country that is active and – at first sight – successful in promoting the relevance of higher education (also a requirement in the Tender Specifications).

Applying these criteria to the countries mentioned previously and a close consultation of the representatives from DG-EAC, the following eight countries have been selected as case studies:

- Canada (Ontario) (i.a. strong focus on sustainable employment and active citizenship)
- The Czech Republic (i.a. strong focus on sustainable employment)
- Denmark (i.a. addressing all three dimensions)
- France (i.a. addressing all three dimensions)
- Germany (i.a. strong focus on sustainable employment and active citizenship)
- Ireland (i.a. strong focus on sustainable employment)
- The Netherlands (i.a. addressing all three dimensions)
- Spain (i.a. addressing all three dimensions)

### 1.3 Case study research methodology

For conducting the eight case studies in the eight selected countries, a case study protocol was developed to guide the case study researchers. Most cases were conducted by core-research team members, but some have been outsourced to external national experts in the respective countries under the supervision of some core-research team members. The DZHW-team conducted the German case study, the CHEGG-team did Denmark and Spain, the CHEPS team did the Netherlands and Ireland. Canada (Ontario), the Czech Republic and France were outsourced.

The **case study protocol** included a summary of the most relevant background information, such as the various input, process, output and outcome aspects of the relevance of higher education, the types of policy levers, the analytical framework of the study and an overview of the most common indicators of the relevance of higher education in terms of personal development, sustainable employment and active citizenship. The protocol also included the country fiches for the respective countries that were presented in Interim Report 1.

The most important part of the case study protocol was formed by the guidelines for conducting the case studies. This meant that the case studies should be based on the following principles:

1. Secondary analysis of documents (white papers, evaluation reports, strategic documents, HEI documents, research articles, and so on);
2. At least 10 expert interviews:
  - a. Two interviews at the responsible ministry, preferably one interview with someone on a political position (e.g. minister, deputy minister, state secretary) and one with a civil servant in the ministry);

- b. Three interviews with agencies involved in the design and implementation of policy levers (e.g. an accreditation agency, a funding council, university association, rectors' conference and/or education advisory council);
  - c. Two interviews with representatives of higher education institutions (if individual higher education institutions are not available, their associations, e.g. rectors' conference);
  - d. Three interviews with other stakeholders relevant to the policy levers (e.g. student organisations, employers' organisations, academic staff unions);
3. Analysis of the (national) statistical indicators that are regarded most important for the relevance of higher education.

The final selection of expert interviewees were done in consultation with the liaison person at CHEPS or CHEGG, making sure that (1) the scope of interviewed experts corresponded well with different parts of the policy process, i.e. from agenda-setting and decisions, through implementation, to evaluation and (2) interviewed experts had sufficient experience to reflect on the relevance of higher education in their national context. The method of interviews with experts is often termed 'elite interviewing' and is used in process tracing especially to corroborate other (written or interviewed) sources, establish viewpoints and opinions of stakeholders in a process, and reconstruct an event or process. Such interviews should be semi-structured, with a predetermined set of basic questions formulated in an **interview protocol**, including questions focusing on issues such as:

- Perceptions of what the relevance of higher education is (dimensions) and on how important it is in the system.
- Which policies, explicitly addressing higher education relevance, have been implemented? Are these well designed and do they address the right target audience?
- What seem to be the effects of these policies? What seems to work and what does not?
- Various stakeholders are requested to reflect on relevance of national policy levers, measurements and potential effectiveness from their organisational perspective. In addition they can reflect on how national policies relate to their interests and whether and how national policies are translated into their own policy instruments. Maybe additional measures are taken or additional indicators used. In this way we get a multi-stakeholder perspective on national relevance policy levers and indicators.

The **interview protocol** consist of a generic list of questions to be adjusted in relation to the interviewee. The objective of such a semi-structured questionnaire is to allow a comparative analysis of the case studies that will enable the core research team to identify and highlight factors which affect the success or failure of policy levers to promote the relevance of higher education. The eight case studies will particularly be used to further explore the rationales and effectiveness of policy levers. The questions are categorised in the following way:

**Higher education system background** (in case insufficient evidence was available)

- Size of the system (number of students, number of HEIs, main policy actors)
- What have been the large scale reforms that have taken place in the last 5-10 years?
- Country's general steering approach in terms of central steering versus a high degree of autonomy for the HEIs, steering at inputs or output/outcomes, etc.

**Relevance of higher education**

- Perceptions of what the relevance of higher education is (dimensions) and on how important it is in the system?



- First focus on experts' perceptions of relevance and then prompt concerning the three dimensions
- Personal development
- Sustainable employment
- Active citizenship
- In which way is relevance of higher education addressed in strategies and white papers?
  - Which stakeholders were involved in the agenda setting?
  - Does the rhetoric mention (dimensions of) higher education relevance?
- In your perception, which dimension of higher education relevance is given most attention in higher education strategies?
  - Personal development
  - Sustainable employment
  - Active citizenship
  - Any other that is specific to this country?
  - Why is this? What are the rationales behind the strategic choices?
  - Can you support the claims by providing / naming specific strategic documents / white papers?

### **Policy levers for higher education**

- Which of the reforms have, in your view, impacted the relevance of higher education? If so, in which ways?
- Which policies, regulations, and legislation affect the relevance of higher education? (following questions for each policy, regulation and legislation; partly based on policies, regulations, and legislation described in the country fiches)
- How are the policies, regulations, and legislation designed?
  - Which stakeholders were involved in the design process?
  - Who were the primary target groups of the policies, regulations, and legislation?
    - Students / graduates
    - Employees
    - Employers
    - Higher education institutions
    - Society at large
  - Which type of policy instruments are employed? (In this respect it might be good to know more about the relation of policy objectives and instruments. E.g. is one instrument used to pursue several relevance dimensions? Or are there several instruments affecting a relevance dimension?)
    - Regulation
    - Funding
    - Organisation
    - Information
- Optional (i.e. if deemed relevant for the particular case study): How are the policies, regulations, and legislation implemented?
  - Top-down / bottom-up
  - Which stakeholders were involved in the implementation?
- In your perspective, which dimension of higher education relevance is given most attention in translating strategic priorities into real policy instruments?
  - Personal development
  - Sustainable employment
  - Active citizenship
  - Why is this? What are the rationales behind the policy choices?

- Can you support the claims by providing / naming specific policy documents?

### **Evaluation of relevance**

- Thinking about your work, which indicators on the relevance of higher education are specifically useful or important to you?
  - How would you assess the validity of these indicators (do they measure what they intend to measure)?
- For your work: Is there anything you would like to have more information on? Do you miss any specific data or indicators that would be helpful to your work?
- Thinking about your daily work, do you encounter any problems in the availability or use of indicators on the relevance of higher education, e.g. because
  - ... it is hard to find the indicators relevant to your work when you need them.
  - ... there is a too much information to process in reasonable time
  - ... there is too little time to think about the available information and draw conclusions.
  - Is there anything that could make indicators and reports more helpful to your work?
- More generally, are there further indicators used to explicitly assess relevance of higher education?
  - What is the validity of the used indicator (do they measure what they intend to measure)?
  - Are all relevance dimensions referred to in the policy documents 'covered' by the indicators?
- How is data for these indicators collected?
  - What is the reliability of such data?
- What has, in your view, been the outcome of the strategies and policies that address higher education relevance?
  - From your perspective, did higher education become more relevant, and if so in which respects? And was the increased relevance measured in any way?
  - Which policies, regulations, and legislation worked and which did not, in your opinion?
  - What do you consider as advantages / disadvantages of the implemented policies, regulations, and legislation?
  - Are there official evaluation studies on the effectiveness of the policy levers related to relevance of higher education? If so, can you provide these documents?

Finally, the case study protocol included a **case study template** that prescribed the way of reporting on the case studies conducted. A similar reporting structure and style better allows the core research team to identify the quality of the case study – in terms of completeness, perspectives reflected and types of information – and it enables a more structured cross-case analysis. The case study template prescribed the following structure, including a number of headings with a short description of the type of information expected and the expected number of pages for each section as a guidance:

#### **1. Introduction** (1page)

Basic information about the higher education system, including: size of the system (number of students, number of HEIs, see country fiche), main policy actors, any significant large scale reforms that have taken place in the last 5-10 years that may impact on the relevance of higher education.

Basis for this section: mostly desk research.

#### **2. Relevance of higher education** (4 pages)

Approach to relevance of higher education in the main policy documents, including: legislation, other forms of regulation (e.g. funding regulation, QA standards), strategies and white papers.

How explicit relevance mentioned in policy documents and rhetoric? Which dimensions of relevance – personal development, sustainable employment, active citizenship – are referred to? How consistent are these references across different documents?

What is the perspective of different policy actors (government, stakeholders, HEIs) on relevance? How consistent are these perspectives (a) between each other and (b) with the policy documents?

Basis for this section: desk research and interviews.

### **3. Policy levers for higher education (4 pages)**

What kind of policy levers have been introduced with an explicit expectation they will impact relevance? How consistent are policy levers with the references to relevance in policy documents? Are all relevance dimensions referred to in the policy documents 'covered'? Are the levers coherent with each other?

Please organise the policy levers in a typology (types of instruments: regulation, funding, organisation, information; aimed at: input-process-output/outcome).

Basis for this section: desk research and interviews.

### **4. Indicators of relevance (3 pages)**

What indicators are used to explicitly assess relevance of higher education? How is data for these indicators collected? What is the reliability of such data?

Basis for this section: desk research and interviews.

### **5. Reflection on linkages between relevance, policy levers, typology and indicators (2pages)**

Basis for this section: desk research and interviews. Also reflect on the "success" of the policies and policy levers:

- Can the success or failure be attributed to the context, steering approach, design, and/or implementation?
- In the judgement of the outcomes shared by different stakeholders?

### **6. Concluding remarks (1 page)**

Please reflect on the focus on different dimensions of relevance (e.g. strong focus on employability vs. limited focus on active citizenship) as well as which are the most common policy levers used to address these dimensions.

The case study reports were aimed to be around 15 pages each. All case studies were in draft version made available until 31 January 2017 and revised in the weeks following.

## 1.4 Interviewed organisations / experts

Stakeholder / policy actor	Ontario	Czech Republic	Denmark	France	Germany	Ireland	Netherlands	Spain
<b>Responsible ministry</b>	Min. of Advanced Education and Skills Development	Min. of Education	Min. of Higher Education and Science	Ministry of higher education and Research	Federal Min. of Education and Research  Min. for Science and Culture of Lower Saxony  Senate Department for Science of Berlin	Higher Education Authority	Min. of Education, Culture and Science	Min. CATALUNIA, and MADRID
<b>Accreditation or quality assurance agency</b>	Higher Education Quality Council of Ontario	National Accreditation Office for HE	The Danish Accreditation Institution	High Council for Evaluation of Research and Higher Education		Quality and Qualifications Ireland	Dutch-Flemish Accreditation Organisation	National Agency for Quality Assessment and Accreditation  Catalan University Quality Assurance Agency
<b>Funding council / authority</b>		Min. of Education	Min. of Finance				Nationaal Regieorgaan Onderwijszoek (NWO/NRO)	
<b>University association / rectors' conference / education advisory council</b>	Colleges Ontario, Council of Ontario Universities  Ontario Universities Council on Quality Assurance	Czech Rectors' Conference  HE Council	Danish Agency for Higher Education, Expert Committee on Quality and Relevance in Higher Education	Conference of University Presidents  Comité de suivi de la licence		Irish Universities Association  Technological Higher Education Association	Association of Dutch Universities  Association of Universities of Applied Sciences	

Stakeholder / policy actor	Ontario	Czech Republic	Denmark	France	Germany	Ireland	Netherlands	Spain
<b>Higher education institutions</b>		Two universities, one non-university HE institution	One research university		UAS in Berlin and in Lower Saxony Research university in Lower Saxony	Two Institutes of Technology	One University of Applied Sciences One Research University	Two universities
<b>Higher education expert, think tanks</b>	Professor of economics and social sciences, CIBC World Markets		Expert Danish accreditation agency and Danish association of employers	Expert national strategy for higher education				
<b>Student organisations</b>		Student Chamber of HE Council  Czech Association of Doctoral Students		National Federation of Students' Associations	Free Associations of Student Unions  The German National Association for Student Affairs	Union of Students in Ireland	Dutch Student Union	Public Universities' Students Union
<b>Employers' organisations</b>		Czech Chamber of Commerce		MEDEF	Confederation of German Employers' Associations		VNO-NCW	FUE
<b>Academic staff unions</b>	Ontario Confederation of University Faculty Associations				Trade Union Education and Science			

## Case study 1: Canada - Ontario

### Introduction

Higher education in Ontario, more commonly called “post-secondary education”, is a provincial and territorial responsibility. Provincial governments oversee and regulate colleges and universities, including the chartering of institutions, the granting of degrees, and the setting of tuition fee policy. While the federal government provides funding to provinces and territories through transfer grants that can be used to support post-secondary education, its role in the sector is confined primarily to the funding of research, support for student financial assistance (administered by the provinces), the schooling of Aboriginal students, and the oversight of Canada’s two military colleges. There is no federal ministry of higher education in Canada.

Ontario’s 21 universities and 24 community colleges enrolled a total of 822,465 students in 2014-15 (Statistics Canada, 2017). Universities provide undergraduate (three- or four-year programmes) and graduate education (mostly two years) as well as professional preparation in numerous fields (e.g. medicine, law, engineering, teacher education, social work). Colleges issue two-year diplomas for technical and vocationally oriented education and three-year advanced diplomas, as well as certificates for a variety of shorter programmes. Colleges also offer applied four-year bachelor’s degrees in selected fields. While colleges and universities function as distinctive, parallel sectors, there are a number of combined programmes where students earn credentials by taking courses in both sectors.

The vast majority of Ontario post-secondary students attend publicly assisted institutions, although private universities are permitted, with approval, to offer degrees. Post-secondary educational institutions are governed under the terms of several pieces of legislation, including the 1990 Ministry of Colleges and Universities Act (Government of Ontario, 2017a), the 2000 Post-Secondary Education Choice and Excellence Act (Government of Ontario, 2017b) and the 2002 Ontario Colleges of Applied Arts and Technology Act (Government of Ontario, 2017e). Universities also have provincially approved individual charters, which vary, though not substantively.

Over the past decade, a number of commissions and policy documents, linked to the relevance themes, have influenced post-secondary education in the province. But although the Rae report (2005) and the report of the Drummond Commission (2012) do refer to skills, jobs and preparation for the workplace, the reports do not explicitly refer to relevance.

A fairly recent policy pertained to establishing more variety in the missions of the higher education institutions. The government issued a Differentiation Policy Framework in 2013 devised to serve as a “primary policy driver for the system”. One of the six components of differentiation relates to jobs, innovation, and economic development (Government of Ontario, 2013). Through Strategic Mandate Agreements (SMAs), universities and colleges are from 2016 on required to articulate distinctive goals and report on outcomes. Though not yet fully implemented, the government intends to allocate a portion of provincial grants to institutions based on their success at achieving differentiated goals (for an overview of SMAs, see Government of Ontario, 2017f). If such funding is substantial, this would be a departure from the longstanding practice of awarding operating grants overwhelmingly on the basis of the number of students each institution enrolls.

### Relevance of higher education

#### Sustainable employment

The provincial government now highlights employment preparation as a primary purpose of post-secondary education. In her 2016 mandate letter to the Minister of the (recently

re-named) Ministry of Advanced Education and Skills Development, the Ontario premier identifies the province's top priority as "creating jobs and economic growth" and requires the Ministry to "create a more seamless, integrated client focused employment and training system to help improve the experience for workers and job seekers and to help Ontarians prepare for the jobs of the future" (Government of Ontario, 2016b), an objective also highlighted in the 2016 Report of the Highly Skilled Workforce Expert Panel. Among its recommendations which affect post-secondary education, the Panel calls on the province to expand "experiential learning opportunities across secondary, post-secondary, and adult learning environments". Students should have "at least one experiential learning opportunity ... by the time they graduate from post-secondary education" (The premier's Highly Skilled Workforce Expert Panel, 2016, p. 27). Like the Higher Education Quality Council of Ontario (HEQCO), the Expert Panel believes that "post-secondary institutions can do a better job of measuring and credentialing the general cognitive and transferable skills that have been identified as important to the labour force and identifying which teaching practices and schooling experiences most help in this development" (p. 36). As an indication of the importance that the province ascribes to developing a more skilled workforce, the Ministry recently appointed an assistant deputy minister whose sole responsibility is to address this priority.

Indeed, educating Ontarians more effectively for vocations and careers dominates the recent public discourse on the key purpose of post-secondary education (see e.g. Miner, 2010). Reconciling institutional autonomy, academic freedom, and the broad cultural goals of higher education with the government's narrower instrumentalist objectives will challenge the sector in the years ahead, and may impede the full realisation of its "relevance" itinerary. That said, the Council of Ontario Universities (COU), which lobbies for and issues policy statements on behalf of all publicly assisted universities (when consensus can be achieved), promotes a relevance agenda on the subject of economic sustainability. Understanding the priority that government and the public place on the job-generating potential of university education, the Council reports annually on the employment rate by field of study of Ontario students six months and two years after graduation, and it features positive work-related stories and statistics on its website (Council of Ontario Universities, 2017a). Its briefs and annual reports invariably speak to the universities' important role in the economy, noting, in 2015, the "spirit of entrepreneurship [that] has been ignited at Ontario universities" (Council of Ontario Universities, 2015, no page number).

Ontario colleges are especially well placed to feature their vital function in the economy; aligning their programmes with the needs of industry is, after all, the *raison d'être* of the college system. Unlike in universities, with their time-consuming academic approval structures, new college programmes can be mounted within six months. And like those conducted by the university sector, college employment surveys highlight graduates' occupational successes, as do the brochures and public statements of the colleges' advocacy body, Colleges Ontario (Colleges Ontario, 2013).

The colleges are essential components of Ontario's apprenticeship training system, although the Ministry of Advanced Education and Skills Development exercises direct control over the programme by prescribing the types of trades, the content of courses, and the length of the training process. Observers have found bottlenecks and inefficiencies in the system; labour shortages, which are common in the skilled trades, may not be addressed if the required college training programmes are unavailable in particular communities, or if financial resources are not provided to mount them. The Skilled Workforce Expert Panel acknowledged such challenges and recommended a "modernised apprenticeship system reflective of the current business climate and focused on the integration of young people into the trades" (The premier's Highly Skilled Workforce Expert Panel, 2016, p. 28).

There is an alternative narrative on the relevance theme in Ontario. Some critics from industry question the return on investment of Canadian post-secondary education. A 2013 report from CIBC World Markets claimed that both the employment and income gaps between high school and university graduates had fallen, and that the “share of Canadian university graduates who make less than half the national median income is the largest among all OECD countries” (Tal & Eneajor, 2013, p. 1). It concluded that there was an oversupply of graduates in less financially advantageous fields namely, the humanities and social sciences, and that students should be directed instead to health, engineering and business where the outcomes and rewards were higher (but see Charbonneau, 2013 for a critique on the report’s methodology and conclusions). It would appear, too, that doctoral graduates have not been immune to the undulations of the academic labour market. According to the Ontario Confederation of University Faculty Associations (OCUFA), those PhDs working part-time in higher education could be considered “precariously” employed (OCUFA, 2016).

Other critics of current policy argue that colleges and universities are not equipped to resolve large economic problems, particularly in light of limited knowledge of future technological and global trends, and that universities’ efforts to anticipate labour market needs are provably ineffective. In 1998, anticipating a huge upsurge in the need for engineers and computer scientists, the provincial government, on the urging of NORTEL, a major Ontario-based telecommunications multinational company, funded a doubling of enrolments in these areas. Several years later, the “high tech bubble” burst leading to massive layoffs in the industry and the collapse of college and university registrations in the related fields (Fisher, Rubenson, Shanahan & Trottier, 2014). As one interviewee noted, this programme was an example of “overly prescriptive government intervention” that should not be repeated, though the province continues to regulate enrolments in licensed professions – medicine, nursing, and education – in which the Ontario public sector “is directly or indirectly the major employer” (Clark, Moran, Skolnik & Trick, 2009, p. 42). Even the Highly Skilled Work Expert Panel’s proposal to require experiential learning for all post-secondary students is deemed by some to be unrealistic. 70 percent of Ontario college students now obtain such training, and the goal is to increase this to 100 percent over the next five years, but according to interviewees, opportunities for co-op placements and internships are increasingly difficult to secure. In universities, professional students in such fields as education, law and medicine do participate in practicums, articling, or clinical practice, but the prospect of extending such programmes to all undergraduate students, in light of the scope and expense of such an undertaking, is considered by some to be daunting. Even if better preparation of graduates for the labour force were achievable, some critics strongly object to this narrowing conception of the university’s role and to the diminished place of liberal education (and curiosity-based, non-applied research) in the burgeoning world of “academic capitalism” (Slaughter & Rhoades, 2004; on Canada, see Metcalfe, 2010).

In sum, with respect to sustainable employment government policies stress that higher education institutions should focus on preparing students for jobs and offering them the “right” skills set – through such tools as experiential learning – that meet the requirements of the labour market.

### **Personal Development and Active Citizenship**

As for the relevance issues of personal development and active citizenship, one major policy commitment in Ontario speaks to both of these themes. The province remains committed to providing access to university or college for all academically qualified students, a goal first articulated in the 1960s (Axelrod, 1982, p. 32; Weingarten, Hicks, Jonker, Smith & Arnold, 2016, p. 8). But, notably, universities and colleges themselves, not the Ministry, set admission standards for their institutions. Ontario’s participation rates are the highest in Canada. However, students from more affluent families are more likely to attend university than college, and under-represented populations, overall, are



less likely than others to obtain post-secondary education. As recommended by the Rae Commission, and implemented in the government's subsequent "Reaching Higher" initiative, the province has identified four such groups – Aboriginals, First Generation students, Francophones, and persons with disabilities – for special programme funding, which was reinforced in the 2014 provincial budget. It committed to "creating a space to learn for every eligible student regardless of their financial circumstances" and to "closing achievement gaps for underrepresented groups" (Weingarten et al., 2016, p. 8). Recent changes in tuition and student financial aid policies, discussed below, are designed, as well, to support the accessibility mission. Thus by promoting access to post-secondary education, considered essential for future employment; by encouraging students to realise their academic potential; and by addressing the issue of social inequality, access policies can also be linked to (sustainable) employment.

Other initiatives include policies and programmes intended to address growing concerns about the mental health and safety of post-secondary educational students. In response to highly publicised cases of sexual harassment and violence, on and off campuses, the government initiated an action plan in 2015 to confront this matter. A high priority for Premier Kathleen Wynne, the "It's Not Okay" campaign, was followed by new legislation, which took effect on January 1, 2017. It requires every college and university to establish processes for addressing incidents and complaints of sexual violence involving students enrolled at the college or university (Government of Ontario, 2017c).

To attend to the issue of mental health more broadly – a 2016 report found that 65 per cent of college students experienced "overwhelming anxiety" – the Ministry has funded a Centre for Innovation on Campus Mental Health which is expected to promote and share best programmatic practices in this field among colleges and universities (Council of Ontario Universities, 2017b).

Using protocols designed by the COU affiliate body, the Ontario Council of Academic Vice-Presidents, universities must incorporate degree level expectations and anticipated learning outcomes into all curricular and programme development (Ontario University Council on Quality Assurance, 2017; Council of Ontario Universities, 2017c). Although universities may choose to identify labour market preparation or social responsibility as programmatic or institutional priorities, under the terms of the Quality Assurance Framework, they are under no obligation to do so. The QAF addresses the issue of programme approval processes not programme content.

Universities and colleges are left to their own devices with respect to cultivating active citizenship. By recruiting international students, they claim to be promoting cultural diversity, and some actively encourage global awareness. While the provincial government rhetorically encourages internationalisation, it provides no financial subsidies to support the education of international students who pay three to four times the fees of domestic students. In addition, international fees are de-regulated and have become increasingly important sources of revenue for colleges and universities. It is a fair conclusion that both federal and provincial governments value internationalisation in education more for its material than its cultural benefits (Anderson, 2015: see also Government of Canada, 2016).

As a number of interviewees noted, students who are interested in expanding their cultural and political horizons are more likely to do so through the fields of study they enter, or through individual courses, mostly in the humanities and social sciences. So too, the advancement of civil discourse and ideological tolerance depend largely on the way classes and campus events are conducted, and by the attitudes and behaviour of participants. Social justice ideals are frequently expressed in institutional mission statements, and in response to campaigns by students and faculty, colleges and universities have developed some noteworthy bridging and service programmes designed to benefit individuals and families from disadvantaged communities.

To recap, policies for active citizenship and personal development are largely implicit. The government develops policies for widening participation, which can be interpreted as attempts to secure personal development (as in: every student to reach his/her potential), but the reality is that much is left to the higher education institutions and the students themselves to consider how to achieve such objectives. Quality assurance policies do not dictate relevance in terms of personal development or active citizenship. One of the few areas where the government has a relatively clear perspective (including regulation) on personal development is mental health and safety.

## **Policy levers for higher education**

### **Regulation**

In general, regulation of higher education flows from provincial and federal laws. The sector is subject to labour legislation, including The Canada Labour Code, the Ontario Labour Relations Act, and the Employment Standards Act. The Freedom of Information and Protection of Privacy Act, the Ontario Disabilities Act, the Sexual Violence Act, and the offices of the Ontario Auditor General and the Ontario Ombudsman all govern particular functions of colleges and universities.

As indicated above, while the preparation of university and college students for the labour market is a high post-secondary educational priority, regulation designed to pursue this goal is confined to the direct control of enrolments in a limited number of fields, and to the certification of professions and vocations in selected areas. The licensing of lawyers and doctors, for example, is the result of a historic negotiation between universities and professional licensing bodies around the appropriate mix of academic instruction and clinical practice (see Axelrod, 1990, for the origins of such arrangements). Universities are assigned overall enrolment targets for undergraduate and graduate education, to which their operating funding is tied, although relevance does not play a significant role in setting the government targets. The institutions themselves determine, for the most part, how these funds are allocated (see funding section below).

The work of the Ontario Universities Council on Quality Assurance is enshrined in law, though, as noted above, specific regulations and implementation practices have been left to the Council itself (Government of Ontario, 2017d). The Postsecondary Quality Assessment Board (PEQAB), a provincial agency established in the wake of the passage of the Post-Secondary Education Choice and Excellence Act (2000), receives applications from all aspiring providers of new university degree programmes in Ontario. Universities in existence prior to 2000 do not fall under PEQAB's authority but as we have seen, their programmes, new and ongoing, are subject to review by the Council on Quality Assurance. Provincial regulations however, do assign PEQAB quality assurance control over the province's community colleges' programme offerings (PEQAB, 2017). While PEQAB and CQA may approve new degree proposals and/or new programme submissions, the Ontario government, usually through the Ministry of Advanced Education and Skills Development, decides, ultimately, whether the institutions' initiatives will be funded. In these procedures, capacity and macro-level efficiency play a role, but not relevance in terms of sustainable employment.

Finally, multi-year agreements between institutions and the government (inaugurated in 2006), and now replaced by Strategic Mandate Agreements, require universities and colleges to articulate objectives that both demonstrate their programmatic uniqueness and fit within the province's higher education policy framework. Each institution must develop its plan according to the following six criteria: Jobs, Innovation and Economic Development; Teaching and Learning; Student Population; Research and Graduate Education; Programme Offerings; and Institutional Collaboration to Support Student Mobility. They must demonstrate their particular institutional strengths, and explain what metrics they are using to illustrate their qualities. The Strategic Mandate Agreements are

most certainly intended to promote the relevance of Ontario higher education, particularly with respect to employment and personal development. However, it is still early days, and it remains to be seen what changes this new arrangement will bring to the allocation of capital and operating funds.

Regulation therefore focuses on setting enrolment limits for certain programmes. Additionally, there is scope within the Strategic Mandate Agreements to focus on issues of relevance (particularly in the areas of jobs and programme offerings). The SMAs, however, should be considered as soft regulation and it is too soon to estimate the effects of the policy.

## **Funding**

Funding practices generally flow from broad policy pronouncements, but the form in which funding is provided can shape the dynamics of the sector and the details of particular programmatic decisions. Between 2000 and 2015, in Ontario, the proportion of university operating funds covered by government fell from 50.1 per cent to 39.3 percent. The other major source of income is tuition fees which, over the same period, rose from 41.3 to 52.4 percent of operating revenue (CAUBO, 2001, 2016). Politically, this is also a challenge because student groups, faculty associations, and some citizens claim that such fees add to student debt and make higher education less accessible. The latter assertion has been challenged by years of research which demonstrates that tuition levels have limited impact on the social composition of the student population (Finnie, Childs & Wismer, 2011). Furthermore, real fees in Ontario, on average, are actually lower – about half the level of the posted “sticker price” of tuition – owing to an extensive programme of means-tested financial assistance for students in the province (Hicks, 2014). Nevertheless, perceptions of inequity arising from tuition increases are politically potent and the government’s new tuition policies are designed, in part, to address this. Universities will be permitted to increase tuition fees by three per cent over the next two years. To offset this, beginning in 2017, tuition will be “free” for students from families with incomes of \$50,000 or less, and they will also be eligible for non-repayable grants to cover living costs. More financial assistance will be available to mature and married students, and those from middle and upper income families will have access to interest free loans (Government of Ontario, 2016a). Additional funds will be spent on the education of First Nations, Metis and Inuit students. There are no announced plans to measure the impact of these changes.

Two particular funding decisions made by previous provincial government continue to resonate in the higher education sector. Key Performance Indicators (KPIs) are employed to assign about one per cent of operating income to universities and colleges. Institutions must report on such factors as graduation rates, employment of former students six months and two years after graduation, default rates on student loans, and student and employer satisfaction. College and university KPIs vary somewhat. The programme has aroused controversy. Some observers consider the amounts awarded too small to influence institutional behaviour. Others argue that compelling campuses to compete for these funds, when the performance differences among them are minor, is ill-advised and unfair (Chan, 2015). According to one informant, the system is likely to be maintained but modified when the province finalises changes in the provincial funding formula.

In 2003, the first new university in 40 years, now called the University of the Ontario Institute of Technology (UOIT), admitted its first class of students. Organisationally inked to, and built on the same site as Durham community college, the new university’s programmes were expected to be employment sensitive and “market-driven”. The original capital funds for the campus (\$60,000,000) came not from the ministry governing post-secondary education, which was not involved in the initiative, but from the office of the Minister of Finance (with the support of the premier), in whose political riding the new facility was located. This special funding legitimised and enabled the

project (Axelrod, Shanahan, Trilolekar & Wellen, 2012). Given the funding aspect, it is mentioned here, but the case of UOIT will be classified under “organisation”.

While enrolment-based funding has long provided incentives for universities and colleges to grow, thereby fulfilling the government’s accessibility commitment, targeted funding to specific projects, such as support for under-represented groups, special resources for institutions in northern Ontario, and for bilingual post-secondary education, as well as the new differentiation framework, steer universities into particular planning and programmatic directions. To “enhance academic pathways and reduce barriers for students looking to transfer” among colleges and universities, the government established ONCAT, the Ontario Council on Articulation and Transfer, in 2011 (ONCAT, 2017). And in 2013, to induce universities to meet an expected growth in enrolments, the government invited proposals to establish new satellite campus facilities in the province. Most universities entered the competition.

Regarding funding arrangements, there is some implicit attention to relevance in the student funding and fee regulations (aiming at broad access and lowering financial barriers for students from certain backgrounds). In the KPI arrangements (employer and student satisfaction, graduation rates, employment rates) the attention to employment (and personal development) are more explicit, but only a small share of the institutional budget is determined by the KPIs. The original funding of the UOIT – by the Ministry of Finance – signals the importance of graduate employment and market-driven programmes.

### **Organisation**

Strictly speaking, there is very limited use of the tool “organisation”. That said, the network of agencies and stakeholder organisations is densely populated. These stakeholder organisations conduct research, issue policy statements, lobby on behalf of their constituents, and periodically collaborate with the Ministry on special projects. Examples of such stakeholder organisations are the Council of Ontario Universities, Colleges Ontario, faculty and student organisations and the Business Council of Canada. Earlier in this case study, the UOIT was noted. A relatively new body is noteworthy, because it comes close to the meaning of the “organisation” policy tool. The Higher Education Quality Council of Ontario (HEQCO), was established in 2006, following the publication of the Rae Report, which proposed a Council that would “set targets and measures for improvement [and] monitor and report on performance and outcomes” (Rae, 2005, p. 30). HEQCO commissions research on current issues in higher education, conducts some studies on its own, including a recent report on university performance, and periodically offers policy recommendations. Its powers are advisory.

### **Information**

There are numerous information sources pertaining to higher education that may influence policy choices, though there are no regulations ensuring that they will do so. Some of these publications are intended to demonstrate the accountability of the sector to the public and government. The COU and Colleges Ontario publish annual employment surveys of graduates, and regular reports on post-secondary research and other programmatic initiatives. In recent years, Ontario’s universities have chosen to participate in the National Survey on Student Engagement (NSSE), which reports on student satisfaction levels. Institutional rankings, notably, in Canada, the Maclean’s magazine Annual Rankings, are regularly featured on university websites, when the results are positive. Observers are aware of the limitations of these systems (Shin, Toutkoushian & Teichler, 2011; Fallis, 2013, pp. 233-242); nevertheless, they are playing an increasingly important role in reputation building and recruitment.

By publishing on-line all university and college Strategic Mandate Agreements, the provincial government has signalled its interest in strengthening accountability protocols.

Requiring the institutions to justify in public their plans and priorities is expected to improve the quality of internal decision making. Similarly, quality assurance reports for each institution are available for public scrutiny.

Flowing from reports such as that of the Highly Skilled Workforce Expert Panel, efforts of individual universities and colleges have begun to improve the quality of labour market information, which they may use to inform programme planning. However, several interviewees noted that in light of the complexity of the workplace and the rapid changes underway, in depth and reliable data may be difficult to obtain and sustain.

Through information policies, the government is signalling the high priority it places on the transparency of institutional performance. However, much is dependent on the willingness of the higher education institutions to gather and present information on e.g. labour market information and student satisfaction. In other words, information has no consequences (yet) in terms of follow-up regulation, nor does it have funding consequences (apart from the KPI programme).

### **Indicators of relevance**

With the exception of the Key Performance Indicator programme, described earlier, which allocates one per cent of operating funds to universities and colleges on the basis of graduate employment and several other outcomes, there are no performance-based funding programmes, though this is expected to change once the Strategic Mandate Agreement system is fully implemented.

As reported earlier, with respect to curricular and academic programming, Ontario universities are now expected to prescribe “degree level expectations” and “learning outcomes” for all undergraduate and graduate programmes. Degree level expectations for undergraduate programmes consist of six criteria: depth and breadth of knowledge, knowledge of methodologies, application of knowledge, communication skills, awareness of limits of knowledge, and autonomy and professional capacity. Graduate education criteria are similar and include a “research and scholarship” component. All of the criteria speak to the relevance theme of “personal development” and “autonomy and professional capacity” addresses, at least theoretically, the preparation of graduates for sustainable employment, as does PEQAB whose criteria for approving programmes proposed by new educational providers are almost identical (Ontario Universities Council on Quality Assurance, 2016). Universities are responsible for implementing and approving these protocols and practices vary from campus to campus. The level of compliance across the province is unknown, although this should become evident once all institutions have been through the cyclical Quality Assurance Audit. It is fair to conclude that the system is now transitioning towards the full use of this model.

The universities’ acceptance of a quality assurance culture has been uneven and at times fraught. The gathering of data, the conduct of external reviews, the preparation of submissions for the audit committee, which generally must pass through collegial governance processes, is time consuming and costly. Some view the system as an incursion on institutional and academic autonomy. In addition, according to interviewees, many academic programmes grapple with the particular challenge of reporting on “learning outcomes” which are difficult to demonstrate, even in the short-term. Furthermore, according to a recent HEQCO study, the terms “indicators”, “objectives” and “outcomes” are frequently misunderstood or used interchangeably (MacFarlane & Brumwell, 2016). Notwithstanding such concerns, which proponents of quality assurance believe will be successfully addressed in the long term as the process improves, all COU member institutions are now engaged in QA practices – far more so than in most other Canadian provinces. 43 per cent of colleges and 58 per cent of universities in Canada currently use “institutional learning outcomes”.

HEQCO has conducted a comparative, national study of college and university “performance” which addresses a number of relevance issues discussed in this report. Through 34 different indicators, it measures Access (participation and attainment rates), Value to Students (student experience, student finances, learning outcomes, employment, jobs, health and happiness) and Value to Society (job creation, new discoveries, magnet for talent, and engaged citizenship). It also looks at the relative costs – the productivity – of post-secondary education. Ontario, it concludes, ranks strongly in most categories. It has the highest university and third highest colleges participation rates, though the lowest participation rate in trades in the country. It is above average with respect to “value to society” – being particularly strong in research – but below average in “value to students” – it is especially low in attracting international students. It has the highest fees in the country, but also one of the most fulsome systems of student financial assistance. For the authors, the evidence “reinforces the call for greater attention to the quality of the student experience in the Ontario postsecondary system” (Weingarten et al., 2015, p. 29). It also contends that Canada must “do a better job of collecting and reporting relevant, meaningful information in a standardised way...about the state of our higher education systems and institutions and their performance and outcomes...You can’t manage what you don’t measure – and what gets measured gets done” (p. 30).

To sum up, indicators are available and are used, but mostly in a way to inform stakeholders; there are practically no monetary or regulatory consequences.

### **Reflection on linkages between relevance, policy levers, typology and indicators**

The effective preparation of post-secondary education graduates for the workforce dominates the “relevance” popular discourse in Ontario, and, in all likelihood, the rest of Canada. However, the discourse is a broader one than a narrative limited to a focus on relevance as “sustainable employment”. The levers employed to pursue this goal in universities are limited, both because of an inadequate understanding of the complexities of the changing labour market, and because of the prevailing academic culture which is resistant to narrowing higher education’s function in this way. Colleges, on the other hand, embrace employment training, and are generally open to the use of all instruments that would help them realise this mission. But their planners, too, face an uncertain, undulating economic landscape, as well as particular bureaucratic challenges in efficiently preparing apprentices for the trades.

Information on graduate employment experiences is available and widely circulated by the sector, although in light of other studies on precarious employment, from which university graduates are not immune, messages to the public about the economic value of post-secondary education are decidedly mixed. Regulatory instruments designed to influence university planning for economic life are rarely used, though requiring experiential education for all students (if this recommendation is adopted) will change this convention. Steering mechanisms, which attempt to deepen faculty engagement in the study of economic and social issues, are now, arguably, the norm in Canada, although there are no systems in place to evaluate the impact of such work.

Universities and colleges are unquestionably important venues for the personal development and growth of students. Provincial policy encourages improved student “pathways” through more effective transfer arrangements between colleges and universities, and the government recognises the importance of better counselling services for students at risk, but here, too, regulation is minimal and resources are limited. The new law on sexual harassment and violence, arising from public debate and pressure, is an unusual policy initiative. The most significant initiative by Ontario universities themselves, intended to enhance the learning experience, is the adoption of Quality Assurance procedures, the long-term impact of which is not yet clear.

The cultivation of democratic citizenship and global awareness is broadly accepted as a legitimate institutional objective, but curricular and extra-curricular programmes designed to carry out this mission are almost entirely at the discretion of colleges and universities themselves. Government provides special funding for selected under-represented groups, as well as specific legislation with respect to persons with disabilities, but its interpretation of democratic accountability has more to do with auditing and information access than democratic ideals such as social justice.

One provincial priority, which can be linked to all of the relevance themes, is access – Ontario’s longstanding commitment to providing a place in post-secondary education for all qualified students. Economic, personal development, and citizenship engagement opportunities are enhanced, proponents would claim, by one’s attainment of advanced education.

### **Concluding remarks**

The effective preparation of post-secondary education graduates for the workforce dominates the “relevance” popular discourse in Ontario, and, in all likelihood, the rest of Canada. However, the discourse is a broader one than a narrative limited to a focus on relevance as “sustainable employment”. The levers employed to pursue this goal in universities are limited, both because of an inadequate understanding of the complexities of the changing labour market, and because of the prevailing academic culture which is resistant to narrowing higher education’s function in this way. Colleges, on the other hand, embrace employment training, and are generally open to the use of all instruments that would help them realise this mission. But their planners, too, face an uncertain, undulating economic landscape, as well as particular bureaucratic challenges in efficiently preparing apprentices for the trades.

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all qualified students. Economic, personal development, and citizenship engagement opportunities are enhanced, proponents would claim, by one's attainment of advanced education.

Relevance certainly resonates in Ontario post-secondary education. Government, universities, and colleges are interested in demonstrating and sustaining the value of higher and extended learning. Employers, the media, students and their families anticipate concrete results for the large personal and public investments made in higher education. But the process of meeting these expectations is complex and challenging.

Universities still see institutional autonomy and academic freedom as core values which can be undermined by externally imposed constraints. They view higher learning as a multifaceted intellectual and cultural journey whose long-term effects and benefits may not be captured effectively through short-term performance indicators tied to the labour market or quality assurance protocols.

Nevertheless, institutional leaders, whose major responsibility is to secure sufficient resources for their campuses, which are heavily dependent on public sector funding, understand the need to respond positively to government priorities, and in some policy areas are required to do so. Whether succeeding governments will be satisfied with such responses to their utilitarian agendas, which are likely to expand in the years ahead, remains to be seen.

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## Case study 2: the Czech Republic

### Introduction

There are currently 68 higher education institutions (HEIs) in the Czech Republic. Out of them, 26 are public institutions, 2 state (military and police academy) and 40 private. Some of the private institutions are inactive in the moment. Their number is changing relatively often – with some being merged, accredited newly or the opposite; closed down. The state HEIs are not discussed in the rest of this text since their governance is separated from the rest of the higher education (HE) system.

According to the Higher Education Act, “university” and “non-university” are distinguished. There are only two differences between the two types: universities can establish faculties as their internal organisational units (without further specification of their rights and competences), and they are allowed to apply for accreditation of PhD programmes. In general, the non-university HEIs are usually professionally oriented, without very intensive research carried out. There are 24 public and 3 private universities and 2 public (the youngest ones) and 37 private “non-university HEIs”. Most of the private institutions are small to very small in student numbers, only 4 of them having slightly more than 500 new students per year.

There were 311,000 students in the system in 2016, which is a substantial decrease compared to 396,000 in 2010. This rapid decline in the student population is driven mainly by demographic decline – typical entry cohorts are recently much smaller than a few years ago. At the same time, the decrease in student numbers is supported by the government policy of funding caps aiming to keep the relative enrolment rate constant. Out of the current students, 76% study full-time, 90% are enrolled in public institutions, 86% are citizens of the Czech Republic and 56% are female. The overall tertiary education attainment rate according to Eurostat (2015 data) is 22% for the adult population (25-64) and 30% for 30-34 year-olds.

The main governing body for HE is the Ministry of Education, Youth and Sports (MYES), mainly its higher education section. The Ministry serves both as a regulatory body and a funding agency for higher education. The accreditation process is currently governed by the independent National Accreditation Office for Higher Education.

Individual HEIs have in general relatively large autonomy, both legally and de facto. They are strongly involved in almost all relevant policy decisions and they have enough political and symbolical power to effectively veto any policy reform that would jeopardise their interests. However, a complex internal decision structure with substantial internal autonomy of faculties and sometimes even departments (in particular at the largest traditional universities) makes central leadership rather weak and creates a dead lock situation preventing any major institutional policy change to take place without a consensus of wide range of actors.

On the national level, HEIs are represented by two bodies – the Rector’s Conference (all rectors are members) and the Council of Higher Education Institutions (members are elected by academic senates, representing both academic staff and students), composed of representatives of public, state as well as private institutions. Both of these bodies are usually involved in major policy decisions, including preparation of strategy documents and legislation on the national level, as major partners for (or opponents of) the Ministry.

Other policy actors step into the policy process rather indirectly and with less political power. Industry and employer representative bodies, in particular the Chamber of Commerce and the Confederation of Industry, play to some extent a role in the discussion on general goals and role of the HE sector, but rarely affect the policy development on a practical level (see below). The same applies to the Parliament, which create a general framework for HE policy, decide for example on the overall annual

budget on HE and, of course, approve any amendments to the legislation, but otherwise are rarely directly involved in decision making.

## Relevance of higher education

To understand the context of relevance-related issues, it is important to first discuss two general aspects of higher education policy in the Czech Republic – the general situation of HE graduates in the labour market and the autonomous nature of HE institutions.

Overall, the graduate unemployment rate in the Czech Republic has been very low in the long term. Graduates find jobs relatively easy and quickly, and they are not threatened by job insecurity. The only exceptions are some HEIs in post-industrial regions with high general unemployment rates (Northern Bohemia, Northern Moravia) and some selected fields, such as agriculture.

Some surveys indicate that although almost every graduate finds a job, their work positions might be an issue. In some cases graduates are overqualified, their salaries are rather low or they work in fields unrelated to their respective study programmes. Despite that, subjective job satisfaction remains relatively high (Koucký et al. 2014; Masaryk University 2016).

It is rather difficult to collect data on graduate employability that are reliable, representative, valid and detailed to the level of individual study programmes, which can be used for various purposes; e.g. accreditation, internal quality assurance, performance-based funding or evaluation of curricula. Graduate surveys provide some insights, but low response rates and other issues ask for cautious interpretation of results. Thus, these aspects are often mentioned in media and interviews.

All Czech HE institutions have to autonomy to set the curricula of their programmes themselves. The Accreditation Authority (until 2016 the Accreditation Commission, now the National Accreditation Office for Higher Education) has played, to some extent, a formative role towards curricula, rejecting study plans that seemed to be outdated or at a too low academic level. Still, in most cases HEIs have decided themselves what courses to include. The autonomy of HEIs in study programme development as well as high independence of internal processes management can be an explanation for national policy levers to stimulate relevance of study programmes being rather indirect.

The higher education system in the Czech Republic is guided by “The Strategic Plan for the Scholarly, Scientific, Research, Development, Innovation, Artistic and Other Creative Activities of Higher Education Institutions” (in short “Strategic Plan”) issued by the Ministry of Education, Youth and Sports. The previous strategic plan covered the period 2011-2015. The latest covers the period 2016-2020. Although not explicitly stated, the strategic plans appear to view higher education relevance mainly in the context of contribution to students’ sustainable employment (Ministry of Education, 2010; 2015).

The first priority area of the **2011-2015 strategic plan** covers the quality and relevance of higher education. The expansion of the Czech higher education system in combination with demographic and economic developments brought attention to the basic role of higher education, the forms and content of educational activities, students’ learning paths, and, also, to the governance of the system of higher education as a whole and for the management of individual higher education institutions (Ministry of Education, 2010). The chosen direction to mitigate these pressures is the diversification of higher education, and the main policy instruments used to achieve the diversification are funding and regulation.

As outlined in the 2011-2015 strategic plan, funding is used to steer higher education institutions functions, roles and activities. This means a stronger focus on output vis-à-vis input (i.e. student numbers). Regulations are used to control the higher education

system in terms of the number of institutions, integration of institutions, quality assurance, and evaluations of outcomes.

**The strategic plan 2016-2020** uses slightly different priority areas, as compared to the previous strategic plan. It sets the mission of higher education institution as *"to help, in its unique way, build a democratic, open, tolerant, cohesive, educated and cultural society as well as the competitiveness of the country and to help develop a knowledge and innovation based economy"* (Ministry of Education, 2015, p. 2). All three dimensions of relevance are implicitly covered by this mission. However, in the following parts of the strategic plan, the focus on the employment-related dimension of relevance dominates.

The key outputs of teaching and learning mentioned in 2016-2020 strategic plan are: *"both professional, field-specific knowledge and skills and a broader set of transferable competencies including creativity, critical thinking, soft skills and preparedness for further, life-long, learning"* (Ministry of Education, 2015, p. 2). Consequently, sustainable employment appears to be emphasised over the other dimensions of relevance. Moreover, specific recommendations to higher education institutions provided in the strategic plan relate mostly, if directly assignable to any of the dimensions of relevance at all, to sustainable employment. Examples include: a recommendation to include more external stakeholders in internal quality assurance and study programme development, to reflect local and regional issues and opportunities and to straightforward the curricula towards study outcomes useful for employment, including the development of language competence and soft skills.

As shown, some variance among individual documents occurs both in the language applied as well as in the emphasis put on individual topics, however, usually all three dimensions are present on the level of declared goals and mission. Employment-related aspects are usually emphasised the most. The other dimensions (active citizenship and personal development) are rather "underemphasised" than challenged. There is no strong opposition claiming that HE *should not* promote personal development and active citizenship – only there are little advocates emphasising that it *should* do that, and showing how.

As in many other countries, strong sentiment for industry-related ("hard") applied sciences has been historically present in a large part of the society. The approach towards service-oriented disciplines, social sciences and humanities as well as towards basic research tends to be rather restrained. The call for relevance towards employment has never disappeared from the public discourse. It even became stronger in particular in the post-2006 era with right-wing governments coming into office. Thereafter, the economic crisis (although not as tough as in many other countries worldwide) created more need for legitimisation of public expenses in general and of higher education in particular. Hence, as confirmed by several of the interviewees, the post-2006 measures were motivated rather by this need for legitimisation (politicians needed to show to public that they care about the relevance so the money were well spent) than by impulses coming from within the system. In this respect, the actual effect of policy levers on institutional behaviour was not that important for the government (and thus rarely evaluated).

With respect to employability-related aspects three specific Czech features can be mentioned. First, higher education institutions are in general considered responsible for the development and certification of students' professional competence (knowledge and skills), but not for the transition to labour market, students' career decisions and any other subsequent events. Therefore, curricular aspects are mentioned often in the strategies as well as interviews but other measures such as career guidance and services are rarely a topic. Although initiatives (such as job fairs) take place at some HEIs (usually not the large traditional ones), this is hardly considered to be at the core of their mission. At the same time it is neither reflected in the external quality assessment or

accreditation procedures, nor stimulated by the ministry e.g. by funding measures. Second, study success policies have not been mentioned in the context of relevance of higher education. Although the study success discussion is taking place during the last few years, and more initiatives are taken both on the national as well as institutional level, this is rarely explicitly linked to relevance. Lastly, the discussion whether to focus rather on general transferable competence and soft skills or directly applicable professional skills and field-specific knowledge has been taking place for a long time, maybe forming one of the main cleavages in the Czech education policy. This cleavage clearly originates in two different perspectives of employability. The first long term perspective (likely more common abroad) emphasises soft skills, general knowledge and adaptability for the labour market. The second, short term perspective, is closely related to present job engagement. Unlike the first one, the second perspective is easier to measure through an unemployment rate but it indicates less the “sustainable employment” relevance of higher education as outlined in the project. Monitoring unemployment rates as a principal indicator of relevance can affect the focus of policy towards encouraging directly applicable professional rather than universal working skills. Multiple interviewees pointed out this difference, claiming that these seem to be in fact two separate dimensions of relevance that should be separated. The policy measures enhancing one perspective can easily jeopardise the other one. As some of the interviewees mention, it is not easy to balance both these aspects.

### **Perspective of different policy actors**

The major policy actors and their power to influence policy are described above. In general, most stakeholders confirm the general emphasis on the employment-related dimension of HE relevance in accordance with policy documents. Although a few of the interviewees take broader perspective of what should be taken into account (mostly following the lines of “personal development” and “active citizenship”), it is usually rather their personal view rather than something that would be reflected in the policy of the institution they represent.

There are at least two factors supporting the emphasis on employment related dimension of HE relevance. First, strong policy capacity of relevant political parties on higher education is missing, with the exception of some expertise on governance level. Thus, there are no external actors who would question the mission of higher education and redefine the agenda. Second, the discourse of competitiveness has been adopted from the EU level without any questioning.

Employer representatives are the main actors promoting sustainable employment as the dominant relevance dimension of the teaching function of higher education. According to them the aim of HE institutions is to supply the demand of the labour market. However, the position of employer representatives in HE policy decision-making is rather weak – they create external pressure for results, and their support might be politically important for the Minister, but they are usually not involved directly in strategy writing neither in developing of policy measures. Although the industry claims for more graduates in particular in engineering fields, its main area of focus is secondary education and upper secondary vocational training. Moreover, as confirmed in the interviews, most industry representatives are poorly informed about the actual state and governance of HE, and they have very little insight. Likewise, there are substantial differences in the needs between high-tech industries and the growing service sector on one side (lacking highly qualified labour in many disciplines) and low added value manufacturing industry driven by cheap low qualified labour force on the other side. This fundamental internal clash might to some extent prevent the representative bodies to use their political power to affect HE reforms.

## Policy levers for higher education

Over the past 10 years several policy levers have been introduced that may have affected the relevance of Czech higher education. In this section, the policy levers are categorised in relation to the type of policy instrument they predominantly rely on – regulation, funding, organisation or information. The policy levers included in this section have an explicit focus on relevance in their expectations, or were mentioned as such in the interviews with the policy actors.

### Regulation

Relevance was affected through measures introduced by the 2016 amendment to the higher education act. The 2016 HE Law Amendment can be considered a result of a decade lasting discussions and negotiations. At least since the publication of the White Paper on Tertiary Education [2008], virtually every Minister considered quick adoption of new legislation his or her priority but in the end, when finally approved, the amendment brought to the HE governance much more modest changes than originally expected.

Probably the most important reform relates to the **quality assurance** (QA) mechanism. First, responsibility of HEIs for their internal QA was formalised, and standards were adopted for the first time. At the moment, the implementation of these principles is just in the early phase and it is too early to evaluate their impact. However, it seems to have a potential to somewhat stimulate centralisation of decision making (although many rectors would like to see the central administration even much stronger) at HEIs. Hopefully, it will also enhance the accountability of departments for the relevance of study programmes at least towards the rest of academia, if not vis-à-vis external stakeholders. On the other hand, in short term perspective meeting new requirements of the Amendment brings an additional administrative and organisational burden and, as claimed by one of the interviewed rectors, there is a lack of experienced professionals who would be able to implement the evaluation and innovation processes effectively. Second, the previous Accreditation Commission, decisions of which were not binding for the Ministry (although respected in almost all cases), was replaced by the more independent National Accreditation Office for Higher Education, which also adopted its own accreditation standards. Although these are mostly in line with the general principles of the predeceasing ones, they are more complex and pay more attention to the educational process, not only research performance and qualifications of the staff. Every study programme providing a qualification for a regulated profession is subject to approval of a respective regulatory body, i.e. typically a professional chamber or association. This can bring the curricula closer to the actual needs of the industry. Yet, there is a certain fear that the representative bodies would push for more hard skills and field-specific knowledge, impairing development of soft skills and transferable competence crucial for sustainable careers. Third, parallel to the existing accreditation of study programmes, HEIs can apply for an institutional accreditation. It will provide them with more autonomy and flexibility in curriculum development – they will be allowed to accredit their study programmes themselves, within pre-defined broad disciplines. This should allow for more innovation and quicker adaptation to the changing conditions. However, the interviewees in general question what the actual effect will be like. It is expected that only a limited number of HEIs will receive this type of accreditation and therefore it might strengthen the position of large traditional universities in big cities at the expense of regional HE providers. Finally, **two “profiles” of study programmes** (except for the doctoral level) were introduced – the so called “academic” and “professional” ones. The new accreditation criteria for these two profiles are slightly different, with the first being in general the same as before, with research performance being the prevailing criterion. For the professional study programmes, implementation of obligatory internships is required and involvement of experienced professionals from the industry is emphasised rather than the number of scientific publications. On one hand, some of the interviewees do not expect much from this change since most of the

requirements remain the same for both profiles. On the other hand, most consider it important at least as a symbolic gesture, providing current professional institutions and departments with more legitimacy, opening space for further emancipation of the sector. However, so far it is not clear how many study programmes will be accredited in each profile in the future. This may also depend on the resources available.

Overall student numbers for each HEI are regulated by funding caps, but HEIs divide these between individual fields autonomously. An exception might be the programmes providing **qualifications for regulated professions** for which, starting from 2016, an approval of the respective regulatory body is required. The regulatory body is usually a respective ministry, other central public authority (such as the State Office for Nuclear Safety) or a professional chamber (typically in law and medicine).

## Funding

Relevance was affected by the used **performance based funding formula**. While in the previous decade the pure number of students was the main basis for budget calculation for public HEIs, in 2010 new aspects of performance-based funding were introduced. Since 2012, the fresh graduate unemployment rate is one of its main components. The calculation is based on labour office statistics (registered unemployment), and the results are balanced out against regional unemployment rate in order to compensate HEIs in economically striving regions. The actual formula has been changing almost every year. In 2016, 25% of the institutional budget related to education (separate from research funding) was distributed via the performance-based formula where the employment criterion had a weight of 16%. Starting from 2017 a new increment-based calculation has been introduced to stabilise institutional budgets. Currently, only 10% of the budget is related to the performance criteria, yet the graduate unemployment rate remains one of the main inputs. Most of the interviewees agree that this policy lever has no major effect on institutional budgets (the graduate unemployment rate are very low and almost the same for most institutions) nor on their behaviour. On the other hand, its main aim was rather to legitimise public expenses on higher education towards the political representation and general public. Therefore the formula serves more as a “soft” symbolic message (“we care about quality and employability”) than a “hard” steering instrument. In this respect, HEIs themselves can be considered the main target group to benefit from the measure as their legitimacy is at stake.

In two cases, the Ministry adopted a specific targeted funding measure to support selected study programmes to respond to labour scarcity on the job market. First, since 2008 students of dentistry and some other medical professions have not been calculated into **institutional funding caps**, so the HEIs would not be forced to reduce their numbers in the time of decreasing numbers of state-funded study places. This measure reflected general long-term lack of high-skilled medical staff in the Czech Republic. Second, in 2014 a new act on teaching staff in primary and secondary education came into effect, requiring all teachers to hold a master’s degree in pedagogics. Since this rule forced thousands of professionals to enrol to university, the Ministry approved an extra financial support for institutions offering these study programmes. For as far it could be retrieved, these are the only cases when such ad hoc financial stimuli have been adopted in order to solve job scarcity in a specific sector. Although systemic measures based on similar principles have been discussed repeatedly (priority funding for a list of study programmes based on a government decision reflecting the industry needs and labour market situation), it has never been implemented.

The **operational programme OP VK** (“Education for Competitiveness”) funded mainly through the European Social Fund started in 2007 and ran officially until 2013, but due to organisational delays the funding was extended until 2015. The subsequent programme OP VVV (“Research, Development and Education”) was supposed to start in 2014 but as the preparation was also delayed, the first calls were published only in 2016, and the

main projects in HE are yet to start. The allocation for HE projects in the OP VK was €730 million and for the OP VVV €670 million. 85% is covered by the European Union and the rest by the Czech national budget.

The priorities relevant to the higher education sector in both programmes are clearly focused on stimulation of employability. Relevance for labour market needs is mentioned very frequently on the level of main goals, supported activities as well as in the description of current situation. Low relevance to labour market needs is identified as a problem to be tackled by the programmes. Support for professional programmes as well as relevance of graduate and postgraduate programmes for research careers (development of human resources for R&D) are mentioned in the document. The aim of the lever was primarily to increase the quality of processes at institutions through a wide range of activities, including curriculum innovation, student services, development of internal QA procedures, cooperation with external actors and many others. The primary target group include both students/graduates themselves, and the society as whole benefiting from more qualified labour and economic gains. The impact of this lever is often a subject of criticism among the interviewed experts (although not all of them), mainly for two reasons. First, the project selection and monitoring has often been very formal and bureaucratic, leading to extensive administrative burden. Since the evaluation criteria have been mostly formal or superficial (project impact has been evaluated for example by the number of persons attending a workshop...), and the project calls have often been disconnected from the actual long-term strategies of institutions, also the implementation have tended to be formal, superficial and not taken seriously by the institutional management. Second, as some of the interviewees claim, "everyone was more interested in the money to fill the institution's budget than in the activities and goals as such." Since the institutions are often short of resources to cover the mandatory expenses and pay their employees competitively, many of them have drafted projects just to receive additional funding, without a genuine interest in the proclaimed goals.

**Institutional plans** (IPs) were developed as a funding tool backing small and mid-scale reforms at individual HEIs and implementation of their respective Strategic Plans. Relevance related topics are usually included. However, the lever stimulates strategic leadership on institutional level (in contrast to the prevalent decentralised management), and it is not directly aimed at specific goals such as relevance. Thus, although many HEIs use the money to support relevance-related projects, they are not directly forced to do so. IPs were first introduced in 2007 as "decentralised development programmes" and transformed in 2012 to "institutional development plans" (since 2014 only "institutional plans") with more flexibility and closer attachment to respective institutional strategic documents. In some aspects, the IPs are quite similar to the operational programmes discussed above. The main difference is that the administrative procedures are reduced to a minimum, leaving the HEIs with enough space to decide which measures they want to finance. On one hand, this reduces the administrative burden substantially and makes the tool very popular among rectors who consider it their main source of power for strategic steering. On the other hand, there is little transparency, accountability and public control over how effectively the resources are used. Thus, complex internal systems of "checks and balances" between central management, academic senates and faculties should be to compensate for lacking external control. In this respect, the actual impact of institutional plans, as of most other measures, neither on relevance nor on strategic leadership was ever rigorously evaluated. However, most of the stakeholders and interviewees believe a minor positive effect to occur for most schools.

### **Organisation**

In 2012-2015, a national project under the acronym of **KREDO** (standing for "Quality, Relevance, Effectivity, Diversification and Openness") was carried out and funded within the frame of the OP VK (see above). All public and more than half of private HEIs participated in the project. The main aim was to support strategic leadership both on the



national and institutional level by providing analyses and expertise. Teams in individual HEIs worked on tasks such as SWOT analysis, process evaluation, formulation of strategic priorities and data collection. This work resulted in drafts of strategic documents taken as a basis for the official preparation of institutional Strategic Plans. On the national level, working groups of institutional representatives and external experts formulated recommendations for the government in relation to governance, funding policy, quality assurance or internationalisation. Additionally, large scale student surveys (Eurostudent V and a national survey of PhD students) and a demographic foresight were also covered by the project. The main target group of the project were the HEIs themselves. The primary goal of the project was to provide them with additional funding for strategy planning and analysis, although of course ultimately it should bring benefits to students, employers and society as whole. Consequently, the main policy type can be said to be organisation, but it also has components of funding and information. KREDO does not appear to promote one particular relevance dimension.

### Information

Multiple PR initiatives to **promote in particular engineering fields and vocational tracks** have been taken over the last few years towards lower secondary pupils (to direct their choice of an upper secondary programme) and some of them targeting also post-secondary programmes. The latest major initiative "2015: The Year of Technical Education" was promoted jointly by the Ministry of Education, Ministry of Industry and Trade and the employer representatives, with the Confederation of Industry being strongly involved in implementation in particular. The initiative included a range of activities targeted at educators, pupils as well as their parents and at general public. Many activities were focused on innovation of STEM courses in secondary education with an aim to make them more attractive for pupils, which might bring effect in longer term. However, in 2016, no increase in the number of applicants in engineering fields was indicated.

In 2006, 2010 and 2013 a large scale **graduate survey** was conducted (called "Reflex"),<sup>1</sup> assessing both their job quality (wages, satisfaction, relevance to the field of study etc.) and professional competence. At the same time, unemployment statistics collected by the labour office (the same data as used for budgetary calculations) are published online. Although none of these sources is used extensively by the prospective students themselves, they are accessed by media and experts who influence the study programme choice indirectly.

An information system on HE has been discussed for years as a measure to improve access to information for applicants (and general public) in order to improve their study programme choices. Although specifications of how the system should work were developed within the KREDO project (discussed above), it has not yet been never designed and implemented. At least two factors holding the project back can be identified. First, the public sector in the Czech Republic in general does not have very positive experience with large IT projects, many of them reaching very high costs with rather poor quality. Thus, the Ministry hesitates to make a public call, in particular when the funds are needed for other priorities. Second, there is no clear consensus on how the system should work, what sort of data should be specifically included and how to provide the information to make it more useful than misleading.

### Summary of policy levers

Overall, the policy levers introduced in the higher education system of the Czech Republic are in particular geared towards boosting the sustainable employment dimension of relevance of higher education. The levers rely particularly on the funding type of policy instruments, with information also being used. Although implicitly mentioned in the

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<sup>1</sup> Available at: <http://www.strediskovzdelavacipolitiky.info/default.asp?page=svp&KID=8>

strategic plan 2016-2020, the other two dimensions (active citizenship and personal development), appear to remain in the background.

### **Indicators of relevance**

To monitor the relevance of higher education, only a limited set of data sources are used. They have a strong focus on the sustainable employment dimension. First, labour office statistics are used for funding purposes – these are relatively frequently quoted also in policy discussion. Due to privacy protection restrictions, only aggregated data can be provided by the office, and little additional analysis is possible. In the past, there have been documented (minor) issues with accuracy and reliability of the data. Also their validity has been questioned as they cover unemployment only shortly after graduation and no information on the quality of the job is available. Second, national graduate survey (the “Reflex” study discussed above) is conducted regularly. Although the data are self-reported and biased by a low response rate, the survey still provides useful insights into student careers and transitions to labour market, and it also attempts to assess the professional competence of graduates. However, the information is not detailed enough to allow for evaluation of individual study programmes. In addition to that, similar graduate surveys have been conducted also by individual institutions, faculties or departments. In these cases the questions can be more focused and serve as a feedback for specific study programmes to stimulate their development. On the other hand, the data are not comparable across institutions and often not even made public, so they cannot be used for policy formation on the national level. Third, other labour market statistics (e.g. the Labour Force Survey /LFS/ or Statistics on Income and Living Conditions /EU-SILC/) are occasionally used by the Ministry to assess additional aspects of graduate careers. These external sources might provide useful information on national level but cannot be disaggregated to individual institutions and thus their use is limited. Finally, additional initiatives have been taken ad hoc either by the Ministry or by institutions themselves. For instance, one of the interviewed rectors mentioned attempts to evaluate the cooperation with industry at their institution (i.e. aim at the process rather than output) and many institutions undergo also international evaluations of various kinds such as within the EUA Institutional Evaluation Programme or by sector-specific university associations.

In general, when measuring employability as a dimension of HE relevance, graduate careers are in focus. There are only limited attempts to measure graduate competence directly in a comparable way, to assess the benefits of HEIs for regional development. The process aspects also receive little attention.

The Ministry representatives interviewed know about the limitations of the available data and are cautious with their interpretation. Nevertheless, they do not consider a priority to enlarge the information base by additional surveys. The Ministry prefers to collect new data ad hoc to respond to emerging policy priorities, while cost efficiency, administrative burden (also for HEIs) and legitimacy of expenditure on such projects is its main concern. For day-to-day policy steering, more general data such as student numbers, participation in international mobility or budgetary expenditure are preferred.

As pointed out by one of the interviewed rectors, the HEIs are also cautious about new data collection as they are afraid of misinterpretation and misuse of results, which happened in the past. If new indicators are to be introduced, HEIs would prefer self-understood, reliable and those that cannot be deliberately biased by the Ministry or by university management.

The following aims were defined as the indicators of success in the Strategic Plan for higher education 2016-2020:

- The unemployment rate of tertiary educated population aged 25-29 years will be maximum half compared to the unemployment rate of the rest of the age group, without a tertiary education.
- The share of unemployed fresh HE graduates will be maximum half compared to fresh upper secondary (ISCED 344) education graduates (registered unemployment rate in April of the year following the year of graduation).
- At least 60% of HE graduates aged 25-29 years will be working at ISCO 1-3 positions.
- At least 90% of bachelor degree graduates will command at least one foreign language at the level of B2 or higher.

## **Reflection on linkages between relevance, policy levers, typology and indicators**

### **Policy context**

There are a few characteristics important for understanding policy processes in the Czech Republic and its impact on higher education relevance. First, although mid-term (typically five years) strategies have been adopted, they have rarely been generally accepted across political parties and mutually consistent in long-term perspective. Each government has had different priorities, and the Czech educational system has experienced frequent changes. For instance, since 1993 the Minister of Education, Youth and Sports has been the second most frequently replaced member of government apart from the Minister of Health. On the other hand, the HE system is quite resistant to shifting agenda of political representation. At the same time, the new “state service” legislation (effective since 2016) could bring more stability in the administration. The majority of stakeholders agree that the higher education system needs slow, gradual changes and modifications in one direction instead of big turnovers. This is a paradigmatic change from previous approach of former political representatives who tried for a decade to bring a radical reform of the system – and all of them ultimately failed. Second, the importance of some implemented incentives (e.g. the performance based funding or study programme profiles) is rather symbolic due to high employability of higher education graduates. The importance of the measure is rather indicating an interest in the topic than in solving any existing problem on the labour market. Thus, in this respect even seemingly inefficient measures might be important to steer the policy discussion; and the initiatives not only implicitly communicate the priorities of the Ministry to HEIs, but also aim to legitimise the sector towards general public. Third, there is a normative question of what should be the relationship between higher education and labour market. On one hand, one can aim to adopt the educational provision to the labour market demand. On the other, the labour market, job offer and entire economy can be shaped by the education system. The first perspective strongly predominates in the Czech Republic.

### **Relevance and policy**

The policy documents emphasise the sustainable employment dimension most. Almost all the policy levers adopted aim primarily on stimulating employment. In addition, employment-related characteristics are also the only ones monitored systematically. In this respect, the policy can be understood as “objective focused”, oriented on the sole objective of stimulating graduate careers exclusively. In contrast, the policy is not “instrument focused” as multiple instruments are applied to meet the goals. Although almost no information-based measures have been applied so far on the national level (despite long ongoing discussions), levers based on regulation (accreditation criteria), funding (performance-based formula, project funding) and organisational changes (new study programme profiles) are in place. Likewise, the policy is not strictly “target group

focused” when interests of employers, students and graduates as well as the whole society are addressed.

The other two dimensions of relevance – active citizenship and personal development – are present in the discourse and are often taken into account in institution-level decision making, e.g. in the process of curriculum design (with substantial variance among disciplines, being more emphasised in the case of arts, humanities and social sciences and rather overlooked in hard sciences and engineering). In line with that, these aspects might have been taken into account in evaluation of study programmes during accreditation (where discipline-specific panels played a very strong role in the past and probably will also play in the future, within the new National Accreditation Office) and individual institutional initiatives have been supported by project-funding instruments. Besides that, no other policy levers promoting these dimensions of relevance have been adopted on the national level.

### **Relevance and higher education institutions**

When asked whether the education provided in 2016/17 is more relevant than it was ten years ago, there was no clear consensus among the interviewed stakeholders. Some were rather positive, pointing out individual institutional initiatives and innovations they were familiar with. Most were more sceptical, claiming little has changed and as a whole, the system as well as the content of most programmes remains in general the same. Lack of funding was perceived as the main barrier for a systemic change, since all the resources are spent to cover the essential operational costs. As there are differences in how individual stakeholders evaluate the overall development of relevance, there might be the same differences also in the state of individual institutions and disciplines.

The low level of public funding was to some extent compensated for by the operational programmes (SFEU/ESIF), but there is a real danger of a financial gap after the end of the programming period in 2020. Already in recent years the budgets of some institutions shrank substantially. Furthermore, it turned out that there is clearly an insufficient administrative capacity of HEIs for planning and managing EU-funded projects and entire programmes to reach the goals efficiently. As a result, the positive impact of structural funding on HE relevance is disputable.

Also the process of massification of higher education influenced its relevance. Not only the number of students increased, but also their interests, needs and life courses changed significantly. However, the content, mode as well as structure of educational provision have not changed adequately, so higher education arguable became less relevant for contemporary student cohorts. The conservative higher education system reflects new needs and demands only very slowly.

According to some HEIs representatives, the original potential of the new HE Amendment to bring systematic change was much greater. They hope that its implementation would push the relevance up, and HEIs will get greater autonomy. However, the new QA requirements bring more administration and increase complexity of processes. The division of power between university centre and its organisational parts still remains complicated. Thus, the expectations are mixed, and the benefits are questionable.

## **Concluding remarks**

### **Employability focused relevance**

Employability-related aspects clearly dominate in the major policy documents. Although some actors take a broader perspective of what should be taken into account (following the lines of two other dimensions), it is usually more of their personal attitude than a systemic policy of the organisation they represent. Only the employment-related characteristics are monitored systematically by labour office statistics and graduate surveys. The unemployment rate in the Czech Republic remains very low in the long

term. Graduates in general find jobs relatively easily and quickly, and they are not threatened substantially by job insecurity. However, the job quality and the relation between their content and the respective study programme is questioned in some cases.

Although the employability-related dimension of relevance dominates in the Czech policy discourse, their understanding is not fully identical with “sustainable employment” as outlined in the HEREL project. The discussion whether to focus rather on general transferable competence and soft skills or directly applicable professional skills and field-specific knowledge has been taking place for a long time, arguably forming one of the main cleavages in the Czech education policy. While the perspective encouraging directly applicable professional rather than universal working skills seems to predominate among employers, politicians and general public, academia tends to prefer the other view. Nevertheless, the role of the entire educational system is seen more in competence development than in provision of other related services such as career guidance – the autonomous HEIs are rarely considered directly responsible for the transition to labour market and students’ career decisions.

### **Policy levers**

The HEIs in the Czech Republic are strongly autonomous and in recent years their autonomy has been even increasing. Thus, the policy emphasis is put rather on stimulation of development of internal management procedures (including internal quality assessment) than on direct governance and regulation. In this respect, mostly only indirect measures can be adopted on the national level to stimulate relevance of study programmes. The indirect steering can be considered little effective as the HEI autonomy and conservative internal institutional governance structures can prevent many changes and only very slowly adjust to the next realities.

Still, multiple levers have been adopted on the national level to affect employability related dimension of relevance. Most recently, the new amendment of the HE Act of 2016 introduced new requirements for internal quality assurance at HEIs, institutional accreditation or division of study programmes to two profiles. Nevertheless, the expectations of the impact are mixed, and its benefits are uncertain.

The two underemphasised dimensions of relevance – active citizenship and personal development – are often reflected in institution-level decision making, e.g. in the process of curriculum design. It might have also been taken into account in evaluation of study programmes during accreditation. Apart from that, no other policy levers promoting these relevance dimensions have been adopted on the national level.

Most policy levers can be understood as objective-oriented, focusing on the sustainable employment dimension. For this purpose, various policy instruments are used from the realm of regulation, financial incentives, organisational changes as well as, to lesser extent, information. Hence, the effect of these measures can be considered mostly synergic since all of them are focused on the same goal of preparing graduates for labour market success. However, the extent to which the higher education policy levers have contributed to the particularly low unemployment rate in the Czech Republic remains unclear, as higher education policy levers are rarely formally evaluated.

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## Case study 3: Denmark

### Introduction

Higher education in Denmark is offered by five types of higher education institutions (HEIs) which have different profiles and characteristics. General and specialised research universities offer programmes in academic disciplines, whereas art academies are focused on such artistic fields of study as architecture, design, music, fine and performing arts. University colleges provide professional study programmes, primarily in the area of teaching, nursing, child care and social work. Business academies and maritime higher education institutions provide courses that lead to a Bachelor degree and an Academy profession degree. The latter is also known as Further Adult Education degree – VVU. It corresponds to EQF level 5 and includes a compulsory period of work placement. Bachelor, master and PhD degrees correspond to EQF levels 6, 7 and 8, respectively.

**Table 1: Broad outline of the (public) higher education system in Denmark**

Type / orientation of public institutions	Number of institutions	Degrees offered	Enrolled students (2016)
University colleges	8	Bachelor and short cycle degrees*	119 906
Business academies	9		
Maritime HEIs	11		
Art academies	4	Bachelor, Master, PhD degrees	145 316**
Universities	8		

*Source: Ministry of Higher Education and Science of Denmark, Statistics Denmark*  
 \* These HEIs also offer adult education, in the form of short cycle degrees (the so-called VVU degrees).  
 \*\* PhD candidates not included.

The number of students has been increasing – from 228 754 in 2011 to 268 727 in 2015, with the increase rate gradually decreasing, and with the student numbers for 2016 being lower than for 2015, i.e. 265 222. Overall the student population in Denmark has doubled in the last 30 years, with most of the growth in universities and university colleges (Ahola et al., 2014). According to UIS UNESCO, in 2014 the gross enrolment ratio for higher education was 81.52%.

One of the main policy actors in the Danish context is the Ministry of Higher Education and Science. Until the end of 2016, the Danish Agency for Higher Education, was also operating within the Ministry. It was established in 2013, replacing the Agency for Higher Education and Agency for Universities and Internationalisation. However, from 1 January 2017 the Danish Agency for Higher Education was merged with the Danish Agency for Science, Technology and Innovation (which was also established in 2013) to form the Danish Agency for Science and Higher Education. Within the government the Ministry of Finance is also an important actor, given that it defines the mechanism for allocating public funding to higher education institutions. The Danish Accreditation Institution (AKKR) is responsible for institutional and programme accreditation in higher education. It was first established in 2007, though operating in its current form only since 2013, when the Accreditation Council within the Institution became a separately legal entity. AKKR is listed in the European Quality Assurance Register (EQAR) and is a full member of the European Association for Quality Assurance in Higher Education (ENQA). Before 2007, quality assurance (in the form of evaluations) was conducted by the Danish Evaluation Agency (EVA) which was registered in EQAR until 2015. The National Union of Students in Denmark (DSF, a full member of the European University Association) and Universities Denmark (an association of eight Danish universities, member of the European University Association) also take part in policy development. However, according to the interviewed experts, a stronger influence on the policy process, in particular in the last 5-10 years, is exerted by the Confederation of Danish Industry (DI),

an umbrella organisation for employers', which is a member of BusinessEurope. Most recently, the reforms in Denmark have relied in part on the work of the Expert Committee for Quality and Relevance in Higher Education, often referred to as 'the Quality Committee'. It was appointed by the Government in October 2013 and since then published three reports on Danish higher education – in April and November 2014 and January 2015 – all of which comprised recommendations for reforms. The committee members were 3 representatives of industry, 2 professors from the two largest Danish universities (Copenhagen and Aarhus), 1 professor from abroad (Norway) and 1 person from the Danish National Research Centre for Social Research. As of 1 January 2017, the duties of the Quality Committee have been taken over by the Danish Agency for Science and Higher Education.

A major reform of the Danish system of higher education in the recent history has been the one from 2003, which introduced a shift in how the system was governed. Universities were (formally) transformed into self-standing institutions, the collegiate governance was substituted with advisory boards (which have to include representatives of employers) and leadership at various levels (university, faculty) was no longer elected but appointed (Degn, 2015). This paved the way for a large scale merging reform in 2007 between universities and public research institutes, resulting in eight universities in Denmark. Since 2010, changes in the funding system, specifically in the content of development contracts between universities and the government, put more focus on performance, not only in education (see below), but also in research. Since 2013 the policy focus is put on increasing efficiency of higher education (i.e. decreasing the time it takes students to graduate and decreasing dropout) and strengthening the link between higher education and the labour market, e.g. by introducing caps on enrolments for study programmes which have poor employment results (see below).

## Relevance of higher education

This section provides an assessment of the extent to which relevance is addressed in legislation, accreditation criteria and other policy documents (government platforms, ministry strategies etc.). It will also include reflections on the consistency of these references across documents and policy actors, as well as how such references resonate with the three dimensions of relevance identified in this project – personal development, sustainable employment and active citizenship.

## Legislation and regulation

The legislative framework for higher education in Denmark is fragmented, with separate legislation for different types of higher education institutions (HEIs).<sup>2</sup>

The University Act (last amended in 2014) indicates that the purpose of university is, amongst others, to promote growth, welfare and development of society (article 2). Apart from this, it also stipulates that study programmes must be accredited in accordance with the Act on accreditation (article 3 of the University Act). The Act on university colleges (last amended in 2014) requires that the study programmes offered by these HEIs should meet the needs of the region in which they operate and the students' need for a variety of educational opportunities, including different identities and cultures (article 4). Moreover, educational provision of university colleges should be developed in close interaction with the labour market (article 5). Similar provisions are also included in the Act on professional higher education (last amended in 2013), which focuses on business academies. The Act on maritime education (last amended in 2015) defines its purpose in relation to the need for skilled labour (article 1). There is also the Act on higher artistic education (last amended in 2014), but it does not specify explicitly the purposes of that type of education and does not refer to relevance as such, or any of

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<sup>2</sup> All documents referring to the legislation and regulations were downloaded from <http://retsinformation.dk> (page accessed 23 January 2017).



its dimensions. An important element of all the aforementioned acts is that they envisage performance contracts between HEIs and the relevant ministry (see also below for more details).

A separate legislation concerns short-cycle and professional degrees (last amended in 2014). It specifically states that these degrees should reflect the need for skilled workers in the private and public sectors (article 1) and that the study programmes should develop transferable skills, including analytical and interpersonal skills, independence as well as skills necessary to actively participate in a democratic society (articles 2 and 3).

Given such fragmentation of legislation, it is interesting to note that there is only one act on accreditation of higher education, introduced in 2013 instead of separate laws on accreditation of various types of study programmes and institutions. The accreditation mechanisms in place cover both institutional and programme accreditation of all types of HEIs, though in the case of art academies cooperation with the Ministry of Culture is envisaged. It foresees that institutional accreditation shall take into account HEIs' systematic efforts on ensuring "quality and relevance" (article 6) and that new study programmes must be approved by the ministry responsible for higher education. The accreditation procedures are further regulated in the Ministerial Order on accreditation of higher education (2013), which suggests that new programmes must be approved by the Agency for higher education if, amongst other, they are duplicating existing study programmes. It also includes in its appendices criteria for institutional and programme accreditation.

### **Policy and strategic documents**

The overarching policy aims with regards to Danish higher education are presented in documents setting a broad course for a newly elected government, white papers and strategic documents developed by the ministry responsible for higher education, and reports and recommendations by external expert committees. Below we highlight the most important ones. These policies must be seen against a background of general higher education policy developments, denoting a gradual shift over the last decades towards a neo-liberal perspective on the role and function of higher education. Johansen et al. (2017) carried out a discourse analysis and showed that the discourse changed from attention to democracy and citizenship and equality towards a discourse focusing on the economy and competition.

In 2010, the Danish ministries responsible for science, culture, education and economy (Danish Ministry of Science, Technology and Innovation et al., 2010) developed a strategy for education and training in entrepreneurship. The need to introduce or strengthen entrepreneurship education (including practice learning) in all levels and types of higher education is stressed. However, this document does not seem to have had a significant impact on the Danish higher education (based on interviewed experts and analysis of subsequent policy documents).

In 2011, the Danish Government adopted 'Denmark's National Reform Programme' in response to the introduction of the European semester (Danish Government, 2011). The document focuses on main structural reforms seen as necessary in order to achieve targets for EU's Europe 2020 Strategy for smart, sustainable and inclusive growth. The targets for (higher) education are less than 10% drop out rate and at least 40% of those aged 30-34 having tertiary education or an equivalent qualification. Relevance is explicitly mentioned only with regards to the accreditation of study programmes.

In 2012, the Ministry of Science, Innovation and Higher Education published a document outlining the global perspective on higher education, science and innovation (Ministry of Science, Innovation and Higher Education, 2012a). Concerning education, the main idea is to create an internationally competitive education system. The number targets are formulated somewhat differently compared to 2011, e.g. 60% of the cohort completing

some form of higher education, with 25% of the cohort completing a long-cycle programme (i.e. at least a master). In the same year, the government issued a statement 'A nation of solutions' outlining the Danish innovation strategy (Danish Government, 2012). Relevance of higher education is not explicitly mentioned, but the importance of education, in particular with regards to providing employees with "the right competencies ... crucial for innovation in enterprises, organisations and public authorities" (p. 25).

The platform of the Danish government from 2015 – Together for the Future – highlights the need to improve quality of higher education. It also stresses that students should be able to use the knowledge and competencies gained in study programmes "in future jobs and in life in general ... the programmes must be of high quality and relevance to society" (Danish Government, 2015, p. 17). Referring to the work of the Quality Committee, it highlights the mismatch between choice of studies and labour market needs, and announces changes in the funding system (see below) as well as in the content of programmes (to include more practice-oriented teaching) as conducive for reducing the identified mismatch.

The final report of the Quality Committee – New Ways & High Standards – published in 2015 (two other reports were produced earlier) is a response to the task given to the committee by the Danish government in 2013 – to "focus on higher education and concentrate how to strengthen quality, relevance and coherence in higher education" (p. 4). This is framed in relation to the significant expansion of higher education supply and the related increase in public funding, and the question whether such an investment is beneficial for the individual as well as for the society. The point of departure of the committee was that the system was working well, but that there were clear challenges with respect to the relation between higher education and the labour market (and relevance for the labour market was clearly in the foreground). The work of the so-called Productivity Committee influenced the work of the committee, see particularly chapter 4 of the final report, alluding to changes in the educational sector (Productivity Committee, 2014). The report identifies 11 different challenges, many of which are related to the identified mismatch between higher education and the world of work. Many of the suggestions offered by the committee – but certainly not all – reappeared in later policy proposals, although often in stronger wording (and obviously more operational) than the committee recommended.

The latest governmental platform from 2016 – For a Freer, Richer and Safer Denmark – maintains the strong focus on labour market relevance, but also states that universities should remain safeguards of free and critical thinking (Danish Government, 2016a). The target for 30-34 year olds with some form of tertiary education is in this document increased to 50%, with as many as possible completing it on time and at least 60% of the graduates finding jobs in the private sector. Attention is also given to the importance of regional needs, again, primarily in relation to the regional labour market situation.

### **Dimensions of relevance and their consistency across policy documents and actors**

As indicated above, explicit references to relevance of higher education do appear, in particular in government policies and accreditation legislation and standards. They are often accompanied with the concern for quality, a feature also present in the rhetoric of policy actors (confirmed by interviews).

However, what is meant by relevance is either not elaborated in policy documents or clearly and almost solely linked to labour market and employment of graduates. This shift towards an arguably narrow understanding of relevance is perceived by the various policy actors to be linked to changes in the overall Danish political context towards more conservative governments, and as a reaction to the sharp increases in student numbers and, consequently, public funding for higher education. Considerations of active

citizenship or personal development are not entirely non-existing, though it is interesting that only the Act on short-cycle and professional degrees refers to these aspects, given that it concerns degrees which are, almost by default, expected to primarily reflect labour market needs.

Policy actors interviewed have in general a similar perspective on relevance as primarily concerning its relation to the labour market. While some interviewed experts reported that there are concerns about whether such a strong focus on employment may also have downsides – e.g. neglecting the other two dimensions of personal development and active citizenship – they also stressed that in general there is an understanding between the policy actors that the increase in student numbers should be more closely steered. In that respect, several policy levers specifically concerning relevance of higher education for the labour market, have been introduced in the last 5-10 years.

## Policy levers for higher education

In the Danish context there are several policy levers that have as their explicit purpose the increase of relevance of higher education. In this section, they are categorised in relation to the type of policy instrument they predominantly rely on – regulation, funding, organisation or information – as well as whether they concern input, process or output/outcome of higher education. To what extent these levers are coherent and consistent with the dimensions of relevance expressed in policy documents is also discussed.

### Regulation

Most of the legislative acts relevant for higher education in Denmark do not regulate dimensions of relevance explicitly, but rather focus on what the purposes of higher education are. This, as indicated above, primarily concerns the provision of education that reflects the needs of the labour market. This link is in particular pronounced in legislation dealing with business academies and professional colleges. Legislation concerning universities, arts academies and short-cycle and professional study programmes also highlights welfare, societal development, artistic development and active participation in a democratic society.

Regulatory policy levers are also developed in the area of accreditation, including the Act on accreditation of higher education and the Ministerial Order on institutional and programme accreditation (both adopted in 2013, amended in 2015). These foresee that institutional accreditation should ensure that HEIs' management is organised in such a way to ensure quality and relevance of higher education, in particular through taking care that both new and existing study programmes reflect the needs of the society and the changing labour market. When it comes to criteria for programme accreditation, existing study programmes need to be relevant for the labour market, evidenced by employment or further education of graduates and by participation of employers and other relevant stakeholders in decision-making on the (contents of the) programmes. For accreditation of new study programmes, the application must demonstrate that there is currently a need in the labour market as well as that such need is likely to exist in the future. In addition, applications must also demonstrate that existing programmes do not respond to such needs on the national and regional levels. The focus on employment outcomes has been introduced in 2008 order to limit the proliferation of study programmes. According to the interviewed experts, some of the programmes established before such focus was introduced have particularly poor results in terms of graduate employment.

One major lever introduced in 2014 is the so-called cap on enrolment (in the Danish context often referred to as *dimensionering*). As of that year, the ministry responsible for higher education is more closely involved in deciding how many students will be admitted to which study programme. While this lever also has an information component and is likely to have a funding component (see below), it is important to understand that there

are also regulatory aspects. First, in line with the aforementioned regulation concerning accreditation of higher education, the maximum number of students that can be enrolled in a specific study programme are defined in the accreditation decisions. In general, unless the ministry decides otherwise, higher education institutions are free to admit as many students as is foreseen in the accreditation decision. However, based on graduate unemployment statistics, the ministry can decide to reduce the intake in specific programmes. In such cases, the ministry suggests a reduced intake to the institutions and the institutions are required to respond. Usually, according to the interviewed experts, the institutions respond with their own plan which may include some bargaining over the proposed reduction. In case the HEIs decide not to respond or openly resist the ministry's suggestion, funding policy levers come to the fore, given that the ministry can in theory decide not to fund above the suggested (reduced) intake. According to the interviewed experts, so far no universities openly resisted suggestions for reducing intake so it is not clear whether the ministry would actually enforce its decision in practice through funding (see also below under 'Funding'). However, the ministry also has the right to dismiss the leadership of the institution (namely, the Head of the Governing Board), and this could be one way to enforce the cap on enrolments. An evaluation of this policy level was originally planned for Spring 2017, but has been postponed for 6 months. Thus, at the moment of finalizing this report (October 2017), no evaluation results were available.

Strictly speaking, the development contracts between the ministry responsible for higher education and the universities, introduced in 2011, do not belong to this section. They are not legally binding, but given that they clearly have the objective to "steer" the universities (soft regulation), we include them here. The development contracts comprise two sets of goals – one mandatory set that is defined by the ministry and the other one that includes goals defined by the university itself. The mandatory goals are linked to the sustainable employment dimension of relevance by stressing the importance of education quality as assessed through indicators of the transition to the labour market. Moreover, reflecting the aims to increase the efficiency of higher education, development contracts also include focus on time taken to complete study programmes. The latter can be linked to the university ability to contribute to the labour market and social development, e.g. in the case of Aarhus University (de Boer et al., 2015). The reference to social development can perhaps be linked to the active citizenship dimension of relevance of higher education, but the development contracts focus predominantly on output/outcomes in terms of labour market relevance.

Overall, the dominant dimension of relevance – as expressed in various regulation – is sustainable employment, while the other two dimensions – personal development and active citizenship – are far less prominent. The regulatory instruments introduced with an idea to boost this dimension of relevance primarily concern the input in higher education, though some of the decisions on input are based on information concerning output/outcome – cap enrolments being determined by graduate employment statistics.

### **Funding**

Funding of the education aspect of higher education in Denmark is performance-based through the so-called 'taximeter system'. Essentially, for each exam a student passes, HEIs are allocated a specific amount of money, depending on the discipline, with natural, technical and health sciences having higher tariffs than social sciences and humanities. On top of that, HEIs can also receive a so-called completion bonus, awarded on the basis of how many students complete their studies within the allocated time (de Boer et al., 2015). The government also awards a small basic grant to HEIs, proportionally larger for universities than for university colleges and business academies. Other income of HEIs comes from municipalities, tuition fees by students enrolled in part-time programmes or by international (non EEA) students. It should be stressed that funding for educational activities, as well as basic and performance based funding for research are transferred as

lump sum, allowing HEIs to decide how to distribute the funds within the institution and between different tasks. The current funding mechanisms for education activities does not have explicit linkages to relevance of higher education or any dimensions thereof. However, it was announced that in 2017 a new taximeter system will be proposed which will take into account both the quality of the studies and the employment outcomes of study programmes. At the time when this report was finalised, the details were still confidential given that the proposal for changes by the Ministry of Finance and Ministry of Science and Higher Education was not yet discussed by the Government.

Apart from funding allocated to HEIs, the Danish system also includes support for students, predominantly in the form of study grants, as defined in the Act on state education grants (often referred to as 'SU-law'). The general requirements for eligibility for a study grants include Danish citizenship and active enrolment in a full-time accredited study programme at a specific level for the first time (in other words, the study support system is not available for a second degree at any of the levels). EEA citizens are also eligible for study support, provided they are not employed or self-employed and have been continuously living in Denmark for at least five years. Students with disabilities, single parents and students living or supporting someone else who receives social benefits are eligible for additional study support. There are also interest-free loans available for students who do not fill all of the aforementioned criteria (e.g. study part-time) or for students who graduated and who are looking for a job. These loans, at present, represent the minor part of the study support system. Full-time active enrolment – registering for 60 ECTS worth of courses and passing exams – were introduced as criteria in 2013 as part of the reform that sought to make HE more efficient, i.e. decrease drop-out and time taken to complete studies. In response to the recommendations by the Quality Committee, a proposal for reforming the system is currently being prepared by the ministry responsible for higher education. The main ideas are to decrease the number of grants awarded, and increase the number of loans (from 65:35 to 50:50), to make loans interest-free during the study, to limit study grants to the nominal length of study and to introduce income-contingent repayment (Danish Government 2016b). Both the 2013 changes and the recently announced changes of the study support system have been heavily opposed by the student organisations.

Arguably, neither the education funding system for HEIs nor the study support system for students are explicitly linked to relevance. However, the study support system was initially introduced to facilitate access to higher education thus indicating an indirect linkage to the active citizenship dimension of relevance. Moreover, planned changes in the funding system indicate a shift towards explicit consideration of, in particular, labour market relevance of higher education. Funding for HEIs is, at least at the first glance, based on output considerations, though arguably the specific output measure in focus – number of passed exams – is actually dependent on input – number of students enrolled. The study support system is increasingly process and output (and hence performance) focused.

### **Organisation**

When it comes to policy levers which have a clear organisational component, these include setting up a new accreditation structure (AKKR) and regional guidance centres. The accreditation system was already addressed above (under regulation).

Regional guidance centres have been set up on the basis of the 2003 Act on guidance (Ministry of Science, Innovation and Higher Education, 2012b). They primarily target those younger than 25, in particular those who are not pursuing any forms of education beyond secondary level. They provide information on available study programmes and on possible employment outcomes of these study programmes, both in terms of types and focus of jobs as well as in terms of actual employment statistics. They also organise different career guidance activities while students are still in secondary education. At

present, there are seven regional guidance centres. In addition to this, university colleges and business schools are required to provide guidance to their students during studies. Moreover, students can rely on a portal in making their higher education choices (see below under 'Information').

Similar to other policy levers, those focusing in particular on organisation highlight specifically the sustainable employment dimension of relevance of higher education. They exhibit a focus on both input (guidance for enrolling into higher education, content of study programmes), progress (guidance during studies) and output/outcomes (reliance on employment data).

### **Information**

Information is the underlying component of almost all aforementioned policy levers. As indicated earlier, decisions to introduce caps on enrolment in specific study programmes, to accredit new programmes or to allocate a particular amount of funding to HEIs are all based on statistical information, in particular those related to employment (or unemployment) data supplied by Statistics Denmark (see also next section on indicators of relevance).

Moreover, the ministry supports and steers student choice by providing information on the student offer (via the *UddannelsesGuiden* portal, [www.ug.dk](http://www.ug.dk)). Recently, employment data have been included within the *Uddannelses-Zoom* (Study Zoom) part of the portal, which allows students to investigate employment rates and earnings, categorised according to sectors (public or private) and type of jobs, for new graduates and for those who graduated 10 years ago. In the future, the *Uddannelses-Zoom* will be complemented with data from student and graduate satisfaction surveys.

Also in the case of information provision, the focus is primarily on the sustainable employment dimension of relevance of higher education, i.e. output/outcome.

### **Summary of policy levers**

Overall, policy levers introduced in the Danish higher education system are in particular geared towards boosting the sustainable employment dimension of relevance of higher education. The levers rely on all types of policy instruments, with information being the basis for regulatory provisions, financial (dis-)incentives and organisation.

The other two dimensions, in particular personal development, are very much in the background. With that in mind, while the introduced policy levers focusing on sustainable employment seem rather coherent between each other, some of them are designed in a way that may be negatively affecting what so far has been achieved with regards to in particular active citizenship. Namely, introduction of caps on enrolment, changes in the study support system as well as accreditation standards and student guidance highlighting solely employment prospects, may in the medium to long run lead to a situation in which access to higher education for underprivileged students is made more difficult. Moreover, it may lead to a situation in which study programmes overlook competences such as political and cultural literacy because these may not have clear and direct outcomes that can be seen in employment statistics.

### **Indicators of relevance**

As the preceding description reveals, the focus in recent Danish higher education "relevance" policies is primarily on employment issues. This leads us to qualify the policies as: instrument-focused (regulation of student places), objective-focused (employment) and target-group focused (students/graduates). The last point needs a qualification, for it would be appropriate to say that the focus is on students: their educational choices are to be guided by employment perspectives. Although the labour market prospects already figured in the earlier generations of the development contracts,

only towards the end of the first decade of the new millennium, funding and contract items were clearly linked, although the contracts are still not yet legally binding. Attention to labour market issues in higher education can be linked to similar developments in the VET sector (see European Commission, 2014). Below we describe the most important relevance indicators in place in the Danish higher education sector.

### **Labour market indicators in development contracts**

From the Aarhus University Development Plan 2012-2014, we offer the following example (taken from De Boer et al., 2015, p.57): "Transition to the labour market assessed through analyses of the job situation 4-19 months after graduating". This indicator "measures" the quality of the graduates as well as Aarhus University's ability to tailor its programmes to the needs of the labour market. The university aims to achieve a better development in the employment rate than that achieved by the sector in general. De Boer et al. (2015, p. 60) report that "the effects of the completion bonus are not known. But the universities argue that on the one hand the bonus is irrelevant, as a new and far stricter system has been set in place, while on the other hand the universities could lose significant annual funds if average study time is not reduced enough".

### **Labour market indicators in deciding on number of student places**

Ahola et al. (2014) also report that in September 2014 (with reference to Ministry of Education and Research policy paper of 2013) the Minister of Higher Education and Science announced "restrictions, effective from the autumn of 2015, on the number of master's programme study places each programme is allowed to offer each year, based on unemployment statistics. Programmes with a steady unemployment rate over a given average, are forced to cut back study places up to 30 per cent over a three year period." From an interview we understood that systematic unemployment would be indicated by a 2% higher than average unemployment (1 standard error above) in 70% of the years for which there is data. The programme offer restrictions would particularly affect programmes in the humanities. The Ministry's website provides detailed data on unemployment by group of programmes, programmes and institution (Ministry of Education and Research, 2017). The indicator used is a moving average of the unemployment rates in the 4<sup>th</sup> to 7<sup>th</sup> quarter year upon graduation.

### **Labour market indicators in relation to transparency of educational choice**

Partly in light of the recommendations of the Quality Committee, there should be more transparency in what graduates can do upon graduation and what chances they have on the labour market. The student portal *UddannelsesGuiden* ([www.ug.dk](http://www.ug.dk)) is to be adjusted in line with this recommendation.

### **Labour market indicators in accreditation**

The accreditation regime in place also speaks to relevance (although in a much more generic sense than we operationalised it in our project). Two of the five relevance criteria relate rather explicit to the labour market. Although strictly speaking it is not an indicator, it comes close to a criterion that HEIs need to fulfil. One criterion runs as follows: Have Advisory Boards and other stakeholders been involved in the development of the programme? Advisory Boards have been established in 2007 (either at institutional or faculty level) to create links between higher education and business. As such it is a decentralised tool for achieving relevance. And the other criterion states: Have the stakeholders related to the need for the programme in the context of similar programmes and their employment situations? (European Commission, 2014, p. 5). It implies that programme leaders have to account for these aspects and that accreditation is dependent on convincingly answering these questions. The Accreditation Council carried out an analysis of recent accreditation reports and signalled: "41% of the new

99 educational programmes that universities applied for, had problems in the area of relevance; and “86% of the incidences where new educational programmes experienced problems in the area of relevance were completely or partly due to the involvement of Advisory Boards” (European Commission, 2014, p. 6).

### **Time to degree to assure a “proper” link between study and work**

The link between student places and the labour market is fairly unambiguous. One could argue that – indirectly – the government also in another way affects the relationship between study and work. Danish students take a (relatively) long time to degree and some interviewees argued that as a consequence they enter the labour market at a – again relatively – late age. In this light one can see the adjustments in the taximeter system as indicative of a policy change. Already in 2004, the “completion bonus” was introduced. Apart from funding the higher education institutions on the basis of the number credit points earned by students, the bonus was introduced to trigger the institutions to take care that students graduated. Upon completion of a programme, the universities would receive the bonus. In 2009 this regulation was adjusted to reflect a more strict approach: the bonus would only be awarded for Bachelor students finishing within the nominal study duration + one year and for Master students completing the programme within the nominal study duration (De Boer et al., 2015). The completion bonus constitutes around 10% of the government subsidy for teaching. Likewise, students are made aware of the importance to graduate “on time”. Recently, reforms in the study grants systems were introduced, indicating that students with a study delay of a certain amount would lose their grants entitlement (Ahola et al., 2014, p. 24). Arguably, the key reason for implementing the measures in this paragraph is to achieve efficiency (shorten time to degree), but in the background relevance for the labour market is important (see also Danish Government, 2016).

In summary, it is fair to close with the claim that there is limited attention to indicators. Indicators play a role in the dimension “employability” and funding mechanisms are used to steer the relation between education and work.

### **Reflections on linkages between relevance, policy levers, typology and indicators**

In the Danish context, relevance of higher education is perceived primarily through its labour market outcomes, while active citizenship and personal development are hardly emphasised in the policy debates. The attention mainly goes out to achieving a more efficient – from the government perspective – allocation of students across the available student places in light of the growing student numbers, the (perceived) long time to degree and the growing awareness that the public sector cannot continue to take up graduates as it did in the past. The policy is obviously more directive in comparison with systems that do not use aspects of the labour market situation (unemployment rates, time to find a job, levels of over-education, etc.) as indicators to steer the supply of programmes and/or enrolments. Overall, however, most of the policies, regulation and funding is relatively “soft” in nature. The strongest financial sticks are included in the taximeter system (completion bonus) and in the recently changed student loans and grants system. The strongest regulatory stick seems to be the cap on enrolments. Softer steering is visible in (a) the accreditation mechanisms (where programme providers need to ensure the involvement of employers in designing and changing programmes and to explain how the programme meets the demands of the labour market, although it is not specified how, and also need to provide data on employment opportunities of their graduates); (b) in the information sources students and secondary school pupils may use to make their choice for higher education; and (c) in the development contracts between ministry and universities.



There is actually no information available on the success of the policies. This is obviously due to the recent introduction of some of the policies. It is too soon to tell how the measures e.g. affect time to degree and a better match with labour market needs, although some interviewees shared that they saw impact in that higher education institutions now have “relevance” clear on their mind, in terms of employment strategies, agendas, monitoring performances, etc. Some interviewees expect the cap on enrolments to have the most profound impact, others were not very outspoken on effects and outcomes of the policies. In terms of acceptance of the policies, it is safe to say there is an understanding (albeit lukewarm) by the higher education institutions that employment is important and that policy measures were acceptable. Among students there is considerable reluctance to accept the plans to cut in the grants and loans systems. It is noteworthy that among the interviewees there were different appreciations of the availability of sound employability indicators and the reliability of these indicators, because such data are often from a couple of years back.

### Concluding remarks

The predominant dimension of relevance of higher education in Denmark concerns the sustainable employment dimension. This can be linked, first and foremost, to the shift in the policy focus in Denmark towards demanding more efficiency and competitiveness in the public sector (see above and Johansen et al. 2017), and to a related strengthening of the role of the Danish Confederation of Industry in the higher education policy arena. While some actors indicate that such strong focus on labour market outcomes of higher education may be jeopardising the other two dimensions – personal development and active citizenships, their concerns are not (as of yet) reflected in the key policy documents, policy levers and indicators.

That said, the focus on employability of graduates is clearly reflected in all types of policy levers, as well as indicators used to monitor the system’s performance. This is the case for accreditation standards, enrolment quotas (see above on *dimensioning*), information tools that support student choice and purpose of regional guidance centres. Thus, although the Danish interpretation of relevance of higher education seems rather narrow, the linkages between different elements of policy (levers and indicators) seem rather clear. At the time this report was finalized (October 2017), no evaluation of the effectiveness of the different policy levers was available.

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## Case study 4: France

### Introduction

The French higher education system consists of a variety of institutions: universities, "grandes écoles" (elite schools), and other schools and institutes outside of universities (EURYDICE, 2015). In total, there are 420 separate institutions, or 315 if inter-academic communities of universities and institutions (COMUE) are considered to be one institution.<sup>3</sup>

Table 2: Broad outline of the (public) higher education system in France

Type of institutions	Number of institutions	Degrees offered	Enrolled students (2015/16)	% enrolled students	Full-time students
Universities	73 public universities (25 COMUE)	bachelor, master, PhD	1,477,000	58%	NA
Grandes écoles	About 205 engineering (65 in universities) and 150 business schools	bachelor, master, PhD	118,000 (engi.) 136,200 (business)	5% 5%	NA
CPEG	CPEG belong to upper secondary schools	Prepare to enter engineering or business schools	85,900	3%	NA
STS	STS belong to upper secondary schools	2 years professional degree	256,100	10%	
IUT /DUT	IUT belong to universities	2 years professional degree	116,200	5%	NA
Others	-	-	361,700	14%	
<b>Total</b>	<b>315/420</b>		<b>2,551,100</b>	<b>100%</b>	<b>NA</b>

(Sources: MENESR-SIES (2016a); CDEFI (2017); <http://www.enseignementsup-recherche.gouv.fr/pid24683/l-enseignement-superieur-en-chiffres.html>)

There are mainly two types of higher education institutions in France: the selective institutions and the non-selective universities. The latter admit students on the basis of the general secondary education leaving certificate or baccalaureate. The selective institutions concern the 'grandes écoles', the two-years professional diplomas ("instituts universitaires de technologie" - IUT (hosting about 5% of students) or "sections de techniciens supérieurs" - STS (about 5% of students) and institutions providing three or five years professional diplomas. "Grandes écoles" are highly selective institutions mainly admitting students on the basis of an entrance exam taken by students who attended "classes préparatoires aux grandes écoles" (CPGE -classes preparing for admission to Grandes Écoles) and dispense a high level of training and qualifications (mainly 5 years degrees). Grandes écoles are mostly engineering colleges (5% of students) or business schools (5% of students), but they also include other more specific institutions such as Institut d'études politiques (IEP), or "écoles normales supérieures" (ENS).

Universities make up the largest part of the higher education sector in France and admitted about 58% of the 2,551,000 higher education students in 2015/16. They have a much broader mission than selective institutions. In practice, a vast majority of students entering university programs because they were not admitted to the professionally oriented selective institutions. It is estimated that about 42% of the students enter higher education on a non-selective basis as universities also select some groups of students for two-year professional diplomas (IUT), health professions, engineering schools integrated into universities (65 out of 205), other university diplomas and doctoral training (MESR, 2017a). Since 2017 all masters have the possibility to become selective (MESR, 2017c).

<sup>3</sup> About 220 institutions are under the influence of the ministry, among which 60 are private, 71 are universities. Page 36, Ministère des Finances et des Comptes Publics (2016a).

## Relevance of higher education

### Approach to relevance

The approach to relevance varies across different types of higher education institutions in France. The selective 'grandes écoles' and two-year professional diploma institutions prepare students for clear professions. As such, they have built the curricula for well-defined job sectors. Teaching is mostly conducted in small groups, based on real cases, with many external teachers from practice. Internships are mandatory and the programs are regarded relevant due to a very low unemployment rate a few months after graduation. Former students hold positions at all levels of society.

For universities, reforms regarding the bachelor programs in the last decade and the 2017 reforms for the masters are geared towards "relevance" as these reforms aim at better preparing students for the labour market. This report will mainly focus on universities because they cater for the majority of students (58%) and they are under the authority of the government while most 'grandes écoles' are autonomous (privates) and thus not so strongly influenced by public policy levers for relevance.

### Laws, a national strategic plan and a white paper guided relevance

Overall, recent legislation and large policy initiatives focus on increasing the relevance of university education for the labour market, particularly regarding the 3-years Bachelor degree programs. Main drivers of reforms were the new laws in 2007 and 2013 which both made the French system is less centralised as before. The 2007 law (Law no. 2007-1199; Legifrance, 2007) provided more (financial) autonomy to universities (MESR, 2017b) and allowed institutions to specialise and differentiate with less micro management by the ministry. The 2013 law (Law no. 2013-660; Legifrance, 2013) aims at improving the quality of the training offered while by guaranteeing equal value of the diplomas across all national territory.

In addition, a national strategic plan and a major white paper guided the relevance of higher education in France. The objective of the 2007 plan (Plan Campus) was to improve study success at the level of bachelor programs ("plan pour la réussite en licence", MESR, 2015). The primary objective of the 'plan for study success' was to reduce drop out in universities (50% at the time, see also MESR, 2013, p. 4), but it also aimed at delivering a better 'bachelor degree' in view of finding employment. Since the Bologna process and implementation of the Licence, Master and Doctorate degrees in France, it became clear that universities were not prepared to deliver 3-years professional diplomas for many students. They were rather organised for longer studies such as five years diplomas and even PhDs. The new degree structure confronted universities with a strong increase in students with a professional or a technical secondary school leaving certificate (professional or technical baccalaureate) rather than a general upper secondary school leaving certificate (general baccalaureate). These students are more likely to fail in higher education (Hetzl, 2006).

The 2013 law ordered a national strategy for higher education ("stratégie nationale d'enseignement supérieur" or StraNES). The strategy unveiled in 2015 is the first of its kind in France (Béjean and Monthubert, 2015) and will be operationalised in a white paper in 2017. The strategy sets national targets for the next 10 years based on 5 strategic axes (such as building a learning society and supporting the economy) and 3 policy levers. Through 40 action lines it foresees to raise skills levels and transferable skills. StraNES will be monitored every 2 years by the parliament, and revised every five years.

### Dimensions of relevance

#### *Personal development*

Policy documents hardly mention personal development as a policy aim even though equal opportunities – and consequently personal development – is high on the agenda. Personal development is implicitly assumed in French higher education, e.g. by the aim to have 50% of the population obtaining a higher education degree (Ministry of Finance, 2016a; p. 39, indicator 1.1; 48.5% 2014). Higher education graduates are expected to obtain transferable skills that helps graduates to find jobs, prepares them for various opportunities in life and as such stimulates the future economic growth of France.

The 2007 Plan Campus introduced a more explicit focus on personal development by introducing the broader concept of a 'Professional bachelor' ("Professionnaliser la licence") expressed in professional and transversal skills in areas such as ICT, oral and written communication, language proficiency, teamwork and working methods. However, higher education institutions differ in implementing these ideas.

### *Sustainable employment*

The higher education strategy (StraNES, 2015) emphasises that it is necessary to train many students at Bachelor, Master and Doctorate levels because HE graduates are more flexible in the labour market and thus become vectors of innovation in the economy and society, e.g. by changing professions and getting trained for new jobs (p. 38). Sustainable employment is also explicitly mentioned in the 2007 and 2013 laws (Legifrance; 2007, 2013) by the emphasis on career guidance and employability ("*L'orientation et l'insertion professionnelle*") and on statistical information on study success to students and employers. Similarly, the 2007 Plan Campus also pushed for career guidance offices at universities and stressed that (some) Bachelor diplomas should be professional by a greater emphasis on internships to enhance the 'openness towards business sectors' (MESR, 2013). In addition, entrepreneurial training now forms an obligatory part of all programs and the university training development councils that monitor the adequacy of curricula for societal needs ("*conseils de perfectionnement des formations*") have to integrate professional representatives.

Finally, because regions as well as local authorities contribute to university funding, they may have a representative in the university board.<sup>4</sup> As a consequence, the training offer of some universities is increasingly influenced by regional / local needs.

### *Active citizenship*

A 2011 ministerial note on associative life at the universities recognises that students develop experiences through student associations (MESR, 2011). The note not only opened financial resources for associative life but also asks (but no obligation) institutions to recognise student activism with ECTS credits. This follows a 2010 study by the national student association showing that universities increasingly recognise involvement in the associative life (Animafac, 2010). In 2015, the ministerial note was followed-up by a national plan for improving student life on campuses (MESR, 2015). Among the 35 actions, the Minister established a national reference system to recognise and enhance skills acquired through cultural, artistic, physical, sports and project activities. As such, student activism, also in student associations should be recognised and potentially awarded with credits and extra flexibility in the curriculum in terms of workload and exam requirements. Students are also stimulated to volunteer in civic service and are allowed to have a break from studying (up to one year) to gain personal/professional experience outside the university.

## **Perception of policy actors**

The perception on relevance differs between actors. For representatives of public institutions and the ministry, all dimensions are equally important. None should have

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<sup>4</sup> For example, the board of the University of Bordeaux has two representatives from the city of Bordeaux, and a representative from the region (Bordeaux is the administrative head of the region Nouvelle Aquitaine).

priority. However, universities are catching up with 'grandes écoles' in terms of sustainable employment and active citizenship, through a series of recent initiatives described above. In particular, active citizenship is fostered by ECTS credits awarded for extra-curricular activities (Amifac, 2010).

Student representatives indicate that the labour market is still predominantly focused on the type of diploma and institution (STS, grandes écoles, etc.) rather than on competencies. However, diploma supplements become more important at a few (dynamic) universities and 'social engagement' is more often awarded with ECTS credits.<sup>5</sup>

According to other representatives, training reforms are not yet completed, especially for bachelors. French university bachelors are predominantly trained for general or professional pathways but less for the job market. The StraNES authors also stresses this mismatch as do student representatives (FAGE/UNEF) who favour long cycle (Master of Doctorate). Various stakeholders indicate that there is too little attention for lifelong learning opportunities.

Most stakeholders interviewed indicated that sustainable employment is most developed, personal development is well-developed and active citizenship is underdeveloped. However, employers think that active citizenship is stronger emphasised in France, while attention for sustainable employment is just growing and personal development not much developed yet.

The French government gives priority to raising the general level of qualifications to support future economic growth and help citizens to find jobs, as expressed in the ambition to have 50% of the population obtaining a higher education diploma (Ministry of Finance, 2016; p. 39). Raising qualification levels is also regarded important for reducing inequalities, spreading national cultural and humanist values, and training active and responsible democratic citizens. Professional insertion is a second priority (ibid). Both are monitored with indicators.

Most stakeholders emphasise the importance of transversal skills that prepare individuals for entering the workforce and for unknown future jobs that appear in a continuously transforming economy. However, most stakeholders think this to be one of the main challenges for higher education institutions as they are often more distant from the economy.

## Policy levers for higher education

The French system is less centralised today than before. Instead of providing detailed regulations, the government uses a number of policy levers to implement reforms and to help institutions taking responsibility to develop strategically. The government monitors progress.

### Regulation

The 2007 and 2013 laws started a profound transformation of the French higher education system for better relevance. From a public service administered by the State in a centralised way, the system is transformed into one in which the government defines the strategic objectives (Ministère des finances et de comptes publics, 2016a) while autonomous institutions are responsible for achieving the objectives with their own policy implementations.

Both laws (2007 and 2013) also aimed at concentrating institutions. It started in 2007 with the PRES ("*pôles de recherche et d'enseignement supérieur*") to establish virtual

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<sup>5</sup> <http://www.univ-fcomte.fr/pages/fr/supplement-au-diplome-16679.html> or [http://www.univ-larochelle.fr/Le-supplement-au-diplome.amu.fr/files/cevu\\_pv/cfvu\\_2014\\_09\\_11\\_pv\\_consolide\\_avec\\_annexes.pdf](http://www.univ-larochelle.fr/Le-supplement-au-diplome.amu.fr/files/cevu_pv/cfvu_2014_09_11_pv_consolide_avec_annexes.pdf), see page 10 or <https://moduleslmd3.u-paris10.fr/les-bonus-au-diplome/bonus-au-diplome-engagement-solidaire-548308.kjsp>.

and physical campuses of cooperating higher education and research institutions to strengthen doctoral training and research strengths. Taking part in a PRES was voluntary, but supported with additional financial means and staff positions. From 2014 onwards, the PRES were further grouped into “*Communautés inter-académique d’universités et d’établissements*” or COMUE (inter-academic communities of universities and institutions). The obligatory collaboration process between two or more PRES resulted in 25 COMUE’s in 2016 and finally about 30 in the near future. The extent of cooperation (from coordination up to merger) can be decided by the partners in a COMUE. The COMUE reform is important regarding “relevance” as the 5-year contracts each COMUE has with the Ministry also focus on the quality and employability of graduates (Court of Auditors, 2015).

The 2007 and 2013 laws (Legifrance; 2007, 2013) also initiated a reinforcement of career guidance. Not only by making ‘career guidance and professional insertion’ one of the six missions of the university but also by making career guidance office obligatory for every university to assist students in finding internships, jobs and to define their professional career.

The government also regulates the number of study places with APB (“admission post bac”), through the 2013 law (Admission, 2017). The students in upper secondary education now have to be consulted about study and career choices three years before completion of upper secondary school. The aim is to stimulate a better match between students, study programs and the labour market (France Stratégie, 2017; MENESR-SIES, 2016b; MENESR-SIES, 2016c). In addition, a quota is reserved for students with technical and professional leaving certificates (baccalaureates) into short-term selective professional degrees (2 or 3 years STS or IUT). This process is annually monitored by a committee of the regional authorities and a centralised website to fine-tune choices and admissions.

## Funding

Funding has been drastically increased in France since 2008 to renovate buildings, to modernise university organisations and to bring some of them to the level of excellent institutions. The main initiatives concerned the “*Plan Campus*” and the “*Plan d’Investissements pour l’avenir*” (PIA – Plan for Investments in the Future). The government has also modified its funding formula and provided extra funds for various policies. The policies related to the relevance of higher education will be discussed below.

The “*Plan Campus*” dedicated €5 billion in 2008 to renovate university buildings. To receive funding, universities were invited to submit a plan towards international excellence. These plans were assessed on the basis of criteria such as the scientific and pedagogical ambitions as well as the regional impact of the project. As such, “*Plan Campus*” aimed at modernising campus facilities and stimulating international competitiveness both in term of research and education. Becoming excellent was also measured by the employability of graduates. As a result, universities that applied for these funds had to better define and stimulate graduate employability. Twelve universities were selected and another twelve were nominated for limited funding of about €400 million. Some effects of “*Plan Campus*” included that it stimulated professionalism and universities’ expertise to prepare, submit and defend large projects. It also disseminated good practices, also in the area of employability initiatives.

Similarly, PIA, concerned a large loan of €35 billion implemented since 2010 to fund investment in five sectors, including higher education.<sup>6</sup> IDEFI and IDEX are two funds of PIA impacting also on higher education. IDEFI (€149 million) funds *Initiatives of*

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<sup>6</sup> The is implemented in three waves: the first PIA (2010-2013) of €35 billion, the second PIA (2013-2015) of €12 billion, and a third PIA of €10 billion was recently approved with a stronger focus on teaching (€3 billion to fund excellence initiatives for education: <http://www.gouvernement.fr/pia3-5236> (accessed 26-01-2017).

*Excellence in Innovative Training* aiming to increase education quality and study success. IDEX (€7.7 billion) funds *Initiatives of Excellence*. Both excellence initiatives indirectly aim to enhance personal development of students and skills relevant to the labour market and society.

Changes in the funding formula for universities since 2008 also indicate that universities must be relevant for society. As such, it now includes indicators on retention (students re-enrolling in the 2<sup>nd</sup> study year), the number of Bachelor graduates and graduate employment (with the indicator "% of employed graduates three years after completion of their diploma"). The performance-based funding formula covers about 20% of public funding for universities (Sénat, 2017). The government not only rewards good performance but also helps those having difficulties, e.g. by funding 6000 additional support staff and professors in the 2013-2017 period.

The "*Plan pour la réussite en licence*" (Plan for Success, 2008-2012) provided top-up funds to universities to increase their performance in the following areas (MESR, 2007): (1) to revise the 1<sup>st</sup> year bachelor programs (implementing multidisciplinary refreshing fundamentals); (2) to enhance study choices through better information on study programs and the labour market; (3) to change the selection procedures of short-term selective institutions.

Various stakeholders indicated that modernising teaching methods recently gained policy attention. Until now teachers were only rewarded according to age/experience and research achievements but not for the teaching efforts. Therefore, StraNES proposed to provide incentives to teachers through the third PIA (€ 10 billion as from 2017). A large portion of these funds will be devoted to pedagogical innovation such as competence- or computer-based teaching in order to better prepare students for the labour market.. The government also promotes innovative teaching methods with the National Days of Pedagogical Innovation in Higher Education, e.g. by sharing good practices (<https://goo.gl/HEhdi7>). Good practices are based on previous government funds: IDEFI and IDEFI-N, both from previous PIA.

As stated above, the 2011 ministerial note on the development of associative life at the university (MESR, 2011) provided funding to all universities to stimulate student activism and to recognise the involvement of students with ECTS credits (not obligatory).

All funding initiatives aimed at improving education quality, study success and – directly or indirectly – to enhance personal skills, employability of graduates and active participation in society. Effects have not been widely measured.

## **Organisation**

The 2007 law requested universities to establish career orientation offices and to monitor the careers of graduates. The 2013 law reinforced these requirements.

In 2007 the evaluation agency, HCERES, has been established to evaluate study programs at public universities, research units and HE institutions (about 300) every 5 years. This replaced the old system of getting approval before opening a program ("habilitation") with accreditation afterwards. The agency is conducting its evaluations based on data provided by the institution and evaluates among other things the quality of the training, of the educational project, and employability. These evaluations are used by the government when negotiating the 5-year contracts with the universities.

The 2013 law also decreased the number of titles for both bachelor and master degrees to facilitate recognition by employers, but also by prospective students choosing a diploma (Legifrance, 2013). This is a similar development as what happened in Spain (see case on Spain). Since 2014, the Bachelor's degree is based on two levels (MESR, 2014) with large disciplinary areas (arts, humanities, languages, law, economics, management, humanities and social sciences, science, technology, health) and 45



specialisations (instead of 322), 173 professional Bachelors, and 245 Masters. Previously, there were 1,400 Bachelors, 2,200 professional Bachelors and 1,800 masters for 5,900 specialisations (Des Finances et des Comptes Publics, 2016).

In parallel, the government has introduced a new student status for entrepreneurs who created start-ups called student entrepreneurs (*“étudiant entrepreneur”*). The statute allows students and young graduates to develop an entrepreneurial project and to get the “student-entrepreneur” degree (D2E). Such student entrepreneurs can benefit from special facilities established by universities, called Student Centres for Innovation, Transfer and Entrepreneurship (PEPITE (*“pôles étudiants pour l’innovation, le transfert et l’entrepreneuriat”*); MESR, 2017d). The government has supported the setting up of 29 PEPITEs in 2016.

A final organisational policy concerns the 2015 national plan for improving the student life on campuses (MESR, 2015). As a result, a national reference system was drawn up by the Minister to recognise and award skills acquired through cultural, artistic, physical, sports and project activities. Also involvement in student associations or being a student representative should be recognised with credits and extra flexibility in the curriculum in terms of workload and exam requirements. Students are also stimulated to volunteer in civic service and are allowed to have a break from studying (up to one year) to gain personal/professional experience outside the university. The law “equality and citizenship” (Legifrance, 2017) from December 2016 offers all former students that conducted a civic service the opportunity to pursue a degree after the civic service is over.

### Information

The government has setup information systems with APB (“admission post bac” see above) and outcome indicators. With APB, the students in upper secondary education are consulted and supported for a period of three years with relation to their future study choices, also taking into account labour market prospects, personal interest and skills.

Another policy instrument to stimulate the relevance of higher education is grounded in the fact that every university must provide statistics on their outcomes such as study success and employment after graduation for all diplomas programs they offer.

The *“plan pour la réussite en licence”* (Plan for Success, 2008-2012) provided top-up funds to universities to improve the quality of study programs, to enhance a better match between students and programs in their selection process and to provide better information and counselling to students (MESR, 2007). This resulted in the following initiatives:

- Early orientation of students in secondary education;
- Websites informing about study programs;
- Career counselling and advice, particularly during the first semester;
- Set minimum requirement for the number of (classroom) contact hours in study programs;
- Mentoring and tutoring.

An interesting example of providing incentives both to higher education institutions and to students is *“Cordées de la réussite”* ([www.cordeesdelareussite.fr](http://www.cordeesdelareussite.fr)). The government has implemented a partnership with over 300 institutions ranging from secondary schools to higher education institutions (general, professional, technical) to reduce socio-economic inequalities in student populations across education institutions by providing tutoring, advice and guidance on academic programs, professional opportunities and accommodation.

### Policy effects

Many important reforms have been achieved through large consultations and consensus building. This was particularly the case for the 2007 law providing autonomy to universities (a taboo before) and more recently for the selection at Master level (another taboo).

Most policies have to be implemented by the universities. As indicated above, these vary in the extent to which they implement various policies and the level of achievement they reach. Policy evaluation is not systematic in France, though additional funds all are evaluated at mid-term. For example, eight IDEX from PIA 1 were evaluated in 2016 (mid-term). The evaluation was largely positive. PIA appeared to have pervasive effects with particularly universities outside Paris making strong progress. Also the strife for excellence triggered and greater collaboration among actors. However, out of the eight action lines, two were terminated and three universities are put under probation due to limited results.

Interviewees indicate that they experience a positive impact of all reforms since 2007, but most initiatives are said to require more time and effort to achieve the expected results. In addition, further evidence, studies and evaluations are needed to be able to assess the impact of the reforms and to analyse the relationships between education and the labour market.

The policy levers to implement and improve work-based learning, student entrepreneurship and graduate employability are experienced to have positive initial results. However, an evaluation conducted by Demontès (2015) calls for significantly upscaling the link between education and the labour market at an earlier stage of compulsory education. This should be steered by stronger inter-ministerial monitoring led by the education ministry and based on stronger regional partnerships between the different actors (Demontès, 2015). This shows a very positive trend, but effort is still needed to achieve the expected outcomes.

## Indicators of relevance

The French government is monitoring six objectives for the annual budget devoted to higher education and university research. As such, a number of indicators is used to monitor higher education performance against some overall national targets. Table 3 presents the six objectives and the indicators that can be related to the “relevance of higher education”.

**Table 3: Objectives and related relevance indicators** (Source: Ministère des Finances et des Comptes Publics (2016a), p 38).

Objective	Indicator
1 Reply to the need of increased qualifications by LLL	1.1 % of students obtaining a higher education diploma during formal education 1.2 % of graduates with a professional insertion during formal training 1.3 LLL participation by total number of hours, number of graduates, and number of validations of prior learning
2 Improve student success	2.1 % student stopping their studies with no higher education qualification above the baccalaureate 2.2 % of students completing a degree
3 Produce scientific knowledge at the best international level	
4 Improve the technology transfer of research	
5 Reinforce European and international openness of institutions	
6 improve the efficiency of institutions	6.1 % of degrees in programs with a low number of students

Regarding the relevance of higher education as defined in this study, the objectives 1, 2, and 6 appear to be most interesting for this study. For example, indicator 1.1 shows that 48.5% of the relevant age group had a higher education diploma in 2014 (Ministry of Finance, 2016b; p. 39). The target is 50% in order to offer many people an opportunity

to further personal development, a higher likelihood of employability and to build an active democratic society.

Indicator 1.2 is to measure how many graduates did a professional insertion (internship) during studies, which better prepares them for future employment (both at bachelor and master level). The 2007 and 2013 laws made it mandatory that HEIs collect these statistical indicators on study success and professional insertion (Legifrance, 2007 and 2013). These indicators are also used for other purposes, e.g. to inform prospective students, graduates, employers and the media. The government monitors its policies by using the above indicators for the annual budget and for the 5-year contracts with the HEIs. Also the evaluation agency, HCERES, is taking these indicators into consideration when evaluating programs and institutions. Institutions have to publish these statistics showing their success rates regarding examinations and diplomas, the transition rates of graduates into further levels of education and professional life. Some indicators are made available on open data by the government.<sup>7</sup>

The indicator "% of employed graduates three years after graduation" is under discussion between the MESR and universities' representatives (CPU) to be included as one of the indicators in the performance-based funding to universities (20% of total funds).

Concerning large funds such as PIA and "Plan Campus", foreign experts assessed progress against these indicators during a mid-term evaluation. The evaluation was largely positive with pervasive effects of PIA in terms of benefitting particularly universities based outside Paris and greater collaboration among actors to reach excellence. However, some institutions are losing funds, for example in the case of IDEX, where the progress of three institutions was declared non-satisfactory.

### **Reflection: linkages between relevance, policies, typology and indicators**

The tertiary educational attainment rate is high in France. However, the university system, with its relatively low tuition fees and open access, is challenged by steadily rising student numbers which puts pressure on quality, completion, innovation and flexibility to attune to labour market and societal needs. The objective to reach 50% of a youth cohort having a higher education diploma (48.5% in 2014) is one of the main drivers for the 2013 law (Legifrance, 2013) and many of its actions are devoted to reach this objective. The new professionalization of bachelor programs, progressive specialisation during the three years of the bachelor, better orientation of the technical and professional baccalaureates, career orientation, monitoring internships and the StraNES, all aim at improving study success and the match between training and the labour market (Ministry of Finance, 2016b; p. 35).

However, the lack of an overarching monitoring framework to assess the progress of the reforms makes it hard to strongly direct the implementation process. For example, monitoring students' pathways to the labour market is a requirement by law, but in practice some higher education institutions have difficulties in reporting such results (for all their graduates). As a result, they only report statistics for a limited number of diplomas.<sup>8</sup> The general impression is that progress is made in many areas, whilst the reforms are far from being completed. Demontès in 2015 conducted the only evaluation of various "study success" initiatives and the relationship between the higher education system and the socio-economic environment. The authors looked at various policies and collected evidence through interviews. This led to partial information only. As a consequence, the report recommends - amongst others things - that more systematic policy evaluation is required.

<sup>7</sup> See: [https://data.enseignementsup-recherche.gouv.fr/pages/insertion\\_professionnelle/](https://data.enseignementsup-recherche.gouv.fr/pages/insertion_professionnelle/)

<sup>8</sup> The response rate for Masters is of 70,7% and varies from 40% to 80% according to the institution. Source MESR and "note méthodologique de décembre 2015".

Stakeholders' opinions differ on the state of progress but they all agree that the reforms in general had a positive impact, but also that efforts are still needed to achieve the expected outcomes. For example, being graduated from a university is no guarantee of finding a job. There are exceptions, such as selective programs in university that lead to similar outcomes as the education provided by the "*grandes écoles*". The success of the "*grandes écoles*" is built on a highly selective environment and a relatively high degree of autonomy. Universities do not operate similarly and are deprived from a large proportion of the best and most elitist students. This definitely has an impact on their success and relevance outcomes.

The higher education system aims at providing high-level education and to provide equal quality across the country. But the level of quality is heterogeneous. Recent reforms conducted by the government aim at improving the global quality and better correspond to the needs of the labour market, e.g. through a greater emphasis on transferable skills. This is the main driver behind the 50% target regarding the proportion of youngsters obtaining a higher education diploma. The ministry is supported in this objective by the national evaluation agency (HCERES). To improve the quality of programs, the status and training of teachers in universities is an important element. In France, teachers are often also researchers and do not necessarily have teaching as primary responsibility. Therefore the third round of PIA funding stronger focuses on innovative teaching methods and aims at reaching out more positively to teaching and teachers.

### Concluding remarks

France's tertiary education attainment rate for 30-34 year-olds further increased to 45.1% in 2015, well above the EU average of 38.7%. To improve students' employability, policy levers to develop work-based learning and student entrepreneurship are continuing, with positive initial results (indicator on 1.2 on professional insertion shows positive signs for some universities). However, the evaluation conducted by Demontès (2015) on professional insertion calls for a significant upscaling of the link between education and the world of work. She proposes stronger interministerial monitoring and stronger regional partnerships between the different actors.

The steady increase in the number of students is forecasted to continue during the next decade. In a context of budget constraints this puts the universities' low tuition fees and open access model under pressure as most of the tertiary students enrol in universities. There is also criticism from students, parents and professors on the new mechanisms introduced to regulate the number of students in over-subscribed faculties or specialisations. The main reason is the lack of transparency of the study place allocation system of the regional administrations ("academies") of the higher education ministry. The new 5-year contracts between the state and the COMUEs should help improve the quality of budgeting and governance although universities still lack autonomy in human resource management (Court of Auditors 2015). An on-going public debate on the future of higher education (France stratégie 2016) particularly addresses these issues.

Until recently, higher education was not very well related to the labour market with the exception of the more selective programs and institutions such as the *grandes écoles*, STS and IUT. Today, the university bachelors are becoming a credible alternative as many universities have opened their curricula to the needs of the labour market (La Voix l'Étudiant, 2016). The French Bachelor follows the American model with many internships as was only common practice at business schools before. This shows how competition between actors can improve the whole system.

Since 2016, there is a national strategy for higher education. The government is gradually implementing its various aspects and an annual monitoring will ensure progress. Many reforms are under implementation, but they need time to have an impact after many years of immobility. One of the main areas of progress for the years to come

is linked to innovative teaching methods. It will provide the opportunity to improve teaching methods for formal education at universities, and supply education to lifelong learners.

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## Case study 5: Germany

### Introduction

Germany is a federal state and the competences for higher education are divided between the federal government (*Bund*) and the federal states (*Länder*). The 16 *Länder* in Germany are primarily responsible for the organisation of higher education and the respective legislation. Formally, the federation is only responsible for the fields of admission to higher education institutions and their degrees (*Bundesministerium der Justiz und für Verbraucherschutz* 2014). Nevertheless, the *Bund* has considerable impact on higher education, primarily by funding activities. In 2016 the federal government provided nearly 20% of all public funds for higher education (provisional figure; Statistisches *Bundesamt*, 2016). It runs the student financial support system (BAföG) and several large scale funding programmes for research and teaching. Table 4 provides an overview of basic features of the public higher education system in Germany.

Table 4: Broad outline of the (public) higher education system in Germany

Type / orientation of public institutions <sup>9</sup>	Number of institutions (2014/15)	Degrees offered	Enrolled students (2014/15)	Full-time students (2014/15)
Universities	87	Diploma, Lehramt (teaching qualification), Bachelor, Master, PhD	1,684,404	n.a.
Colleges of Education	6	Diploma, Lehramt (teaching qualification), Bachelor, Master, PhD	24,748	n.a.
Colleges of Art and Music	49	Diploma, Lehramt (teaching qualification), Bachelor, Master, PhD	33,809	n.a.
Universities of Applied Sciences (without colleges of Public Administration)	109	FH-Abschluss (traditional degree), Bachelor, Master	739,766	n.a.

Germany has a binary higher education system with about two thirds of its nearly 2.5 million students at public institutions being enrolled at universities. In 2014, the first time entry rate to tertiary education was 64%, i.e. nearly two thirds of the cohort of 2014 is expected to access tertiary education at one point in their lifetime. To date, 28% of the population aged 25-64 years has a tertiary degree which is somewhat below the EU-22 average of 32% (OECD Education at a glance, 2016).

The information for this case study has been collected via desk research and guided expert interviews among representatives of ministries, higher education institutions, and other stakeholder organisations (see Chapter 1 for details). In order to reflect Germany's federal structure, two *Länder* have been covered as examples, Berlin as a city state and Lower Saxony as a territorial state.

### Relevance of higher education

#### Perspective of different policy actors

A representative of the *Federal Ministry* explained that the *Bund* attaches great importance to the personal development of students. Also for this reason, temporary

<sup>9</sup> In addition, Germany's tertiary sector also includes state-run or state-recognised *Berufsakademien* (professional academies) in some of the *Länder*. The *Fachschulen* and *Fachakademien* (both institutions of continuing vocational education) in Bavaria are also part of the tertiary education sector. However, the institutions mentioned are not considered as part of the higher education system; for this reason they are disregarded for this study.

international mobility of students is being promoted. Sustainable employment and active citizenship are also important dimensions of the relevance of higher education. In addition, higher education is to contribute to regional and economic development. Further dimensions that have been named and which relate to the social dimension of higher education are opening access to higher education, social justice, and the creation of opportunities for social advancement.

For the *Ministry for Science and Culture of Lower Saxony* (MWK), the following aspects are regarded as being dimensions of relevance of higher education: employability, personal development, participation of students in academic self-government, taking responsibility and developing civil society. A particular focus is on the areas of sustainable employment and active citizenship. The importance of sustainable employment for society is emphasised, e.g., by using the number of graduates as an indicator for the performance-based funding system for higher education institutions. The active citizenship dimension has been explicitly included in the Lower Saxony Higher Education Act of 2015, which provides more opportunities for students in academic self-government.

The *Senate Department for Science of Berlin* does not use the term of relevance of higher education in political debates. Instead, it is implicitly assumed that higher education has, for example, the function of personality formation. The focus areas of Berlin's higher education policy that have been mentioned – e.g. opening the higher education system for the professionally qualified, the reconciling of family and profession, and the increase of financial student support [BAföG] – seem to emphasise the social dimension of higher education.

The *Free Association of Student Unions* (fzs) observes an increasing emphasis of higher education policy on the relevance of employability of students. The curricula of higher education institutions and the technical contents of study programmes focus on the employability of students, which corresponds to certain occupational fields. However, this leads to students being given too little opportunity during their studies to explore their interests and abilities and develop their individuality. The increasing importance of the employment dimension should not necessarily be reversed, but students should have more opportunities for individual development. The social dimension of higher education is of great importance to the fzs. In this context, it is called for a free access to higher education.

The *German National Association for Student Affairs* (DSW) states that the focus of higher education policy has changed over the course of time. The Bologna process strongly focusses on the employability of graduates. As a result, there is a stronger connection between the higher education sector and the labour market in Germany. This is also reflected in the re-accreditation of study courses, which is linked to the labour market success of graduates. Another important goal of higher education policy is the expansion of higher education. This expansion is accompanied by easing access to non-traditional students leading to a higher diversification of students. Only recently, more political attention has been paid to the quality of teaching. The DSW sees the social dimension of higher education as particularly important for the relevance of higher education.

For a representative of a *University of Applied Sciences in Berlin* the main purpose of higher education is to enable people to adapt to social requirements and the demands of the working environment during their whole lives. It is of societal relevance that universities plan ahead in this respect and prepare young people for developments in the future. Societal processes of change (e.g. digitisation) must be anticipated by higher education institutions. In addition, people are to be trained at higher education institutions to take over social responsibility. The diversity of students and staff can contribute to shaping people for openness and social responsibility.



A representative of a *University of Applied Sciences in Lower Saxony* assesses the employability of students as an important dimension of the relevance of higher education. A practice-oriented and diverse education of students is regarded as focal point of the institution. Personal development and active citizenship are considered as being part of students' employability.

A representative of a *University in Lower Saxony* states that higher education is relevant for sustainable employment. Furthermore, higher education is to develop students' personality by shaping their minds and enabling them to assess situations from a distance. Both employability and personal development are considered equally important. Higher education institutions are deemed to reproduce a society's social structure and should, therefore, facilitate social advancement.

The *Confederation of German Employers' Associations* (BDA) sees the relevance of higher education particularly in the employability of students. Employability is considered a multi-dimensional concept that includes the professional, methodological, social and individual competencies of students. Other dimensions of the relevance of higher education such as personal development are in this view directly linked to employability. While the dimensions of personal development and active citizenship are being regarded as important, it seems difficult to measure and provide targeted support for these dimensions.

The *Trade Union Education and Science* (GEW) considers employability an important dimension of relevance. In addition to pure specialist knowledge, higher education graduates should also have the ability to think critically and leadership qualifications. However, the latter are hardly supported within the framework of studies, at least not close to business. Personal development and active citizenship are other important dimensions, but they are also being supported too little at higher education institutions.

In sum, all stakeholders recognise all three dimensions of relevance as important and pretty much all stakeholders look at personal development, sustainable employment, and active citizenship as tying into each other and mutually enforcing. At the same time, stakeholders focus on different aspects and voice different concerns. The federal government emphasised personal development. The ministry of Lower Saxony emphasised sustainable employment and active citizenship. The senate of Berlin highlighted the social dimension of higher education. The social dimension has been seen as an important issue in need of improvement by many stakeholders, e.g. the fzs, the DSW, and the GEW. It can be argued that equitable participation boosts the relevance of higher education by benefitting a broader share of the population. In this sense equitable participation fosters relevance only indirectly, however. Several stakeholders perceive employment as having a certain priority over the other relevance dimensions while at the same time observing a recent shift of political attention towards personal development and active citizenship. While no stakeholder questioned sustainable employment being an important goal, the attention it should receive seems controversial. E.g. representatives of the unions (GEW) and the students (fzs) argued that personal development and active citizenship should be fostered more strongly and hinted to a conflict of these goals with labour market relevance that policy levers should try to avoid.

## **Relevance in strategies**

For constitutional reasons, the federal government cannot have an official overarching strategy for higher education, since the *Länder* are primarily responsible for higher education. The federal government is an important player in higher education policies which initiates, runs, and (co-)funds a variety of policy levers, often in close collaboration with the *Länder*. Thus the priorities of the Federal Ministry become visible through federal level policy levers as well as collaborative projects of the federal government and the

*Länder* governments (see section on policy levers) but they are not embedded in one joint official strategy. Considering the main policy levers, the supply of skilled labour, equality of chances (again with a view to the supply of skilled labour), and personal development can be identified as primary goals.

The Ministry for Science and Culture of Lower Saxony (MWK) has issued guide lines for the development of Lower Saxony's higher education institutions (Niedersächsisches Ministerium für Wissenschaft und Kultur, 2014). They describe the relevance of higher education at general level. Accordingly, the higher education institutions are decisive for the sustainable development of Lower Saxony due to educating highly skilled employees and young scientists and fostering international cooperation. Thus investments in education and research are expected to pay off socially as well as economically in the short as well as in the long run. The ministry and the higher education institutions jointly agreed on 12 guide lines, of which four are explicitly related to sustainable employment and a sufficient supply with highly educated employees. Equal participation in higher education is also mentioned but always connected to avoiding skills shortages. No other dimension of the relevance of higher education is explicitly considered in the guide lines.

The Senate Department for Science of Berlin (SenWi) has issued guide lines for Berlin's science policy (Senatskanzlei Wissenschaft und Forschung, 2017). The guidelines attach relevance to higher education institutions in the sense of laying the ground a dynamic economic development, employment, and the innovation capacities of Berlin. The guide lines focus primarily on the research function of higher education institutions. Explicit references to teaching encompass making studying more flexible and allowing for individual learning paths, reducing drop out, improving consultancy and support of students, keeping higher education open especially for vocationally qualified persons as well as for students with non-academic or a migrant background. However, these goals are not explicitly connected to any of the three relevance dimensions, despite assuring the supply with highly qualified employees for an envisaged expansion of Berlin's public sector.

### **Policy levers for higher education**

To the best of our knowledge, the term "relevance" (German: "Relevanz") is not used explicitly in any of the documents considered and the same is true for terms more common in the German language. Several policy levers explicitly refer to dimensions of relevance used in the HEREL project, e.g. the employment of graduates, a highly educated workforce or personal development. Sometimes, however, the connection between policy levers and relevance remains implicit and could only be deduced from the goals of the different policy levers.

Experts mentioned several policy levers that in their view had or have an impact on the relevance of higher education. The set of measures seen as important was considerably consistent across interviewees. Regulations are measures less often used, especially by the federal government as the main legislative powers for higher education lie with the *Länder*. Instead, the *Bund* focusses on funding instruments.

### **Regulations**

On federal level, the most important regulation with respect to this study is the **Framework Act for Higher Education** (Hochschulrahmengesetz implemented in 1976, last amended in 2007, *Bundesministerium für Bildung und Forschung*, 2007a). The legal text does not explicitly refer to the relevance of higher education. However, according to article 7 teaching and study is supposed to prepare students for professional careers by providing necessary knowledge, skills, and methods for each course of study. In this

way, students are to be enabled to scientific and artistic work as well as to responsible behaviour in a free, democratic, and social constitutional state.

In 2009 the Standing Conference of the Ministers of Education and Cultural Affairs of the *Länder* in the Federal Republic of Germany has **opened access to higher education for persons with vocational qualifications**, e.g. the qualification of master craftsman goes together with a general higher education entrance qualification. Other vocational qualifications go together with an entrance qualification to professional higher education (Kultusministerkonferenz, 2009). This measure is meant to respond to skills shortage.

**The Higher Education Acts of Berlin and Lower Saxony** depict the purposes of the different types of higher education institutions (Berliner Senat, 2011; Niedersächsisches Ministerium für Wissenschaft und Kultur, 2015).

The universities are responsible for developing the sciences through research, teaching, and further training. Colleges of education provide teacher training, colleges of art and music are caring for music, performing arts and fine arts. Universities of applied sciences are to provide education with a professional focus. Similar to the Framework Act for Higher Education of the federation, the provisions of the Higher Education Acts of Berlin and Lower Saxony refer to the task of higher education institutions to prepare students for professional careers including self-employment and responsible behaviour in a free, democratic, and social constitutional state. Terms such as sustainable employment, personal development and active citizenship are not explicitly mentioned in the documents; however, the defined tasks of higher education institutions are clearly related to the sustainable employment and active citizenship dimensions.

In Lower Saxony, the coalition of Social Democrats and the Green Party issued a new law on higher education in 2015. A major goal of this law is to strengthen the participatory culture within higher education institutions. The rights of students and student organisations to participate in the steering of higher education institutions have been increased in a variety of ways, e.g. for decisions on the use of the institutions' budget. By increasing the involvement of students in academic self-administration they should be given greater opportunity for participation, active citizenship and personal development. In a speech, the ministry explicitly connects these measures to the active role students as well as institutions are playing for civil society and thus to active citizenship (Heinen-Kljajić, 2015).

The government of Berlin (*Länder* level) refers in Article 5a of its Higher Education Act to the objective of providing equal chances for the sexes (Berliner Senat, 2011). This has become also one of its main policy areas. Another focus is placed on further aspects of the social dimension of higher education. The coalition agreement of the Berlin government stipulates that success in education should be uncoupled of people's social backgrounds (Landesregierung Berlin, 2016).

## Funding

**The Higher Education Pact 2020** has been mentioned by nearly all interviewees. It is a joint initiative of the federal government and the *Länder* governments. The federal government funds slightly more than 50% of the budget of the Higher Education Pact 2020. The programme provides considerable resources for the higher education system in the years 2007-2023 with the aim of creating nearly 1.5 million additional study places. It responds to a large and growing demand for higher education, increasingly straining capacities of higher education institutions. The public notice on the first stage of the Higher Education Pact 2020 mentions among its goals to keep higher education open also with regard to the innovation capacities of Germany and the demand for highly skilled personnel of the labour market (*Bundesministerium für Bildung und Forschung*, 2007b). The Higher Education Pact is thus mainly directed towards the relevance dimension of sustainable employment and securing a highly educated workforce. The

openness of the higher education system is another important aspect and related to the social dimension of higher education. Both aspects were further strengthened by the third agreement on the Higher Education Pact which obliges the *Länder* to make higher education more accessible for persons with a vocational qualification and invest 10% of the budget in reducing drop-out (*Bundesministerium für Bildung und Forschung*, 2014).

The representative of the Federal Ministry of Higher Education and Research voiced identical motives for the Higher Education Pact: permeability of higher education and securing a highly educated workforce. It was highlighted that higher education graduates in Germany have lower unemployment rates than groups with less education since long. This could be seen as a sign of sustained demand of the labour market for higher education graduates.

If mentioned, similar goals of the Higher Education Pact were put forward by other interviewees: a large funding initiative aiming to build capacities within the higher education system to enable it to match the strongly increased demand for study places.

The **Quality Pact for Teaching in Higher Education** is another joint initiative of *Bund* and *Länder*. It is of smaller dimension than the Higher Education Pact but still brings in a considerable budget of 2 billion Euros. It funds initiatives and programmes of higher education institutions to improve the quality of teaching. Its first phase lasted from 2011-2016 and funded projects in 186 institutions. The second phase lasts until 2020 and funds projects in 156 institutions. A number of projects from the first phase successfully applied for continued funding. Without increasing the capacities of the higher education system, the funds of the Quality Pact for Teaching in Higher Education focus on enhancing advice and service capacities of institutions, study conditions, quality of teaching, degrees and retention (*Bundesministerium für Bildung und Forschung* 2010). While the official administrative agreement for the programme does not explicitly refer to any of the relevance dimensions, more recent programme documents do so (BMBF 2017). Accordingly, the programme should help institutions to support an increasingly diverse student body in studying successfully, developing their talents, and building competences, including transversal and social skills. Thus it is related to the relevance dimensions of personal development, sustainable employment as well as the political goal of equitable participation in higher education.

These goals have also been mentioned by the representative of the Federal Ministry. A further remark was that the federal government generally seeks to better incentivize excellent teaching. The quality of teaching is seen as being closely related to meeting the demands of the labour market for highly skilled labour. The representative of the DSW voiced similar expectations towards the programme and saw it as a means to foster the personal development of students.

**The student financial support system BAföG is continuously reformed.** With the beginning of the winter semester 2016/17, amounts for public student support have increased by 7% and various tax exemptions for students, students' parents/partners have increased as well. Furthermore, the BAföG system is fully funded by the federal government since 2015. In the bill for the 25th amendment of the BAföG it is described as the central policy measure for assuring equality of chances (*Deutscher Bundestag*, 2014). Thus, it is explicitly linked to the social dimension as one dimension of the relevance of higher education. Another goal mentioned in the bill is to assure a highly skilled workforce. These aims are identical to those voiced by experts, e.g. the representatives of the Federal Ministry, the DSW and the BDA.

The representative of the Federal Ministry mentioned internationalisation as one important focus of its policies. **Internationalisation and international mobility** has also been highlighted by the representative of the DSW as an important field of political activity. Among the measures of the federal government are the provision of funds to the German Academic Exchange Service (DAAD) and supporting exchange programmes,

agreements with the *Länder* on developing strategies for internationalisation, participation in the Bologna process as well as providing information and scientific studies, such as the report "Wissenschaft weltoffen" ("science cosmopolitan"). These measures have been taken for a variety of reasons. In the view of the federal government, international mobility is beneficial for personal development, fosters intercultural competencies necessary in a globalised world and economy, and might boost tolerance and reduce prejudices. Thus, international mobility can be related to all three dimensions of the relevance of higher education. The DAAD explicitly refers to fostering responsible behaviour as one goal, and thus connects international mobility to personal development.

**Performance-oriented allocation of funds in Lower Saxony** is used to foster the teaching quality, research activities, internationalisation and gender equality. For the latter, new appointments of female professors, female scientific personnel and female graduates are considered in the allocation of funds. 10% of the overall funding is allocated based on the performance of institutions. An explicit reference to relevance dimensions is not made, however.

The MWK set up a **programme for the development of universities of applied sciences** in Lower Saxony (Fachhochschulentwicklungsprogramm; FEP). This programme provides sustainable funds subsequent to temporary funds of the Higher Education Pact also in order to reduce the problems caused by temporary funds and labour contracts. Study programmes were supported if they matched the demands of the regional labour market or if they were specifically innovative. This measure is clearly related to the relevance dimension of sustainable employment. Moreover, the Ministry sees universities of applied sciences as a means to open higher education to non-traditional students. In this sense, the representative of the Ministry saw the FEP as related to the social dimension as well.

Budgets of Berlin's higher education institutions are primarily allocated based on output measures such as the number of students studying in foreseen time and the number of graduates. The SenWi uses **performance-oriented funding in Berlin** also for fostering equality of chances and openness of higher education, e.g. by considering the number of students who have accessed the institutions with vocational qualifications, or female doctorates in subjects with lower proportions of female doctorates. An explicit reference to relevance dimensions is not made, however.

## Organisation

**The National Pact for Women in STEM professions** (Komm mach MINT) is an initiative of the Federal Ministry supporting a variety of projects to foster female participation in STEM subjects and careers in STEM professions, e.g. developing new study programmes and formats, providing information, summer schools, collaborations of institutions and employers etc. The programme has the explicit goal of avoiding a skills shortage in STEM fields (BMBF, 2008)

The programme **Advancement by education: Open University** is a joint initiative of the federal government and the *Länder*. It fosters concepts and measures of institutions to ease studying for persons without a higher-education entrance qualification of upper-secondary schools. Examples are studies that allowing flexibly employment with studying, dual studies (i.e. combinations of vocational and higher education), study programmes focussing for further education and lifelong learning. The goal of the programme is securing the supply with highly-skilled labour as well as contributing to social upward mobility.

Since the 1990s **career centres** are increasingly widespread at institutions, a development which has been demanded for by, amongst others, the Standing Conference of the Ministers of Education and Cultural Affairs of the *Länder* in the Federal Republic of

Germany and the German Rectors' Conference (HRK). Career centres serve sustainable employment as a dimension of relevance.

**Dual study programmes** in Berlin combine vocational education or (part-time) employment with studying. Dual study programmes have first been introduced in Baden-Württemberg and are increasingly offered in other *Länder* as well. In its higher education contracts, Berlin requires higher education institutions to develop dual study programmes. This initiative is connected to a sufficient supply with highly-skilled labour.

### Information

The Federal Ministry supports several **research studies** on higher education providing information that is related to the relevance of higher education. The Graduate Panel Study of the German Centre for Higher Education Research and Science Studies provides national level data on the labour market trajectories of higher education graduates for up to 10 years after graduation. Reports and statistics are used by ministries and other stakeholder organisations and are publicly available. The Student Survey of the AG Hochschulforschung covers, amongst other topics, political attitudes and political behaviour of students and thus sheds light on the dimension of active citizenship. The KOAB graduate is a joint project of German higher education institutions monitoring labour market transition of graduates. It fosters quality development, last not least, with a view to employment prospects of graduates.

In its higher education contracts, Berlin requires higher education institutions to develop methods for **Consultancy and information for holders of a higher education entrance qualification** and advising prospective students on labour market demands. Specific attention should be paid to STEM fields. This initiative is connected to a sufficient supply with highly-skilled labour.

### Summary of policy levers

Reconsidering the policy levers, the relevance dimensions of sustainable employment, in the sense of an adequate supply with highly skilled labour, as well as the equality of chances seem to be top priorities of political activities. Both issues are clearly reflected in many of the policy levers which often aim at serving both goals at the same time. This is in accordance with the goals set by the Higher Education Framework Act or by the coalition agreement of the current federal government (CDU et al., 2013). Personal development is addressed by less policy measures. E.g. the Quality Pact for Teaching in Higher Education and measures fostering international mobility aim at fostering personal development. This seems to somewhat contradict the focus of higher education identified by the representative of the Federal Ministry who highlighted the meaning of personal development. One reason could be that personal development is less tangible and more difficult to measure than the employment of graduates or the equitable representation of all social groups in higher education.

Another reason could be that it is less clear how to foster personal development with concrete policy measures. Finally, it may be due to the fact that several interviewees expressed the opinion that personal development is virtually an integral part of higher education.

In Lower Saxony, higher education policy papers specifically emphasised stronger student participation as a goal related to the relevance dimension of fostering democratic values, active citizenship and personal development. This focus is to some extent reflected in the policy levers used by the government of Lower Saxony. Sustainable employment and equal chances are covered by policy levers as well.

Higher education policy papers of Berlin featured gender equality and permeability of the higher education system as specific goals. These goals are reflected in the policy levers

taken. Further measures are related to sustainable employment. Personal development is less clearly covered by policy measures.

### **Indicators of relevance**

The stakeholders of higher education in Germany expressed somewhat different needs for statistical indicators. These differences may e.g. reflect the organisational level (*Bund* vs. *Länder* vs. individual higher education institution), different challenges (problem-situation in Berlin may be different from Lower Saxony), or different political attitudes.

#### **Federal Ministry of Education and Research (Federal Ministry)**

The Federal Ministry of Education and Research assesses the following indicators as being of particular importance for evaluating the relevance of higher education:

- Adequate employment of higher education graduates
- Higher education graduates' assessments of studies
- Satisfaction of employers with higher education graduates

For the first two indicators, graduate surveys are being carried out on behalf of the ministry. The latter indicator is regarded as being expressed in a certain way by the recruitment of graduates. The needs and satisfaction of employers could be gathered by employer surveys; to be useful, such surveys should strive for picturing employer's views in a differentiated way. Overall, the Federal Ministry perceives no major information gaps. However, certain interesting facts are difficult to grasp, e.g., the measurement of the quality of teaching or the identification of explanatory factors for the labour market success of graduates (high quality of teaching vs. favourable labour market conditions). Indicators are regarded as being necessarily limited in their meaningfulness, for this reason it is necessary to take a look at different indicators.

#### **Ministry for Science and Culture of Lower Saxony (MWK)**

For the Ministry for Science and Culture of Lower Saxony statistical indicators for the following areas are of particular interest:

- mobility (incoming and outgoing students)
- individual and social returns to education
- regional economic effects of universities

Corresponding data are mainly taken from the Lower Saxony higher education indicator system, which has a pleasing quality and validity. In the areas of individual and social returns to education, personal development and active citizenship the number of available indicators is not satisfactory yet. Data on individual educational returns could be used as incentive for taking up studies for persons from non-academic backgrounds. There is a need for additional data on regional and international student mobility as well as the transition from Bachelor's to Master's level.

Further data sources for evaluating the relevance of higher education are evaluations and evaluations of funding programmes.

#### **Senate Department for Science of Berlin (SenWi)**

The Senate Department for Science of Berlin primarily uses the performance reports of the Berlin higher education institutions. The institutions are obliged to draw up annual reports on the fulfilment of target agreements. These reports are based on extensive data and key figures collected by institutions' administrations. The reports cover e.g. the higher education institutions' financial situation and staffing, student and graduate numbers, research and artistic development and equality status. The DFG support almanach is used for comparing third-party funding between the *Länder*. Further information is procured on a case-by-case basis depending on the topic in question.

Generally, the data provided by institutions, official statistics and research institutions are deemed being of good quality.

### **University of Applied Sciences in Berlin**

In the past, the institution had problems with centrally conducted graduate surveys due to a too extensive questionnaire, which led to low return rates. Therefore, the institution implemented a survey instrument on its own. Graduates are interviewed directly after the final examination and again 1.5 to 2 years after graduation. A further survey after 5 years would be desirable.

### **University of Applied Sciences in Lower Saxony**

The institution reverts to external studies as well as its own graduate survey. The latter takes place in two waves, the first being carried out directly after graduation and the second three semesters later. The return rate of the survey is still too low to gain valid information.

### **Free Association of Student Unions (fzs)**

The fzs sees a large number of good indicators available on sustainable employment of higher education graduates. The personal development of students/graduates is regarded as a topic that is difficult to define and to comprehend statistically. There are quite a few indicators available on active citizenship of students/academics, but not enough.

### **Confederation of German Employers' Associations (BDA)**

Statistical indicators that are important to BDA's activities are in particular on

- the transition of graduates to the labour market,
- the transition of graduates to employment,
- the professional development of academics,
- studies on higher education drop-outs.

Overall, the existing range of data on the relevance of higher education is assessed as satisfactory. There are neither major data gaps, nor is there an oversupply of data.

### **German National Association for Student Affairs (DSW)**

The German Social Survey and the EUROSTUDENT reports are mentioned as important sources. It is stated that in general, there are many useful indicators and studies, however, differences in results and conclusions are also a problem. For this reason it is called for more Meta studies. Further desiderata:

- more international comparative research
- graduate studies on what should be changed in the course of studies
- studies exploring how graduates cope with the new degrees (BA, MA) in employment relationships
- additional studies on higher education drop-outs

### **Trade Union Education and Science (GEW)**

The GEW is utilising official higher education statistics and labour market statistics for instance, on the development of student numbers and the transition to employment. However, there are not enough data on comprehensive occupational biographies that would have to be recorded quite some time after graduation. Of great interest to the GEW are also data on the social composition of the student body and obstacles for taking up studies. With respect to the dimensions of relevance of higher education, active citizenship of students/graduates has not been explored very well so far.



## Reflection on linkages between relevance, policy levers, typology and indicators

Strategical documents have revealed ensuring the supply of highly-skilled labour as a primary goal of higher education policies. This focus is reflected in several policy levers, mostly funding measures but also regulations, organisational, and information measures. The question of equal participation of social groups is very high on policy agendas as well. Supporting students from less affluent families, female participation in STEM fields, and opening higher education for persons with vocational qualifications are important fields of activity. Thus German higher education policies often link the question of skills supply with widening participation and more inclusive higher education. Decision makers use information systems for monitoring outputs of higher education institutions and performance-oriented funding. The supply with highly-skilled labour by institutions or the participation of certain social groups is tangible in these information systems.

The dimensions of active citizenship and personal development are mentioned in overall regulations and seen as important by decision makers and stakeholders alike. However, these aspects are less clearly addressed by policy levers. Examples of such policy levers are international exchange programmes and strengthening student rights in the co-management of institutions in Lower Saxony. Similarly, interviewees voiced doubts regarding the possibility of reliably measuring aspects of active citizenship and personal development.

### *Involvement of stakeholders*

The involvement of stakeholders varies across measures. For any legislative procedure a hearing procedure is prescribed in which the relevant stakeholders are invited to present their views on the bill. This is e.g. the case for changes to the BAföG that take the form of a law. The joint initiatives of *Bund* and *Länder* build on cooperative agreements between the governments at federal and *Länder* level. For such agreements no hearing procedure is prescribed, but the governments talk to stakeholder organisations in preparation of initiatives to consider their view.

The representatives of both, the BDA and the DSW would have been wished for a stronger involvement in the set-up of support programmes such as the Quality Pact for Teaching in Higher Education and the Higher Education Pact.

The representative of the Free Association of Student Unions (fzs) criticised that there is a lack of regulations for involving students in the decision making process. In legislative procedures student unions are mostly considered, for decrees this varies from case to case.

According to the Federal Ministry the strategy on internationalisation is discussed and agreed on with the German Rectors' Conference (HRK) and the DAAD. For the Bologna process nearly all experts described a strong degree of involvement. Stakeholder organisations participate in a working group on the continuation of the Bologna process. Even though some decisions are made only by the ministries, all groups are being heard before. Stakeholder organisations mentioned that they are involved at the European level by their respective umbrella organisations.

Higher education institutions are generally involved in legislative procedures of the *Länder* governments by their participation in the higher education institutions' conference at *Länder* level. Furthermore, higher education institutions directly talk to *Länder* governments about contracts sealed between the two parties.

## Concluding remarks

Higher education laws and policy papers in Germany address all dimensions of relevance of higher education to some extent: personal development, sustainable employment and related economic goals, active citizenship as well as the social dimension. In these

general level papers, no specific focus on one or more relevance dimensions was obvious. However, looking at the number and volume of concrete policy levers suggests that such foci exist. Most of the major policy levers are at the same time devoted to the equality of chances *and* the sustainable employment dimension (more specifically: assuring a sufficient supply of highly skilled labour). Considering legislative and programme documents both seem to receive a similarly high priority and are rather seen as complementary goals than competing goals. Views of interviewees were more heterogeneous in this sense. While the representatives of the DSW, the students, and the unions very much saw the need for more action on equity, this was less the case for the representative of the employers.

In comparison, personal development was addressed by a smaller number of policy measures and apparently receives less political attention than sustainable employment and equitable participation. The Quality Pact for Teaching in Higher Education is an example of a programme aiming at, amongst others, the personal development of students. In the view of the federal government, personal development is a key goal and thus it is somewhat surprising that it is not addressed by more policy measures and does not feature more prominently among programme goals. Some interviewees saw personal development as a dimension less easy to measure and to foster.

Active citizenship, finally, is not explicitly addressed by most policy levers. The revision of the higher education law of Lower Saxony is an example of a policy measure for improving active citizenship.

Funding and regulations are the instruments most often used in German higher education policies. The *Länder* have the primary competencies for (higher) education. The options of the federal government to steer higher education by legislations are limited. Thus its primary instrument is funding. The division of competencies allows cooperative support programmes of the federal government and the *Länder* governments and this option is used for initiating major programmes such as the Higher Education Pact 2020. In the view of the representative of the Federal Ministry, funding works quite well as a policy lever. Funds offer support, which is more attractive than prohibitions. In the representative's view, the policy levers of the federal government are therefore often well received. Regulations are more often chosen by *Länder* governments.

The two *Länder* covered in this case study, Berlin and Lower Saxony, have a similar approach of steering their higher education systems. Higher education institutions have a relatively high degree of autonomy. The funding is based on demand and output indicators, such as students graduating within the standard period of study ("Regelstudienzeit") or numbers of graduates. Both *Länder* use performance-based funding to foster specific policy goals, such as gender equality or permeability of higher education. Institutions are to provide statistical information showing their performance. Such information systems are seen as indispensable for the steering of autonomous higher education institutions.

As a further prerequisite of success representatives of both *Länder* highlighted a cooperative spirit between ministries and higher education institutions. The performance goals to be achieved by institutions need to be realistic and need to consider the profile and initial position of each respective institution. Thus the benchmarks to be met by institutions are not simply set by ministries, but rather negotiated between the government and the institutions. In the view of both ministries, this way of steering higher education works quite well.

By and large, this view was corroborated by the representative of a university of applied sciences in Berlin. However, the number of quantitative indicators to be met was criticised as a "corset" with too many constraints. The sense of some indicators is not always understandable. In fact, this criticism was shared by the representative of the

SenWi. It was acknowledged that the set of indicators and regulations has become overly detailed and should be cut back.

Thus, also for the *Länder* funding is a primary policy instrument to increase the relevance of higher education for autonomous institutions. For putting it to work, it requires a complementary information system. Thus institutions are free to decide how they use their money, but they need to make transparent to what degree they reached goals and benchmarks agreed upon beforehand.

Still, legislation can be used to push the relevance of higher education. As mentioned, Lower Saxony used the higher education law to foster one of its key goals of strengthening the participatory culture of higher education with a view to active citizenship.

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## Case study 6: Ireland

### Introduction

The Republic of Ireland has a binary higher education system (see Table 5), which includes universities and Institutes of Technology (IOTs). In addition, a small private higher education sector operates mainly in the same space as the IOTs. There are seven public universities which received updated statutory underpinning in 1997 through the 'Universities Act' and are funded through the Higher Education Authority (HEA). The HEA was established in 1971 by an act of parliament.

Table 5: Broad outline of the (public) higher education system in Ireland

Type / orientation of public institutions	Number of institutions	Degrees offered	Enrolled students (2014/15)	Full-time students (2014/15)
Universities	7	bachelor, master, PhD	113,703	95,120
Institutes of technology	14	certificates, bachelor, master, PhD	91,013	68,440
Colleges of education	7	bachelor, master, PhD	12,804	9,780

The first IOTs were established by the Department of Education as regional technical colleges (RTCs) in 1970. RTCs were the only regionally planned higher education institutions (HEIs) in the country and were intended to provide technician and technologist training to underpin the quality of Irish goods and exports following accession to the European Economic Community (File et al., 2013, ch.5.4). RTCs provided primarily sub-degree level awards through the National Council for Educational Awards. Today there are 14 IOTs in the country, including the Dublin Institute of Technology (DIT), which is regulated through a specific legislation – the 'Dublin Institute of Technology Act 1992'.

Irish higher education was historically regulated by three sets of legislation, namely the 1992 'Regional Technical Colleges Act', the 1992 'Dublin Institute of Technology Act', and the 1997 'Universities Act'. In 2006, the Institutes of Technology Act removed all Institutes of Technology (including DIT) from direct control and funding of the Department of Education and Skills and designated, alongside the universities, under the Higher Education Authority.

According to legislation universities must, *inter alia*, (a) promote the cultural and social life of society, (b) contribute to national socio-economic development; (c) educate, train and retrain higher level professional, technical and managerial personnel, (d) facilitate lifelong learning through the provision of adult and continuing education; and (e) promote gender balance and equality of opportunity among students and employees of the university. IOTs' mission focuses primarily on ensuring regional development through vocational and technical education and training. In the past decade, universities appear to have increasingly moved into the vocational space into what one might call a 'vocational drift'. Arguably, the drift in this direction – particularly as a result of the financial meltdown – appears greater than the IOTs' academic drift<sup>10</sup>. Table 6 provides more insights into the functions of the two type of institutions are determined by legislation.

<sup>10</sup> See e.g. the programme listing for each institution on the Central Applications Office website (<http://www.CAO.ie>)

**Table 6: Difference in function of the sectors, as determined by legislation (Source, File et al., 2013, reproduction of Table in ch.5.4, p. 95)**

<b>Main Functions of Institutes of Technology</b>	<b>Main Functions of Universities</b>
The principal function of a college shall be to provide vocational and technical education and training for the economic, technological, scientific, commercial, industrial, social and cultural development of the State with particular reference to the region served by the college	The functions of a university are to do all things necessary or expedient in accordance with this Act and its charter, if any, to further the objects and development of the university.
ensure as far as it can that the college contributes to the promotion of the economic, cultural and social development of the State and to respect for the diversity of values, beliefs and traditions in Irish society	to advance knowledge through teaching, scholarly research and scientific investigation
have regard to the statutory responsibilities of other education providers	to promote learning in its student body and in society generally
to provide such courses of study as the governing body of the college considers appropriate	to promote the cultural and social life of society, while fostering and respecting the diversity of the university's traditions
to enter into arrangements with any authority approved by the Minister from time to time for the purpose of having degrees, diplomas, certificates or other educational awards conferred, granted or given	to foster a capacity for independent critical thinking amongst its students
to enter into arrangements with other institutions in or outside the State for the purpose of offering joint courses of study and of engaging jointly in programmes of research, consultancy and development work	to support and contribute to the realisation of national economic and social development  to educate, train and retrain higher level professional, technical and managerial personnel
to enter into arrangements, including participation in limited liability companies, to exploit any research, consultancy or development work undertaken by a college either separately or jointly	to promote the highest standards in, and quality of, teaching and research to disseminate the outcomes of its research in the general community
to engage in research, consultancy and development work and to provide such services in relation to these matters as the governing body of the college considers appropriate	to facilitate lifelong learning through the provision of adult and continuing education

In 1999, the National Qualifications Authority of Ireland (NQAI) was established under the Qualifications Education and Training Act, initiating the development of a National Framework of Qualifications (NFQ). The NFQ defines 10 levels based on standards of knowledge, skills and competences. Entry to both sectors is through the Central Admissions Office with the same minimum entry requirements being required for awards at the same level, irrespective of sector (File et al., 2013, ch.5.4).

Quality assurance falls under the remit of Quality and Qualifications Ireland (QQI). Until 2012, the university sector, the IOT sector, and DIT fell each under separate agencies but in 2012 the Qualifications and Quality Assurance (Education and Training) Act established a single body.

Some understanding of the relative difference in provision in Ireland can be determined from the graduate output profiles provided below (Table 7).

Table 7: Higher education provision in Ireland (Reproduction of File el al., 2013, ch.5.4, p. 96, data from 2012)

ISCED Field of Learning <sup>1</sup>	% Graduates (Undergraduate awards)		% Graduates (Postgraduate awards)	
	Universities	Institutes of Technology	Universities	Institutes of Technology
General Programmes	99.5	0.5	81	19
Education	41	4	70	6
Humanities and Arts	65	24	79	13
Social Science, Business and Law	47	53	83	17
Science, Mathematics and Computing	50	50	83	17
Engineering, Manufacturing and Construction	24	76	80	20
Agriculture and Veterinary	41	59	100	0
Health and Welfare	50	41	77	4
Services	29	71	65	35
Combined	0	0	100	0

## Relevance of higher education

### Perspective of different policy actors

This section refers to the extent to which policymakers, higher education institutions, and other stakeholders see relevance as the 'same thing'. A successful higher education system, that is 'relevant' depends on several factors, but particularly on whether there is a degree of alignment between the rhetoric (i.e. the discourse, what policy makers say) and the implementation (how HEIs interpret policy and implement it), and how society at large considers whether they are getting a relevant service.

Overall, the interviews with stakeholders, supported by strategical documents, institutional plans and activities, indicate that there is a common understanding about what relevance: all three dimensions are recognised. However, the interviewees made two observations. First, it was noticed that the focus on dimensions changed over time, particularly because of Ireland's recent economic predicament. For the government sustainable employment became even more important. Second, indicated was that relevance can go beyond the three dimensions. An important element of relevance is, for example, knowledge creation. One interviewee indicated that this aspect is absolutely crucial in understanding relevance of higher education. However, one could argue that this falls more in the realm of research, which is beyond the remit of the current study.

Despite the recent stronger focus on sustainable employment, the other two connotations of 'relevance' remain important in Ireland for a variety of reasons. First, culturally, Ireland has a tradition of high student participation (>70%)<sup>11</sup>. Interviewees indicated that participating in higher education is seen "as a right", and consequently connect access to higher education to personal development. Moreover, equal access to higher education is regulated in the acts governing higher education institutions. In their National Access Plan for Equity of Access to Higher Education 2008-2013, the Higher Education Authority places the equity of access agenda in the context of the human right to personal development (Higher Education Authority, 2014a). HEA sees it as its role and strategic objective to ensure that higher education contributes to students' personal

<sup>11</sup> See: <http://data.uis.unesco.org/?queryid=142> (accessed 22-05-2017)

development (and to social, economic and cultural development) (Higher Education Authority, 2012).

Second, this project identifies 'active citizenship' as a relevant dimension of higher education relevance. Active citizenship can be defined in two ways. On the one hand, it is seen as development of intercultural skills, cultural literacy and instilling the values of tolerance, multiculturalism and diversity as well as a sense of global citizenship. Development of political literacy, increasing the interest and motivation for political participation (voting, political party or NGO activism), providing opportunities for volunteering and service learning can be connected to these notions. At the same time, active citizenship includes attributes of equal opportunities in terms of access, progress and completion. From these perspectives, it is hard not to find some element of active citizenship in any higher education system. However, to make sense of the issue of relevance in a country such as Ireland, hit by a significant economic downturn, where higher education is often seen as the main resource in the face of relatively scarce natural resources, and where families see higher education as a way for personal development, 'active citizenship' is generally deemed of minor importance (*vis-à-vis* the other elements of relevance). Moreover, there are contrasting views regarding what actors in the system understand as 'active citizenship' (and even 'personal development'). Some interviewees indicated that it are particularly the higher education institutions that try to 'sell' this dimensions of relevance. Others, indicated that active citizenship is inextricably linked with (or even dependent on) the other dimensions of relevance that are more government inspired – particularly sustainable employment ('it is easier to be an active citizen if one is employed').

While in general one can argue that there is an alignment between rhetoric and implementation (i.e. stakeholder have generally a common understanding about what relevance is), there is nonetheless a lack of coordination when it comes to how to implement relevant higher education (i.e. what dimension to prioritise and how?). Higher education institutions, policymakers, and employers are all committed to make higher education relevant, but their individual priorities are not necessarily aligned in a common strategy – despite a sincere and strong consultative approach. As one interviewee put it, a key value of consultation is to reach an agency of mutually incompatible viewpoints.

In the Irish context, it is worth emphasising that the issue of relevance came to the forth in research. All respondents (and indeed national policies) emphasised research as the inception of discourses surrounding relevance. The dialogue on relevance started off from the university sector, i.e. to produce relevant research for the economy. Hence, one may argue that relevance in Irish higher education is strongly focused on sustainable employment, but that this started off from the research side.

### **Relevance in strategies**

Relevance of higher education can be connected to several strategies and background document outlined for the Irish higher education system. Before focusing on the National Strategy 2030, these documents are briefly discussed below:

- **National Strategy 2030 (Department of Education and Skills, 2011):** The National Strategy for higher education was to provide a more integrated higher education landscape and to improve the IOTs (it includes the technological universities issues, see section on organisational policy levers).
- **International Education Strategy for Ireland 2016-2020 (Department of Education and Skills, 2016b):** This document focuses on internationalisation of education can be described as a comprehensive approach to education that prepares students, academics and staff to be active and engaged participants in an interconnected global world. From this perspective this document looks at



active citizenships from a global perspective and links it strongly to (global) employability.

- **Action Plan for Education 2016-2019 (Department of Education and Skills, 2016a):** This document's vision is to make the Irish Education and Training System 'the best in Europe over the next decade'. From a relevance perspective the Action Plan focuses on access (personal development aspect, particularly for groups at risk of exclusion), life-long employability, and focusing specific fields of study most important for the world of work.
- **Quality in an Era of Diminishing Resources report (QQI, 2016):** This report analyses the comments in relation to any perceived reduction in quality of teaching and learning in the internal quality review reports published by Irish public higher education institutions during the period 2008-15, coinciding with the period of reduced funding available to the institutions.
- **Enhancing Student Engagement in Decision Making (Higher Education Authority, 2016):** This report is written by a Working Group established by the Higher Education Authority in 2014. The report suggests ten principles which it suggests should underpin the development of a policy for student engagement – connected to active citizenship – in all HEIs in the country.
- **Towards a Performance Evaluation Framework (Higher Education Authority, 2013):** A report that sets out an initial performance evaluation framework for Irish higher education in the context of the implementation of the 'National Strategy for Higher Education 2030'. This report emphasises fostering the coherence, and maximising the performance, of the higher education system—as a system, and to develop a more comprehensive approach to performance evaluation. To this end, the report presents institutional profiles which encompass the increasing range of roles and responsibilities which higher education as a whole must fulfil, and provide an initial basis for evaluating institutional performance against performance indicators that are reflective of the mission diversity of Irish higher education institutions.
- **Towards a Future HE landscape:** This document stems from the Strategy to 2030 and aims to assist institutions to set out a medium term (approximately 5 years) strategy that builds on institutional strengths and contributes to national needs.

In 2011, the Department of Education and Skills published the 'National Strategy for Higher Education to 2030'. The strategy sets much of the agenda and the suite of policies that belie the entire discourse on, for example, skills development, research and innovation, access, and internationalisation. More specifically, the strategy aimed to facilitate, considering research as an important area to improve the quality of graduates, the higher education institutions' teaching using two funding approaches: the higher education foundation and targeted investments. The former focuses on "high quality undergraduate teaching and student engagement, reflecting the active research and scholarship of academic staff across the full spectrum of humanities, social sciences and STEM disciplines" (Higher Education Authority, 2015a, p. 35); the latter "prioritised an approach to research, especially in science and technology areas focusing on work that aims to have an impact on business and employment and is increasingly concentrated in research centres" (ibid. p. 35). Consequently, there is a strong focus on sustainable employment.

The Higher Education Authority (HEA) is a key actor in making higher education contribute to students' sustainable employment. This shows, for example, in their Strategic Plan 2012-2016 (Higher Education Authority, 2012, p.18), which states that the HEA "actively engages in labour market analysis and will provide guidance to the sector

in anticipating and responding to skills needs in the economy. This will relate both to areas of skills shortages (current and forecast) and to the relevance of programmes to the needs of the economy. Proactive labour market scanning, active engagement with employer views and surveys and responding to student surveys are essential elements of HEA responsibility.”

Although not receiving an equally dedicated focus as sustainable employment, the ‘National Strategy for Higher Education to 2030’ also mentions that the “undergraduate curriculum needs to place more emphasis on generic skills, especially those required for the workplace and for active citizenship” (Department of Education and Skills, 2011, pp. 56-57). What exactly these generic skills related to active citizenship are, is not explicitly mentioned.

Overall, we can conclude that the National Strategy 2030 – in combination with the supporting strategies and background document – reflects the sustainable employment priority clearly, but that it also has elements in it that can be connected to active citizenship.

### **Policy levers for higher education**

Focusing on the developments from 2010 onwards, several policy instruments were implemented that can be connected to the relevance of Irish higher education. In this section, the policy levers are categorised in relation to the type of policy instrument they predominantly rely on – regulation, funding, organisation or information. The policy levers included in this section have an explicit focus on relevance in their expectations, or were mentioned as such in the interviews with the policy actors.

#### **Regulation**

In addition to the regulations determining the functions of universities and Institutes of Technology, policy levers in the area of regulation relate to quality assurance and reducing redundancies in study programmes.

In 2012, Quality and Qualifications Ireland (QQI) was established. This agency amalgamated the functions previously carried out by the Further Education and Training Awards Council (FETAC), the Higher Education and Training Awards Council (HETAC), the Irish Universities Quality Board (IUQB) and the National Qualifications Authority of Ireland (NQAI). QQI is both an awarding and standards body and from their perspective relevance means ensuring the meaningfulness and portability of the credential. In other words, QQI makes sure that credentials means something (relevant) for the Labour market.

The study programme validation process performed by QQI requires institutions to seek regular feedback from employers, graduates, labour market representatives and other relevant organisations or stakeholders (Higher Education Authority, 2014b). As a result, many institutions use employer groups in consultative and advisory boards dealing with employability, programme design and content (ibid.).

Connected to the quality assurance system's focus on sustainable employment is also the regulation that sees courses terminated once their employment relevance diminishes (File et al., 2013, ch.5.4). This regulation is to prevent redundancies in the higher education supply.

#### **Funding**

Most respondents indicated that since the economic turmoil of 2008, policies became more economically (and more strongly government) driven. From this perspective, funding policy levers became more prominent in promoting relevance. Three policies can be mentioned: the HEA funding model, the Compact Framework, and the Student Support Act 2011.

The HEA Funding model (the 'Recurrent Grant Allocation Model') allocates funding based on the type and resource intensity of courses. As such it is a clear move away from the unit cost allocation model, which was used to distribute the core recurrent grant from the state before 2006. Hence, the HEA Funding model does have clear links to the relevance dimensions identified in the HEREL project.

The Strategy for Higher Education 2030 recommended to introduce a performance-based framework of the system governance of higher education. This recommendation was translated into the HEA's 'Compact Framework'. The compact consists of performance objectives set by national and regional governments, as well as institutional compacts, which the HEA and the institution agree on, based on the institution's mission, profile and strategy. If a higher education institution does not reach the set target, then it has to pay; if the HEI does reach the targets it is not rewarded (it simply does not lose money). Hence, this framework is seen as a 'negative funding mechanism'. In addition, it is an obligation to participate in the compacts. The ranking is on a three-point scale (3 = worst), which the HEA considers and which are also largely publicised in the press. The compacts are based on Key Performance Indicators (KPIs) for the following three years; they are measured annually and there is dialogue how to get there. Although different per HEI, the KPIs of the compacts mainly set objectives related to employment.

The 'Compact Framework' might seem perverse, but – at least according to one interviewee – the intention is to maintain the advantages of the binary system (which ensures multidimensional meanings of relevance, with the IOTs strongly linked to the industry), while gaining the advantages in terms of autonomy and funding for IOTs. At the same time, all questioned whether a punitive system such as the compact as currently designed are fit for purpose.

The Student Support Act<sup>12</sup>, of 2011, emphasised that people have a right to access education and needed support to do that. Although this Act hardly changed the support amounts, it did make explicit that the state intended its citizens to access higher education as a natural part of their educational career. Some argue that this Act, might in fact be an endeavour to weather the ongoing financial storm – and thus be construed as an economic concern (falling under 'sustainable employment'). However, interviewees often stressed that for Irish families accessing higher education is 'a right', a way first and foremost to support the personal development of their children. This Act is often interpreted through that prism – the right for learners to gain the support they need to develop as individuals (including the right to quality services, which also falls under this regulatory act). An evaluation of the implementation of the Student Universal Support Ireland (SUSI) confirms the importance of student support for the Irish recovery from the economic crisis (Centre for Effective Services, 2015).

## Organisation

The organisation policy lever is used to promote the relevance of higher education through organisational adjustments. As such, three distinct policy levers can be mentioned: Campus Engage initiative, the Springboard initiative, and the intended introduction of technological universities.

As mentioned during the interviews, and connected to 'active citizenship', the 'Campus Engage' initiative engages students in everything in civil society (i.e. everything except the economy, including NGOs, Government etc. but not businesses). This project is run by the Irish university Association (IUA) and DIT<sup>13</sup>. The interesting civil society element of this project is that the IUA has convinced the HEA that their section and performance framework on engagement is not only with the economic sector but it is with other

<sup>12</sup> See: <http://www.irishstatutebook.ie/eli/2011/act/4/enacted/en/html> (accessed 22-05-2017)

<sup>13</sup> It initially included IOTs, but the funding model changed. Funding comes from the HEA, but now the institutions need to pay a larger share

players and stakeholders and society too. Hence, indicators include engagement with society. Through a website students can volunteer with local organisations on a pro bono and non-curricular basis.<sup>14</sup> This may be seen as an example of relevance of higher education that goes beyond student engagement on campus, but that is rather concentrating on active citizenship. No evaluation on the effects the Campus Engage initiative on higher education relevance was found. However, it appears to be clear that the initiative has led to more civic engagement activities by the Irish higher education institutions (Campus Engage, 2011).

An initiative demonstrating the understanding of relevance as 'sustainable employment' is the Springboard initiative, which was launched in 2011 as part of the Government's Jobs Initiative and part of the Action Plan for Education 2016-2019. It provides part-time places in higher education in areas of identified skills need. This program targeted unemployed who would benefit from re-skilling or up-skilling to improve their chances for sustainable employment. Springboard complements the core state-funded education and training system. Higher Education Authority is responsible for this initiative on behalf of the Department of Education and Skills (Higher Education Authority, 2013a). A 2015 evaluation reports that a majority of Springboard graduates do indeed find employment or become self-employment within two years of completing their course (Higher Education Authority, 2015b).

The Technological University Act 2015<sup>15</sup> is to provide for the dissolution of certain Institutes of Technology and for the transfer of their functions, assets, liabilities and staff to new Institutes of Technology to be established or to the Dublin Institute of Technology. It also is to reform the governing authorities of the reformed institutions. Consequently, the Technological University Act allows for Institutes of Technology to merge and become technological universities.

Becoming a Technological University has regulatory implications. If Institutes of Technology become technological universities they would come into far simpler regulation (e.g. better and more sustainable governance structure) and would fall under Technological Higher Education Association (THEA). THEA was established, *inter alia*, to be able to represent 'new universities' – and DIT – which could not fall under the Irish university Association.

Technological universities could contribute to relevance of higher education in the system – many of the IOTs are too small, too marginal, not autonomous enough and too regional and this means that they do not always make sensible decisions and do not have the autonomy (academic or financial) to make certain decisions when they might be needed. However, as yet, there are no technological universities in place, making it impossible to say something about the impact and more difficult to judge the connection of the relevance dimensions.

### Information

Policy levers related to information can be used to steer higher education institutions – or other stakeholders – in a particular direction. All interviewed stakeholders averred that information is – at least potentially – a powerful tool for change. As one interviewee mentioned, regulation is necessary but it is only deemed legitimate if it is underpinned by information. However, many stakeholders question whether information is really a driver of relevance in Ireland. Interviewees all seemed to agree that regulations have not changed as a result of information. Moreover, the data provided are said to be wanting (see section on indicators). Nevertheless, three information policy levers have been identified: an employers' survey, a graduate survey, and a student engagement survey.

<sup>14</sup> An example of outputs can be viewed on the website: [www.studentvolunteer.ie](http://www.studentvolunteer.ie).

<sup>15</sup> See: <https://www.education.ie/en/The-Education-System/Legislation/General-Scheme-Technological-Universities-Bill-2014.pdf> (accessed 23-05-2017)

Employers' insights into the graduate quality and the relevance of their skills to the labour market are sought through the 'National Survey of Employers' Views of Irish Higher Education Outcomes' (held in 2012 and 2014). In the survey particular attention is paid to how confident companies are that "in the next five to ten years there would be a supply of graduates with skills that would meet their needs in terms of the relevance of workplace/transferrable skills, the relevance of subject or discipline knowledge and their attitude" (McGann & Anderson, 2012, p. 39).

The HEA measures the relevance of higher education qualifications through the 'First Destination of University and College of Education Graduates' survey. Through inputs of bachelor, master and PhD graduates, it measures not only the relevance of the gained qualification on the domestic labour market, but also the relevance of the qualification on overseas labour markets.

The Irish Survey of Student Engagement (ISSE) looks almost entirely at student engagement on campus. It has a much weaker focus on whether higher education makes students active citizens later on in life. The ISSE does ask first year, final year undergraduate, and taught postgraduate students to indicate, *inter alia*, whether higher education contributed to their voting behaviour, self-understanding, understanding people of other racial, ethnic and national backgrounds, development of a personal code of values and ethics, and their contributing to the welfare of their community. However, at the heart of ISSE is engagement on campus, not in a societal sense. The survey asks students about their experiences of higher education. It is designed to inform developments within institutions while also providing a national set of data<sup>16</sup>. The survey's institution specific, as well as the benchmarked results are discussed within institutions, thus allowing them to identify strengths and weaknesses in the engagement of students and of the institution.<sup>17</sup>

Graduate employment studies (first destinations) and the student engagement survey studies help institutions 'do things better' (i.e. provide more labour-market relevant programmes). Information also provides transparency and, thus, enables a more transparent dialogue with external stakeholders (employers, society more broadly, the media, and government) about what is really relevant. From a university perspective, the indicator mix between instrumental (quantitative) and broader (qualitative) is good because it drives a more informed higher education system, in spite of financial limitations. The information instruments, in spite of their perceived weakness as policy levers, facilitate dialogue and setting of agreement such as the Compacts mentioned above.

### **Summary of policy levers**

Although policy processes in Ireland are and remain remarkably participative (with elaborate consultation processes including the a whole range of boundary partners), the 2008 financial crisis afforded central government more leverage in deciding priorities top-down. Most respondents indicated that it is since then that policies are economically (and more strongly government) driven. From this perspective, organisation and funding became the most important policy levers in promoting relevance. Moreover, the strongest lever is said to be funding. This was meant to ensure more accountability. Even if one thinks of the Technological Universities or the mergers, there is a key funding attached (as indicated in the policy document 'Towards a Future HE landscape').

<sup>16</sup> See: <http://studentsurvey.ie/about-the-survey/> (accessed 23-05-2017)

<sup>17</sup> See: <https://www.heacademy.ac.uk/knowledge-hub/21-how-institutions-are-using-data-irish-survey-student-engagement> and <https://www.qqi.ie/Downloads/ISSE%20Tri%20Institutional%20Case%20Study%20-%20McKenna%20Walsh%20Langan.pdf> (accessed 12-07-2017)

## Indicators of relevance

In general, Ireland has uses a number of indicators to assess the relevance of its higher education. Prominent are the graduate employment studies (first destinations) and the student engagement survey (which covers aspects of campus engagement, and active citizenship). Data are provided by institutions, and which HEA can use for the demographic data.

Reflecting on the measurements of relevance, the interviews revealed that, with direct and explicit reference to relevance, much is still missing. Policymakers (e.g. at the HEA) indicated that the discussion is still really to 'start to define what we mean' and to find ways to 'measure the intangible'. Current indicators are very much input-based (money or incoming students) or output-based (graduates). That is, they are based on what can be counted. However, as yet little attention has been devoted to societal impact, and particularly the long-term impact of higher education. This applies to the general impact of teaching and learning (for example, there are no indicators looking into the impact of new ways of teaching and learning on relevance) as well as other dimensions of relevance such as employment (beyond first destinations). From the perspective of sustainable employment, one may argue that indicators for sustainable employment are weak because they are short-term focused.

Despite a wealth of information on higher education, produced for instance by HEA (e.g. in the Student Engagement Survey), all interviewees indicated that, thus far, the quality of data is wanting. Examples of missing information include, *inter alia*:

- graduates beyond first destinations (i.e. beyond a timespan of about six to nine months, which is meaningless in terms of understanding the long-term relevance of a higher education system);
- significant information about pathways from education to employment over time;
- information on participation at levels 6 and 7 on the NFQ (Advanced Certificate Higher Certificate and the ordinary Bachelor) is weak compared to access information at higher levels (honours and above). This puts IOTs at a disadvantage because the level 6 constitute the core of IOT students;
- data on progression is not granular enough – it conveys no substantive information about transitions from one HEI or programme to another (see e.g. Hazelkorn, Benneworth & Gulbrandsen, 2016);
- regional engagement: thus far regional engagement has been measured solely economically (e.g. number of new businesses, partnerships etc.), but how much of a difference does a higher education institution make to its community (the 'intangible') has not been seriously considered. This is an example of lacking indicators on active citizenship;
- an important indicator which was said to be missing (and which would be good for policymaking) is a measure of 'graduate premium'. Several studies show that Ireland has a very high graduate premium. This is remarkable given the high proportion of the population with graduate qualifications (one would expect a reduction in the graduate premium as the cohort increases). Measuring this consistently and over time would show the gap between the (large) number of people who attain a higher education qualification and those who do not.

Policy actors also point to other weaknesses in the available indicators, including (a) that the HEA Compacts set objectives, but it are the institutions that must set their preferred indicators to reach the objectives. Hence, compact agreements provide focus on priority themes, but not indicators; (b) that quality of measures depend on the quality of the data which – while moving towards a more consistent methodology – still lacks a

'system-wide template', and (c) Key Performance Indicators in strategic plans are often 'not taken seriously' by higher education institutions.

## **Reflection on linkages between relevance, policy levers, typology and indicators**

The Irish case suggests a number of considerations. First, overall there is a clear understanding of relevance as 'sustainable employment'. This strong emphasis emerged even more during the economic crisis. Whilst not withering absolutely, other dimensions of relevance (personal development and active citizenship) have lost in weight in the face of new and more pressing challenges. The understanding of 'relevance' has evolved from a more balanced pattern between personal development, active citizenship, and employability towards a greater focus on the latter. Thus, an important lesson learned from Ireland is that 'relevance' is a context- and time-contingent concept with shifting boundaries.

A second consideration highlights that 'relevance' means different things to different actors in the system, especially in a binary system such as Ireland's. IOTs focus much on employability, as do policymakers, while universities tend to emphasise also the importance of personal development and, notably, knowledge creation. However, in general there are no significant differences between the actors – especially since the crisis hit. Nevertheless, it is interesting to note that, at least according to some policy actors, it are institutions (as opposed to policymakers) that tend to particularly emphasise engagement and personal development (in addition to employability).

Third, because of the needs of the economy, the government has been very clear on what it wants. Ireland is renowned for a very participatory and consultative approach to its policy development. By going through several stages (typically from 'green papers' expressing the issue to 'white papers' based on consultation to a final feedback-informed policy) policymakers can demonstrate the so-called 'agency of mutually incompatible viewpoints' and come to policies that are largely consensus-based. However, the context changes (e.g. the financial constraints following the financial 2008 crisis) meant that the central government level has gained more leeway to adopt 'top-down' approaches.

Finally, also as a result of the extensive stakeholder engagement in the policy process, the case suggests that Ireland has traditionally had a balanced approach in its use of different policy levers. Nonetheless, the finance policy lever is predominant and has become increasingly so in recent years. Funding is seen as a key behaviour determinant (though particularly in relation to research). The introduction of the compacts is an example of how the funding lever has gained ascendancy (participating is obligatory). Organisational changes (e.g. the shift towards Technological Universities) are also clearly tied to financial incentives (e.g. changes in the way the HEI would be funded compared to its previous IOT status).

## **Concluding remarks**

Having reflected on the connection between relevance, policy levers, typology and indicators in the previous section, we reflect here on some notable idiosyncrasies of the Irish higher education system. First, as compared to other countries, Ireland has rather detailed regulations concerning the functions of the type of higher education institutions. Particularly noteworthy with respect to relevance is the required vocational / professional orientation of Institutes of Technology by law. Second, the role of the Institutes of Technology may change substantially with the intended shift towards universities of technologies, which is aimed to be achieved through a number of mergers. The reform also puts the merged institutions in the same group (i.e. THEA) as the Dublin Institute of Technology, which currently has a special status. Third, over the past decade the Irish government has had a strong role in promoting the sustainable employment dimension of higher education relevance. This focus is apparent in the strategies of the government

and agencies as well as in the connected policies. The economic downturn has been mentioned as a key development triggering the sustainable employment focus. Fourth, and as pointed out by a number of policy actors, the focus on sustainable employment appears to have a rather short-term focus, thus losing sight of the long-term societal impact and perhaps also of the other two dimensions of higher education relevance: personal development and active citizenship. Lastly, in Ireland evaluations of policy levers specifically covering the dimensions of higher education relevance are scarce. There is one noteworthy exception. A 2015 evaluation of the Springboard Initiative, which provides part-time places in higher education to unemployed people, reports that a majority of Springboard graduates do indeed find employment or become self-employed within two years of completing their course (HEA, 2015b). Consequently, this policy lever has an effect on sustainable employment.

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## Case study 7: the Netherlands

### Introduction

Higher education in the Netherlands is provided by research universities and universities of applied sciences. Including the Open University, there are 14 research universities, which provide bachelor, master, and PhD degrees. In academic year 2015/16 they enrolled around 261,000 students. There are 37 Universities of applied sciences, which provide associate, bachelor, and master degrees. In academic year 2015/16 they enrolled around 443,000 students.

### Relevance of higher education

#### Perspective of different policy actors

The interviewed policy actors in Dutch higher education recognise the three dimensions of higher education relevance, and see these reflected in the higher education system. In the Dutch context the three dimensions are usually associated with socialisation (i.e. education with relevance for society; citizenship), personal development (i.e. education with relevance for the individual), and qualification (representing knowledge and expertise that can be utilised; employment) (Auditdienst Rijk / Ministerie van Financiën, 2015). They stress that the three dimensions cannot be seen as separate from each other; each dimension is important for the other, all three are vital for higher education, and none of the dimensions should receive a distinct priority. Yet, some stakeholders do place extra emphasis on aspects of the three dimensions. Highlighted are the importance of higher education relevance in terms of:

- Its role in economic development of the Netherlands
- The connections between higher education and employers
- The role of higher education to provide education in a broad range of fields, not only those that have high employment perspectives: also Art graduates contribute to the relevance of higher education.
- The contributions that higher education graduates can be expected to make in terms of their responsibilities towards society.
- The valorisation of knowledge, particularly valorisation within the institutions' regions.
- The integration of the three dimensions in education: personal development, employability and active citizenship should not be separate parts of curricula.

More specific with regards to the three dimensions, policy actors (*inter alia*, the interviewed student representative body) mention that personal development can be at odds with economic considerations, particularly if costs of education for students is tight to finishing a study programme within a limited number of years. Furthermore, sustainable employment is particularly vital as it should allow graduates to find employment in an increasingly uncertain labour market. Consequently, skills (broadly the 21st century skills) and interdisciplinary perspectives are increasingly required to cope with these uncertainties. As pointed out by some of the policy actors, the preparation for unstable labour markets is not only a responsibility of higher education institutions. Also employers have a role in ensuring students are taught relevant knowledge and skills, which are continuously improved, also while in employment. For both aspects close cooperation between employers and higher education institutions is required. Active citizenship is by the policy actors connected to students' and graduates' responsibilities in tackling social challenges. Likewise, active citizenship is of importance as it allows students and graduates to reflect on societal developments. To be able to do so they should have a good understanding of democratic values, civil responsibilities and contemporary social debates. All of which are aspects that are to be included in curricula. Problematic with the dimension of active citizenship is that there is not one representative policy actor addressing this specific dimension, while there are actors for

the other two dimensions (e.g. student organisations for personal development, and employers for sustainable employment).

The policy actors support the broad distinction in relevance for the specific stakeholders: students / graduates, employers, and society. Some interviewees do add that parents can also be considered as a stakeholder, particularly in the contemporary Dutch context in which making the initial study choice the correct one is of importance. The importance of this choice is underlined by the increased financial pressure on students and parents (e.g. study loan instead of grand, and limited public financial support to follow an additional master programme).

### **Relevance in strategies**

There are scarce direct and explicit references to relevance in the Dutch higher education strategies. Yet, there are some exceptions. An example of relevance being mentioned "in passing" can be found in a recent speech of the current Minister Bussemaker: "Participation in higher education has reached record levels, but the fall-out of the economic crisis (including graduate unemployment) has highlighted more than ever the need for tertiary provision to be relevant to real-world needs and trends. The debates surrounding the rise in political and religious tensions around the world have illustrated that "relevance" extends to higher education's role in preparing engaged citizens" (The Future of Higher Education Conference, 9 March 2016). Moreover, according to the ministry of education, the three dimensions of relevance are addressed in the strategies for Dutch higher education: the 2011 paper "Kwaliteit in Verscheidenheid" and the 2015 agenda "De waarde(n) van weten". Yet, other policy actors indicate that there is a focus on a particular dimension, or that the focus fluctuates. Sustainable employment is said to have received most attention the past number of years. More recently, personal development and active citizenship gained more prominence in the strategies and policies. Noteworthy is the role of the representative bodies of the institutions in the promotion of these dimensions. Their own strategies and as a results some of their activities (e.g. discussion sessions with administrators and teachers) are specifically geared towards these dimensions.

Three developments can be connected to the current balanced focus of the higher education strategy on all three dimensions. First, under influence of social issues, such as radicalisation and populism, the broad higher education sector realised that the strong focus on economic development was not sufficient for a sustainable development of society. For this also active citizenship and personal development are important. Second, student protests in Amsterdam were connected to a strong demand for personal development. Third, in economically more difficult times a stronger focus on the sustainable employment dimensions of higher education appears to be preferred.

The most explicit reference to relevance can be found in the 2011 Strategic Agenda, which sets out a plan for labour market relevance of higher education (Ministerie van Onderwijs, Cultuur en Wetenschap, 2011, p. 42). The key elements are:

- The government will start working on better labour market information to support the macro-efficiency policies and student choice.
- The government will carry out labour market analyses for different economic sectors.
- Labour market relevance will become a more important criterion for funding new programmes.
- The reorganisation of the programme supply in the universities of applied sciences will be discussed with employers.
- Employers themselves contribute more actively by articulating their needs for graduates better towards higher education institutions. They can also be more active by creating internships and hosting lecturers of higher education institutions.

- There will be support for initiatives for programmes and practice-oriented research that caters for the needs of employers, like associate degree programmes, professional masters and Centres of Expertise.
- There will be support for sectoral plans in sectors that suffer from labour market shortages, e.g. for the sector plans Physics and Chemistry for the universities and for the universities of applied sciences and for the sector plan for the three technological universities.
- The government will start a research project focusing on the feasibility of including labour market indicators in a future funding allocation model.

The 2015 Strategic Agenda (Ministerie van Onderwijs, Cultuur en Wetenschap, 2015) is less explicit on relevance, partly because much has been set in motion in the preceding strategic agenda. But there are references to relevance, although quite often a different terminology is used, stressing that higher education should be future-proof and valuable. The most explicit reference to relevance is repeating points made in the 2011 Strategic Agenda: "Labour market relevance is an important issue in the development of new programmes. Higher education institutions need to be clear on professional profiles of their programmes and labour market perspectives of graduates. It is therefore important to include employers or representatives of labour market sectors in the development of new programmes" (p. 68). Yet, as compared to the 2011 Strategic Agenda, more attention is given to the quality of education (Auditdienst Rijk / Ministerie van Financiën, 2015). Not only in terms of knowledge and professional skills, but also in terms of enabling personal development and citizenship of every student: "In the 21st century 'Bildung' stands for: a deep understanding of the world, having a strong moral compass and empathy, opening new horizons in terms of thinking and doing, and self-development through curiosity and critical thinking capacities" (Ministerie van Onderwijs, Cultuur en Wetenschap, 2015, p. 6). In relation to this the 2015 Strategic Agenda mentions that 21st century skills (including *inter alia* critical reflection, cooperation, creativity, handling big data, pragmatic problem solving, and interdisciplinary; see p. 9) are vital, particularly for personal development and sustainable employment.

### **Translation of strategies into policies and the role of policy agents**

National policy instruments follow the direction set out in higher education strategies. The connection clearly shows in the policy instruments connected to 2011 strategy, as they had a strong focus on the performance and accountability of higher education. The introduced performance agreements can be seen in this light. The stronger focus on 'bildung' or personal development in Dutch higher education is a sign of the shift in the 2015 strategy. However, as will become clearer in the next section, connecting specific policy instruments to specific dimensions of higher education relevance is difficult. Often the policy instruments address more than one dimension.

Several policy actors point out that the translation of strategies into policies on institutional level is not necessarily taking place. Higher education institutions are autonomous in making their own strategic choices; each institution is free to determine their specific profile. Institutions are largely lump sum funded, thus limiting the capacity of the ministry to steer higher education institutions. Nevertheless, a strategy should be seen as an overarching vision, which if implemented correctly should be shared on the level of teachers.

To create a shared vision, which is regarded as important in the Dutch tradition of all-encompassing dialogues between multiple actors, the role of stakeholders in the development of strategies and policies is important. For the development of the 2015 strategic agenda, the ministry organised a tour across the country in which the Minister met with different stakeholders and actors, thus receiving input from students, teachers, higher education institutions, and businesses.

The overall involvement in the development of strategies and policies is different per policy actor. The two student organisations are said to have quite some political influence, thus also within the ministry of education. The influence is also organised through regular meetings between the student organisations and the Minister of Education. Likewise, the two representative bodies of the institutions have quite some influence on the Ministry. They are involved in – or at least informed of – strategic and policy developments. The national employer organisation wishes to be more actively involved, preferably even through regulated influence as they have in the vocational education sector. Yet, other policy actors (*inter alia*, a representative body of institutions) appear not to be in favour of such a regulation. From the perspective of these actors, the influence of employers on institutions level – especially universities of applied sciences – is already organised well. Trade unions, representing employees, appear not to be involved in the development of higher education strategies and policies. Their focus seems to be much more on the vocational education sector. Lastly, the funding agency of educational research, does encourage researchers to connect their research to societal themes. In an effort to create evidence-based policies, funded researchers are actively connected to education policy makers on the national and institutional level, through which research results and policy recommendations are hoped to be spread.

The policy actors do point out that although they usually are involved in the dialogue, and through that have some influence, the formulation of strategies and policies is in the hand of the ministry. In other words, the ministry may decide to ignore the input received from the policy actors. Of course, in some cases this might also be wise: involvements of multiple actors does not necessarily lead to the most optimal outcome.

## **Policy levers for higher education**

Over the past 10 years numerous policy levers have been introduced that may have affected the relevance of Dutch higher education. In this section, the policy levers are categorised in relation to the type of policy instrument they predominantly rely on – regulation, funding, organisation or information. The policy levers included in this section have an explicit focus on relevance in their expectations, or were mentioned as such in the interviews with the policy actors.

### **Regulation**

In article 1.3 of the 1992 Higher Education Act the purposes of publically funded higher education institutions are described. In general, the universities are to provide academic education and the universities of applied sciences are to provide education with a professional focus. Besides this distinction, the law dictates that all institutions are to contribute to students' personal development and their sense of social responsibility. The Dutch Parliament is currently debating to make it mandatory for private higher education institutions to contribute to students' sense of social responsibility.

Reflecting on the quality assurance system as a form of regulation, the policy actors indicate that the system does not promote one dimension over the other. The system is designed to evaluate the extent to which study programmes achieve their own goals. Study programmes are largely free to determine these goals themselves. In other words, if a study programmes claims that it does a lot to improve the personal development of students, they are to proof this. This room for self-determination, which is in line with institutions' autonomy, is stressed in the new set of accreditation standards that were introduced in December 2016. These standards do have elements in them to ensure the strategic choices of the study programmes have the support of internal (e.g. students) and external stakeholders (e.g. regional employers). Regarding the programme accreditation, relevance shines through in e.g. the explanatory notes to the Accreditation Protocol. For example, a to be accredited programme should show explicit linkages with contemporary developments in the professions and the academic domain. In connection

to the linkage of the educational supply and the labour market, the external validation is usually organised through committees where representatives of study programmes regularly meet with representatives of employers and other stakeholders, such as alumni. However, it can be debated whether the influence of external stakeholders, particularly employers, is sufficient. As indicated by the employer organisation, for many employers the required time commitment for the accreditation procedures is said to be rather high. Several policy levers included in the quality assurance system can be connected to the relevance of higher education. First, assessment of study programmes is based on a five point scale; insufficient, restoration, sufficient, good, and excellent. The differentiation in assessments is said to have had an effect on the focus of programmes and institutions on quality; some institutions actively strive to have at least all programmes assessed as 'good' and the restoration assessment is seen as a 'yellow card', which should be avoided. Second, in 2010 institutional audits were introduced to allow for 'light touch assessments' for existing programmes (with fewer standards) on the condition that the institution as a whole gains a positive institutional audit by the Accreditation Organisation of the Netherlands and Flanders (NVAO). The audit concerns institution-wide arrangements like the quality management structures, which do not have to be included in separate programme accreditations afterwards. This type of accreditation is also said to have increased the institutions' focus on educational quality. Moreover, an evaluation of the quality assurance system in 2011 concludes that the system improved the focus of higher education institutions on educational quality; a culture of quality has developed and the system indeed has a focus on the educational content and orientation of institutions and education programmes.<sup>18</sup> Consequently, this allows the quality assurance system to evaluate aspects of the higher education relevance dimensions if these are the focus points of institutions or programmes. However, if by doing so the actual relevance of higher education is improved is uncertain.

When institutions want to introduce a new study programme these have to be accredited before they become operational. The labour market dimension is particularly stressed in this form of accreditation. The future employment prospect of graduates is to be proven through the 'macro-efficiency check'. This check ensures that all study programmes have labour market relevance and that unnecessary competition between institutions is avoided. However, according to several policy actors the policy lever does have limitations; labour markets are hard to predict, strictly labour market consideration should not deter students from studying certain fields, and the check is not made for existing programmes, thus allowing programmes to educate too many graduates in fields for which there are limited employment prospects (e.g. mentioned were psychology and journalism).<sup>19</sup> The ministry concluded that the macro-efficiency check achieves its purpose, thus ensuring that the educational supply meets the demands of the labour market and society.<sup>20</sup> Yet, the ministry is considering reducing the demandingness of the macro-efficiency check, making it easier for institutions to start new study programmes, particularly in fields of study that are of importance to regions or economic sectors.

Institutions or study programmes have the possibility to have an 'exceptional achievement' ('bijzonder kenmerk') in sustainability, internationalisation, small-scale and intensive education, or entrepreneurship formally recognised. One of the criteria the NVAO uses in the evaluation process is relevance: the achievement has to be of particular importance to the profile of the institutions, the importance is recognised within the institution or study programme, and the achievements deliver a relevant

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<sup>18</sup> See: 'overkoepelende rapportage evaluatie nieuw accreditatiestelsel met beleidsreactie' <https://www.rijksoverheid.nl/documenten/kamerstukken/2013/09/12/aanbieding-overkoepelende-rapportage-evaluatie-nieuw-accreditatiestelsel-met-beleidsreactie> (accessed 07-07-2017)

<sup>19</sup> These shortcomings are largely acknowledged by the Minister of Education and a reason for further development of this policy lever, see: Kamerbrief: Toekomstverkenning macrodoelmatigheidsbeleid hoger onderwijs, 28 oktober 2016

<sup>20</sup> See: Toekomstverkenning macrodoelmatigheidsbeleid hoger onderwijs (accessed 07-07-2017)

contribution to the expansion and intensification of choice options for students and the labour market (NVAO, 2014). Consequently, the 'exceptional achievement' option can be seen as an incentive for institutions to make certain aspects of their study programmes are of relevance to students and the labour market. Yet, if it had an impact on the relevance of higher education is unclear.

As indicated by some policy actors, including the student representative body, policy levers that reduce the study options or the time to complete a study programme may limit the opportunities of students' personal development. The Binding Study Advice is seen as such a policy lever. Students at the end of year one receive a positive or negative study advice (a negative BSA means the student cannot continue).

## Funding

The funding instrument is used to steer the performance of institutions, performance of students, the institutions' focus on and supply of education, and research done by universities of applied sciences.

Performance of institutions was steered through performance agreements signed between the ministry of education and individual institutions. Introduced in 2012 and completed in 2016, a small portion of funding for higher education institutions has been based on performance agreements. The 2011 strategic agenda explicitly mentions that the performance agreements are meant to improve the relevance of the educational supply. The aim of the experiment was to enhance the quality of higher education by introducing incentives to improve study success (reduction of drop out, increase of degree attainment rate), institutional profiling regarding research (applied research in the case of universities of applied sciences) and education, and 'valorisation' (utilisation of knowledge). Next to several mandatory indicators, institutions could elect to add some indicators related to education quality to their performance agreement<sup>21</sup> (De Boer, et al., 2015). Institutions were asked to set their targeted performance, in dialog with a review committee. The committee was also tasked with monitoring the progress of the institutions' progress on their performance agreement indicators (Onderwijsraad, 2015). The performance agreements were not meant to influence one specific dimensions of higher education relevance, but rather aspects of all three dimensions. In terms of effect, they do appear to have increased the performance of most institutions (and students) in terms of the study success indicators. Some policy actors, including the interviewed institutions, stated that the external pressure as a result from the performance agreements did contribute to the institutional focus on educational quality and to the distinctiveness of institutions (profiling). However, the strong focus on study success indicators, also appears to have triggered a national discussion on the role of higher education in the personal development of students. Whether the performance agreements as a policy lever will be continued, and if so, in which form is unclear at the time of writing.

The student financial support regulations changed in 2015. The previously existing system consisting of a basic grant and a loan system was abolished. Introduced was a new loan system, known as the "advance instalment for study" (studievoorschot). New Bachelor and Master students may apply for a loan, but are not obliged to. The loan is taken out with the government and is subject to favourable repayment conditions, including a 35-year repayment term at 4% of the income exceeding the legal minimum (anyone earning the legal minimum or lower social benefits is exempt from repayment, and any open balance after 35 years is forgiven). Explicitly, the new system aims at improving the quality of higher education whilst maintaining accessibility. At the same time, students are expected to become more aware of the costs of studying, thus making more conscious study choices (and avoid transferring to new programmes with

<sup>21</sup> For example, satisfaction of graduates with the labour market relevance of their study, the number of graduates employed in the region and the starting salary of graduates

outstanding debts), and increasing the motivation and timely completion (in order to limit indebtedness and pay off time). As argued by a labour market expert and the student representative body, these changes in study financing limited the opportunities of students' personal development, as it makes it harder for students to correct a wrong decision (by switching study programme or enrol in a second master degree programme), to spend more time on extra-curricular activities, and to determine part of their curriculum themselves (e.g. by following courses outside of the mandatory curriculum). On the other hand, the policy actors are in agreement that the resources that are becoming available because of discontinuation of the previous financial support system are to be spend on increasing the quality of education. More specifically, the resources are to be used to appoint 4,000 extra teachers, which is to contribute to more personal and innovative education. The ministry thinks that this policy lever will contribute to all three dimensions of relevance. Part of the resources will also be spend on the development of innovative educational practices, particularly a research grant awarded to teachers ('Comenius grant') is to contribute to this end.

Related to the supply of education and life-long learning, one particular financial policy lever is mentioned; 'demand based funding'. This policy levers essentially allows non-higher education graduates to follow part-time higher education modules (e.g. 30 EC) offered by universities of applied sciences, for which they pay (part of) the tuition fees with vouches granted by the ministry of education. The modules are to be set up in close connected to the labour market. Hence, the 'demand based funding' may be important for the personal development and the sustainable employment dimensions. The pilot-programmes (23 part-time bachelor and associate degree studies) started in 2016. Consequently, it is too early to discuss the effectiveness of this policy instrument.

## Organisation

Several policy levers related to organisation where identified: formation of networks, organisation of education, and connections between study programmes / institutions and the labour market.

Indicative of the link between higher education and employers highlighted in the previous strategic agenda is the so called top sector policy. Through funding provided by the national government, employers, public organisations, and higher education institutions were asked to form nine consortia cluster around sector that were deemed highly relevant to the Dutch knowledge economy. These consortia form networks where the knowledge, innovations and talents are shared. Although broader than higher education itself, this policy lever can be connected to sustainable employment, with relevance for students/graduates, employers, and society.<sup>22</sup>

The types of higher education became more diversified, which happened in two directions. First, programmes for excellent students were introduced. Second, the qualification framework was adjusted to incorporate associate degrees. In the 1990's Dutch higher education institutions started to introduce programmes meant to challenge the most motivated and talented students, particularly in their personal development and active citizenship. These programmes are part of what is called excellence education and mainly appear in the form of honours programmes and liberal arts programmes offered by university colleges. The development of excellence education was encouraged by a programme (Sirius), allowing 12 research universities and 11 universities of applied sciences to establish or further develop such programmes. The programme started in 2008 and ended in 2014, during this period developments were annually monitored. In the overall audit report of the study programme it was concluded that institutions increasingly made their excellence education of relevance to external stakeholders (Sirius Programma, 2015). Two ways to do so have been highlighted: encouraging the

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<sup>22</sup> See: Kabinetsreactie op het Masterplan Bèta en Technologie: 'Naar 4 op de 10; meer technologietalent voor Nederland'

participating honours students to give back to society and to have the professional field provide structural input into excellence education. Consequently, indirectly the Sirius programme may have contributed to the relevance of higher education to employers and society. Moreover, in their evaluation of higher education policies the Auditdienst Rijk / Ministerie van Financiën (2015) concludes that the developed excellence education through honours education are indeed of added value to students' personal development (also see Sirius Programma, 2015). Similarly, the 2015 Strategic Agenda (Ministerie van Onderwijs, Cultuur en Wetenschap, 2015) concludes that the honours programmes allow students to show and work on their social engagement, personal formation, and citizenship (p. 24). Interestingly, students themselves also expect the honours programmes to contribute to their employability (Kolster, et al., 2016). Some interviewed experts recognise the contribution of the programmes to students' personal developments and active citizenship. However, the impact on relevance might be small due to the limited number of students that are reached with these type of programmes (i.e. mainly the students with the highest grades or best motivation). The ministry of education intends to address this by introducing talent programmes (funded through the resources that became available by the change in study financing). These programmes will have a broader scope in terms the number of students reached, thus also more of an impact on the personal development of students (Reviewcommissie, 2017).

The Dutch qualification framework was altered to include a new qualification. The associate degree was formally added to the Dutch qualification framework in 2013. After the piloting phase (start 2007), the state's advisory body ('Raad van State') commented that the experiments have shown that educational form of associate degrees are of relevance because they allowed a new target group to enter higher education, that both employees and employers enthusiastically welcomed this new educational form, and that the associate degrees fill a void in the existing qualification structure. Consequently, the introduction of associate degrees – and other initiatives that allow for connections between educational types<sup>23</sup> – is also connected to societal relevance of access. Moreover, the Minister of Education indicated that the associate degrees are to, besides professional knowledge contribute to students' general formation and research skills. Also for the associate degrees a 'macro-efficiency check' is performed, thus a programme only received funding if the relevance for the labour market is proven. Consequently, associated degrees can be linked to both the personal development and sustainable employment dimensions of higher education.<sup>24</sup> In an evaluation, SEO Amsterdam Economic (2011) concludes that associate degrees enhance participation in higher education, and fill a caveat that existed between vocational education and four-year bachelor programmes offered by universities of applied sciences. The short duration of associate degrees make them attractive to people in employment and students in vocational education. Also employers have shown demand for employees on the associate degree level; offering associate degree graduates jobs fit for the achieved level and a salary that is between that of vocational education and UAS bachelor graduates. Consequently, the evaluation highlights the link between associate degrees and sustainable employment.

Partly in overlap with regulations addressing the quality assurance of higher education, the formal organisation of connections between study programmes / institutions and the labour market can be mentioned here. Study programmes commonly form committees where representatives of study programmes regularly meet with representatives of employers and other stakeholders, such as alumni. These committees discuss all aspects related to the education programme (e.g. content and required future developments). In addition to the study programme specific committees, it is also common for study

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<sup>23</sup> For example, short term programmes designed to take away deficiencies of graduates from universities of applied sciences that want to enrol in a master programme offered by a research university.

<sup>24</sup> See: Kamerbrief "De Associate degree krijgt een steviger rol in het onderwijsgebouw" (5 juni 2015)



programmes, or their broader disciplines, to be organised. In these platforms study programmes discuss the broader developments of their disciplines (e.g. labour market developments) and how they can incorporate these developments into their study programmes (Kolster & Westerheijden, 2014). Lastly, mentioned can be Centres of Expertise and Centres for Entrepreneurship. These centres contribute to the links between universities of applied sciences and external organisations. Moreover, they facilitated a stronger focus of the universities of applied sciences on entrepreneurship. According to the interviewed expert of a university of applied sciences there is a clear connection between the organisation of external influence and sustainable employment. However, an evaluation concludes that the Centres of Expertise contribute to applied research as done by universities of applied sciences, but does not mention educational effects (Higher Education and Research Review Committee, 2017).

Although not part of the national policy levers, an interviewed expert mentioned the European Erasmus-exchange programme as a policy lever that contributes positively to students' personal development and active citizenship, the later particularly focused on European citizenship. Also in policy documents, internationalisation of higher education is seen as important for personal development of students.<sup>25</sup>

### Information

Introduced in 2006, the study choice transparency tool, known as study choice 123 (Studiekeuze 123), was meant to provide consistent and comparative study choice information to (prospective) students. The web-based tool provides student choice information on each Bachelor and Master programme in the Netherlands regarding access requirements, content and labour market prospects, as well as results from the national student satisfaction survey. The tool is financially supported by the Ministry, and is developed by several policy actors, including the representative organisations of institutions and students. Providing clear study choice information is thought to be connected to all dimensions of higher education relevance: it allows students to select the right programme for them, both in terms of development opportunities and future labour market opportunities. However, as some policy actors point out, the independence of the tool by the involvement of representative bodies of institutions is not guaranteed. Consequently, there is some doubt whether the published data is entirely correct and comparable. Nevertheless, close to 70% of the prospective students leaving secondary education know and visit the study choice website (Kantar Public, 2017).

Part of the data used by study choice 123 is collected through the national student satisfaction survey. The survey measures the student satisfaction on a number of aspects, including the content of the programme, learning outcomes and employability, teachers, study facilities, study load, and the organisation of the study. As it is now, the collected information can be particularly related to the dimension of sustainable employment. Some policy actors argue that the survey could be expanded to also include items on personal development and active citizenship.

Several national marketing campaigns were used to increase the attractiveness of technical fields.<sup>26</sup> Although the causal relationship (marketing and study choice information) is unclear, the Higher Education and Research Review Committee (2017, p. 6) concludes that "the number of students enrolling in a STEM (Science, Technology, Engineering and Mathematics) programme has grown particularly sharply in the academic higher education sector. In professional higher education, enrolment in STEM programmes has been declining since 2007, but is now picking up." However, as mentioned by several policy actors, the success also comes with challenges. First, it is increasingly important to prevent the technical students from dropping out (i.e. study

<sup>25</sup> See: Kamerbrief "De wereld in: Visiebrief internationale dimensie van ho en mbo" (15 Juli 2014)

<sup>26</sup> See: Kabinetsreactie op het Masterplan Bèta en Technologie: 'Naar 4 op de 10; meer technologietalent voor Nederland'

success). Second, graduated technical students are to be encouraged to stay within the field (i.e. reducing the number that opt for a management career). Lastly, comparatively technical students are more expensive to educate, this with the increase in numbers this should be addressed in the national funding scheme.

### **Summary of policy levers**

Overall, the policy levers suggest that there is not one prominent interpretation of relevance of higher education. Together the policy levers address all dimensions and stakeholders, with few being strictly focused on one particular dimension or one particular stakeholder. Likewise, all types of policy instruments (e.g. regulations and information) are utilised. Also a mix in orientation of the instruments is visible: input is generated through the provision of study choice information, education processes are influenced through the quality assurance system, and output is an objective of the performance agreements.

### **Indicators of relevance**

Measuring outcomes of higher education has become increasingly common practice in Dutch higher education. The changed steering paradigm (performance and accountability) can be seen as one of the causes. The indicators attached to the performance agreements (strong focus on study success) are indicative of this. Specific for the three dimensions of relevance, it appears that the sustainable employment dimension is most prominently measured, also because valid indicators for the other two dimensions are more difficult to conceptualise, according to the policy actors. Discussed first in the section are the used and potential indicators for each dimensions, starting with sustainable employment.

Both representative bodies of institutions measure graduate employability through monitors. Measured is, for example, the number of graduates that found a suitable job within a specific amount of time after graduation. Also the quality assurance standards consider the labour market prospects and employer satisfaction. The policy actors agree that the available data provides a reasonably clear picture of students' employability. Nevertheless, institutions appear to collect additional data on top of the nationally collected data. Specifically addressed are the employment figures, not only one year after graduation, but also after five and ten years. Including the long term perspective provides a much better insights into the gained employability and the potential of graduates. Moreover, to gain a better insight some policy actors, particularly an expert from a higher education institution, suggest to not only focus on outcomes of the national labour market, but also on the international labour market. This is particularly relevant for institutions that have a large international student population. Suggested is to also analyse the regional labour market (e.g. the availability of vacancies), not only in the domestic region, but rather the cross-border region. A broader perspective would be to have better insights into developments of labour markets: which sectors will become increasingly relevant, and on which can shortages be expected. Particularly related to the relevance of higher education – and of importance to study choice information – could be the collection of data on the number of students that regret following the study programme after graduating. Likewise, indicators measuring the interaction institutions or study programmes have with external stakeholders. Stressed is that these qualitative indicators are to be supplemented with qualitative data (with whom was the contact, for what purpose and what are the outcomes?). The mixed-method approach is by some policy actors mentioned as a positive aspect of the way the performance agreements were designed.

The policy actors indicate that both personal development and active citizenship are hard to measure. Comparatively, little research is done towards this end, this also holds true for other educational forms (e.g. primary education). Specific for personal development,

personal growth is very visible in students over time, yet hard to prove. Nevertheless, the broader effects of better health, less crime, engagement in society and democracy, participation in voluntary work, and participation in extra-curricular activities, may be proxy indicators for personal development. A more specific measurement of personal developments is wished for by policy actors, especially those on institutional level. To do so, quantitative indicators might not be the answer, perhaps a more qualitative approaches is needed. For example, through a self-reported assessment or description of personal development by students.

Proxy indicators for active citizenship may be the broader effects of better health, less crime, engagement in society and democracy, and participation in voluntary work. The European Social Survey measures aspects of citizenship (e.g. social participation). Likewise, student engagement, which is rather extensively studied in the United States, may also touch upon citizenship. Student engagement is hardly measured in the Netherlands, although it would be of interest according to several policy actors. Again more qualitative approaches may be needed to measure active citizenship (e.g. self-reported assessment or description of active citizenship by students). Nevertheless, a labour market expert indicates, socially relevant outcomes of higher education should not be seen as just the aggregate of individual effects; of importance are the broad effects of society.

The policy actors largely acknowledge the importance of indicators to measure outcomes of higher education. However, they also point towards the risks of strict usage of indicators. First, of importance is the interpretation of data: what does a certain score say about the actual performance and when is a certain performance sufficient? Second, measuring each dimension of higher education relevance and holding institutions, study programmes, or teacher accountable contradicts the trust that authorities should have in institutions and the professionals. Third, measuring indicators may lead to homogeneity in institutions, study programmes and graduates. Fourth, there is a risk of 'indicator performance', in which those measured have a narrow focus on what is measured, and less on aspects that are not. Fifth, once aspects are measured there is a risk that outcomes will be used in a form of assessment. Lastly, outcomes on indicators can be used to benchmark institutions, which can be useful. However, outcomes may also be used to create rankings, which in the egalitarian higher education system of the Netherlands may not be preferred. The latter point is a lesson from the recently completed performance agreements. The financial punishment for not attaining the targeted performances may be aggravated through damages to the public image of institutions, thus potentially affecting the study choice of students and their parents.

As for the indicators of sustainable employment the labour market expert suggests that it would be useful if data was collected on an international scale. This would allow to make comparisons across higher education systems. Finding suitable indicators would not be the main issue, more challenging would be to deal with the specific demands and idiosyncratic features of each system. As for personal development and active citizenship one may conclude that these dimensions are more easily written than measured, and that more research is needed to find valid indicators of these two dimensions. Furthermore, pure quantitative measurements of the dimensions may not be able to capture the complete outcomes of higher education on the dimensions of relevance. Qualitative analyses may be of importance to complete the picture.

### **Reflection on linkages between relevance, policy levers, typology and indicators**

The policy actors largely share the impressions that the relevance of higher education as expressed in the strategies and policy levers moved from a strong focus on employability towards a more broad understanding of the relevance of education, thus also having a strong focus on personal development and active citizenship. The move is particularly

highlighted in the attention that quality of education has been given the past couple of years. External pressures can be attributed to this move. First, of importance was the vision set out in the 2015 strategic agenda and the process leading to this strategy. Second, changes in the quality assurance system (institutional audits and differentiation in evaluation outcomes) can be named as of importance to the shift in attention. Third, ex-ante the performance agreements appear to have contributed to the importance of educational quality. Interestingly, the emergence of the importance of education – and with that the dimensions personal development and active citizenship – is taking place in a context in which there are policy levers that appear to reduce the potential for success of these two dimensions. Policy actors mention in this respect the more stringent funding of students (i.e. study loan), reduced possibilities to follow a second master programme, and the continued focus on narrow study success indicators in the regular funding arrangements (also see Inspectie van het Onderwijs, 2011).

The broadly successful mix of policy levers to increase the relevance of higher education may be partly explained by the way they were implemented. Many of the mentioned policy levers, for example, excellence education, study choice matching activities, study choice information, and associate degrees, were first developed by individual institutions or by the sector itself. These good practices were later translated into national policy levers, for which the ministry uses the policy experimentation possibility provided in the 1992 Higher Education Act. Through this approach, the good practices appear to spread reasonably fast through the higher education sector, particularly if they are supported by some degree of funding.

### Concluding remarks

Having found the broad focus on the three dimensions of relevance, the question is – of course – if actual effects can be seen. It is common practice in the Netherlands to evaluate policy levers. However, some of the policy levers discussed in the case study are implemented recently, thus not having gone through a full evaluation. Moreover, the evaluations not necessarily reflect on the effect of a policy lever on a relevance dimension of higher education, as identified in this study. Evaluation studies show the direct effect of two policy levers on dimensions of higher education: the Sirius programme for excellence education, and the introduction of associate degrees. The studies connect excellence education to personal development and active citizenship, while students themselves also see benefits to their employability. An evaluation of the associate degrees particularly highlight the connection of the programmes to sustainable employment. The overall impact of these levers of the relevance of the higher education system may be limited, predominantly because participation in the created programmes is finite. Interestingly, policy levers may have an effect on relevance dimensions, even if they did not intend to have one. This is exemplified by the performance funding in the Netherlands, which focus on tangible results triggered a debate about the less tangible outcomes of higher education, namely personal development (*Bildung*). The choices made in the most recent higher education strategy can be seen in light of this debate. Effects based on indicators are most clearly seen for the sustainable employment dimension. The Review Committee concluded that Dutch higher educated graduates perform relatively well on the labour market, also in comparison to other European countries (Reviewcommissie, 2014). Higher education graduates have relatively low unemployment rates and often have permanent employment contracts after five years. For the other two dimensions, outcomes are much more uncertain, as they are hardly measured.

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## Case study 8: Spain

### Introduction

Spanish Higher Education (HE) is considered a unitary system for the overwhelming part of tertiary education students is enrolled into university-type of institutions (see Table 8).<sup>27</sup> The Spanish Constitution (1978) gives the national government the responsibility for the general legislation and to the autonomous communities the duty to develop and finance educational activities. In 1983, the University Reform Act transformed universities into self-governing autonomous bodies and the direct responsibility for universities was gradually transferred to the autonomous communities (Mora et al., 2000). At present, the central government is in charge of setting the general regulation and formal approval of new study programmes. Regional governments also have to approve new study programmes, they set the level of tuition fees and allocate funding for teaching to public universities, mostly based on historical allocations and to some extent related to the number of students.

Table 8: Broad outline of the (public) higher education system in Spain

Type / orientation of public institutions	Number of institutions	Degrees offered	Enrolled students
universities	49 (public), 27 (private)	bachelor, master, PhD	bachelor 1.621.895 (2012) master 321.392 (2012) PhD 68.865 (2011)

The higher education system is regulated by the Organic Law 6/2001 (so-called "LOU") and the Organic Law 4/2007 ("LOMLOU"). LOMLOU and the Royal Decree 1393/2007 set a new legal framework in order to implement the European Higher Education Area (EHEA) guidelines and modernise the Spanish university system, aligning it with the European Commission's recommendations under the Modernisation Agenda for Universities (EC, 2006). Coherent with the rhetoric and objectives of these policy documents, the LOMLOU aims to make universities active agents in the economy, fully integrated into the knowledge society and to increase the universities' autonomy in order to respond flexibly and quickly to changing environmental needs.

On paper, the law is consistent with the objective of increasing the relevance of higher education for different stakeholders and on different aspects. Universities should contribute to social and economic development. Graduates should be trained to accommodate demands from the society, the scientific and technological system. Universities are also expected to provide an adequate response to the needs of training throughout life and be open to whom, at any age, wishes to make use of cultural or educational opportunities.

LOMLOU prescribes the establishment of a student statute and the creation of a Student Council in the university governance structure, in order to articulate the necessary participation of students in the university system. Universities are also seen as essential transmitters of values, contributing to the achievement of a tolerant and egalitarian society, in which the fundamental rights and equality between men and women and their freedoms are respected. Universities are expected to guarantee gender parity in representative bodies by removing the obstacles that prevent women to be active in the governing bodies of universities and to enable them to achieve high rank positions in teaching and research.

<sup>27</sup> Non-university higher education institutions attract a small share of tertiary education students, while vocational training institutions - Ciclos Formativos de Grado Superior - provide 2 year programmes that are not bachelor degrees. The structure of the Spanish educational system is available at: <http://www.mecd.gob.es/dms/mecd/educacion-mecd/areas-educacion/sistema-educativo/enseanzas/sistema-educativo-lomce/sistema-educativo-lomce.pdf>

The central government was very active between 2006 and 2008, launching several important reforms and policies (LOMLOU act, new accreditation procedure, Strategy 2015 and the “International campus of Excellence Initiative”; Casani, 2014; Seeber, 2017). Since then, no important reform or policy have been launched, possibly because the economic crisis that erupted in 2008 greatly shirked the amount of resources available for higher education. It appears that in very recent years the autonomous communities have started trying to steer higher education more.

## Relevance of higher education

National legislation on higher education, strategic documents and accreditation procedures have been strongly influenced by the principles of the modernisation agenda of European Universities and Higher Education Systems (EC, 2006, 2011), the European Higher Education Area (EHEA) and the European Association for Quality Assurance in Higher Education (ENQA) principles. Accordingly, greater emphasis is given to employability than to other dimensions of relevance.

The state’s views on relevance are currently incorporated in the LOMLOU law (BOE, 2007), which states that universities have to provide evidence that new study programmes are relevant and that students will gain useful competences. These views have been confirmed in the strategic document *Estrategia Universidad 2015* (Strategy University 2015 - EU2015) (see next section). In a similar vein, QA procedures are aligned with the principles and priorities expressed by ENQA and the European Standards and Guidelines (ESG) that formally stress both personal development, active citizenship and sustainable employment, but place more emphasis on the latter.

Steering attempts of the autonomous communities also reflect an attention to employability and relevance for the local economic context. They aim at coordinating the teaching supply towards the needs of the region and increasing the chances of students to find a job upon graduation.

While public authorities stress employability, academics and students tend to be divided between two camps. Many agree that higher education should be oriented to find a job. However, interviewees argue that particularly students and academics in the Social Science and Humanities support the idea that higher education is valuable for the society as a whole, for human welfare, and not merely for individual economic returns. These two views appear rather in opposition in the Spanish context and seem somehow difficult to reconcile.<sup>28</sup>

## Relevance in strategies

The most important national strategic document for higher education released in recent years is *Estrategia Universidad 2015* (EU2015; Rubiralta, 2010). EU2015 was intended to complement the regulations deriving from the LOMLOU law and addresses multiple dimensions of relevance. It stresses the concept of higher education as a public service and emphasises the social dimension of the university, and using knowledge to promote employment, welfare and competitiveness. Universities are expected to contribute to the modernisation of the society by introducing new ideas as well as fostering a knowledge-based critical spirit, to contribute to the social cohesion, cultural and civic values, and to be an agent for economic and technological development.

Special emphasis is placed on the need to develop structured partnerships with businesses and with local and regional governments, in line with the triple helix model, to bring about structural and cultural change. The strategy also aimed to improve student counselling and guidance on services and programmes, to facilitate access and the

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<sup>28</sup> They actually reflect two different institutional ‘logics’ of HE, that of the liberal academy and an utilitarian one, which have been co-existing and/or competing for long time in several higher education systems around the world (Townley, 1997; Gumpert, 2000)

“correct” choice of study programme, to facilitate graduates’ first job-search and professional career development. The strategy claimed that knowledge must be placed at the service of society, increasing commitment to the community, engaging in dialogue with civil society organisations, and developing the social mission of the university.

In order to stimulate active citizenship, student participation was expected to grow in university governing bodies, in defining strategic projects, curriculum and study programme design, and in assessing teaching quality. EU2015 emphasises the idea of the student at the centre of the learning process and as active agent of the educational process, it aims to facilitate the system of grants and other financial study aids and improve the life-long learning dimension.

On paper, the strategy addressed the main dimensions of relevance. However, the degree to which the strategy and the related actions have been implemented has been limited – among others – by the economic crisis and changes in the political leadership (Seeber, 2017).

## **Policy levers for higher education**

### **European processes**

According to the interviewees the European Union is very influential and European level processes importantly affected Higher Education policies in Spain.<sup>29</sup>

Regulation. The European Union and European level processes had a major impact on national policies targeting the structure and relevance of higher education. The Bologna Process spurred a reorganisation of higher education provision and the introduction of new QA procedures that incorporated the modernisation agenda, EHEA and ENQA principles. Interviewees agree that this resulted in a stronger emphasis on employability. In the words of one interviewee:

“The Bologna process was a very important moment to change the supply system, to change all the contents of the bachelor and master (..) It was an opportunity to improve our educational system at university level. The focus on employability is stronger due to the Bologna process. Our students are now developing different skills: how to express themselves, how to speak in front of people, how to write an essay. Before it was not there. Now we have changed the methodology of teaching. Probably this is improving the skills, and help them find a job. It is too early to assess the effects of the EHEA, but I have seen a change in the mentality of younger teachers.”

The effects of these processes on the other dimensions of relevance is debated (see next section).

Funding. A second European level policy that is perceived to have a potentially important impact is the near future for sustainable employment is the Youth Guarantee (YG) and the related Youth Employment initiative (YEI) (EU, 2013). YG is a commitment by all Member States to ensure that “all young people under the age of 25 years receive a good-quality offer of employment, continued education, an apprenticeship or traineeship within a period of four months of becoming unemployed or leaving formal education” (EU, 2013). Spain presented a Youth Guarantee Implementation Plan in late 2013 and has become eligible for the Youth Employment Initiative with an allocation of 943.5 million euros - an amount similar to the one received from the European Social Fund (EU, 2016). At the end of 2015, the plan was not yet delivering the expected results and the share of registrations remained low. Therefore, in August 2015, the eligible age group was extended from 16-24 to 16-29, so that higher education students became included

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<sup>29</sup> Other international agencies and actors are less relevant. The OECD has promoted relevance primarily through the skills strategy and providing advice on appropriate interventions. For Spain the major remark from OECD’s experts was that the vocational training system at tertiary level is not properly developed. Given the prime focus on vocational training, the impact on Spain university HE has been rather modest.



in the initiative (EC, 2016). This decision may provide a new leverage to universities in promoting employability, although it is too early to evaluate its effect.

### **National policies**

Regulation. Quality assurance (QA) is the main governmental tool to guarantee that teaching supply is relevant.<sup>30</sup> QA in Spain went through four main stages, characterised by distinctive priorities that correspond to the evolution of the Spanish HE system and the influence of international bodies and processes, primarily European ones.

From the sixties until the late nineties, the Spanish HE system expanded in number of universities and students. In this period the quality and relevance of the study programmes had very little importance. In order to introduce a new study programme, universities only had to select from a list set by the central government in collaboration with the council of universities. The list also specified the curricula that universities had to follow. In this period, there was neither consideration of quality nor relevance. The formal acceptance of the programme was based on satisfying formal requirements and that the university had sufficient resources.

In the early nineties the first evaluation took place and new procedures were introduced. In this period the system was still growing, so the main goal was to measure outputs (Michavila and Zamorano, 2008). Participation was on a voluntary basis, and most universities joined. From the outset, the influence of European processes on QA processes in Spain was strong, as the methods employed were similar to those used in other QA exercises in the European Union countries (Vidal, 2003).

Due to demographic and economic reasons, from the late nineties the number of students stabilised to 1,5 million students, and later started to decline. At the end of the expansion phase, the attention shifted from measuring output to improve the quality of higher education, which was the main goal of the Second Plan for Quality of Universities (PCU), launched in 2001 (de Miguel & Apodaca, 2009). Gradually, formal and permanent structures emerged to conduct QA that supported future evaluation processes and alignment to the Bologna Process towards the European Higher Education Area (EHEA). In the same year, the LOU law (2001) introduced the National Agency for Quality Assessment and Accreditation (ANECA) and regional QA agencies, which became responsible for external quality assurance.

The fourth phase began in 2006, when the process to start new study programmes changed drastically. Until 2006 providing evidence of the quality of a study programme was welcomed, but not formally needed, and the availability of resources and infrastructure was sufficient to receive the approval from the ministry. Instead, in 2006 the national list was abolished and universities gained the possibility to define a programme and its curriculum with wide margins of discretion.<sup>31</sup> At the same time, in order to start a new course, the universities needed to receive a positive evaluation from the ANECA or regional QA agencies in the Verifica process - an ex-ante evaluation procedure - followed by a formal accreditation from the government. Verifica - is followed by an interim-evaluation (Monitora) and most importantly, after six years, by an ex-post evaluation (Acredita), which compares the initial project with the actual development and results. Professionals and students, together with evaluation experts and academics, are the members of the evaluation committees.

The principles of the QA procedure are directly inspired by the Standards and Guidelines for QA in the EHEA (ESG) (ENQA 2005, 2015), the Principles in the London Communiqué (EU, 2007) and from 2010, also the Dublin Descriptors became officially part of the legal

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<sup>30</sup> Vidal and Ferreira (2013) is a key source employed to describe the evolution of the Quality Assurance in the Spanish HE System.

<sup>31</sup> With the exception of programs with professional consequences, like health and engineering

framework that defines the evaluation process in the new Spanish Qualifications Framework (Vidal and Ferreira, 2013).

A precondition for the approval of any study programme is to “guarantee the respect and promotion of human rights and equality, and to promote democratic values and peace culture” – an important aspect of active citizenship (ANECA, 2012). The curricula should respect for fundamental rights and equality between men and women, respect and promote Human Rights and the principles of universal accessibility and design for all, and should value a culture of peace and democratic values.

*Verifica* foresees ten evaluation criteria.<sup>32</sup> Three of them are particularly important regarding the relevance dimension. First, the description of the study programme must clearly include the professional effects – to support employability – in particular for programmes leading to regulated professions. The second criterion – justification – requires amongst others that the professional or research relevance of the programme must be properly argued, it must be justified by the context, tradition and capability of the proposing university/ies. Most importantly, the third criterion prescribes to clearly identify the competences that the students will acquire. As a matter of fact, most of the programmes submitted to the *Verifica* were programmes already existing (Vidal and Ferreira, 2013), integrated with a clearer identification of objectives, needs of the society and the labour market (Gvaramadze, 2008). The procedure foresees that the proposal can be corrected if the first evaluation report is not positive, so that the overwhelming majority of demands has been approved. Since *Verifica* is based on the evaluation of documents, some interviewees argue that it is a rather bureaucratic exercise, where the connection with employability is actually weak and the most important criterion for approval is the financial viability.

*Acredita* encompasses three areas of evaluation: i) the management of the programme (e.g. organisation of the curriculum, accessibility and teacher coordination, transparency of information, existence of an internal system of quality assurance); ii) the existence of adequate human, infrastructure and financial resources; and iii) results (ANECA, 2014). The results criteria aim at verifying the achievement of the academic, professional and personal goals included in the proposal. Indicators of satisfaction and performance include: number of new students per academic year, graduation rate, dropout rate, efficiency rate, rate of return (i.e. in terms of earnings) and success rate. In terms of relevance, *Acredita* aims to measure through surveys and interviews: i) the satisfaction of students, teachers, graduates and other interest groups, ii) whether the graduates found a job appropriate to the program. *Acredita* also differs from *Verifica* for a negative evaluation is more difficult to remedy. The evaluation is not done only on paper but it implies site visits, interviews with former students and their employers to assess the degree of satisfaction. Around one third of the existing programmes are not presented for the *Acredita* procedure (Aneca, 2015).

Regarding the development of active citizens, with the new legislation (BOE, 2007) students continue to be formally involved in the university, faculty and departmental level decision-making, in the design and accreditation of the teaching programmes. On the other side, some interviewees highlight unintended consequences of European-related processes that have apparently reduced the participation of students. First, the restructuring of the courses have increased the pressure on students to finish on time by imposing a tighter schedule of courses and exams. Second, the stress on employability has contributed to shift common views on higher education, from something valuable for the society as a whole to something that provides an economic benefit for the individual.

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<sup>32</sup> The ex-ante accreditation procedure defines ten criteria for the design of new degrees: description of the study program, justification, competences, student entry and admission, programme planning, academic staff, resources and services, anticipated outcomes, quality assurance system and agenda for implementing the degree (ANECA, 2012). Evaluation procedures and criteria are extensively described in documentation available at: <http://www.aneca.es/eng/Programmes/ACREDITA/Documents-and-Tools>

From 2007 universities gained much room to define study programmes. In fact, the law prescribes that at least 25% of the total of educational credits is related to 'basic'-compulsory courses (BOE, 2007b, article 12). This leaves universities the freedom to allocate the remaining 75% of the credits, among others, also to non-formal education and optional courses, with positive spill-overs in terms of personal development. However, in most cases universities opted to allocate the large majority of credits to compulsory courses, leaving few credits to be optional or related to non-formal education. According to one interviewee this occurred for two main reasons. First, because of the traditional way of interpreting laws entrenched in the Spanish system, namely that: "if something is not explicitly encouraged (e.g. allocate the remaining credits to optional courses) then it must be forbidden"

Second, because the universities found that pre-allocating credits to compulsory courses was less problematic: it created less uncertainty than leaving students the room to choose their educational path.

Information. In 2011 a large survey on the living conditions of Spanish university students - a dimension important was run in the context of a Eurostudent initiative (Ministerio de Educacion, 2011), but it has not been repeated so far.

### **Regional policies**

The autonomous communities employ three main instruments to shape a HE programme offer that is relevant for the regional context.

Regulation. At present, as explained above, in order to be initiated a study programme needs a positive evaluation in the Verifica evaluation (or Acredita evaluation), the central government's approval and finally the approval of the regional government.<sup>33</sup> Clearly, the leeway for the regional government to reject a programme after the positive evaluation of the accreditation agency and the national government is very limited. Therefore, some regions would like to introduce a preliminary approval before the Verifica procedure or following a positive evaluation in the Acredita. This is actually done in the Cataluña region where a committee including vice-rectors of the eight public universities and the three private universities (business schools are not included) and regional representatives decide which programmes will be started in the coming year. This decision entails a high level of coordination between universities and regional authorities, which is unique in the Spanish context, and it is based on the information provided by the evaluation run by the regional accreditation agency, especially comparing employability, current performance and future prospects. Coordination in the programme supply avoids the activation of programmes with too few or too many students, which reduces waste of resources.

Funding. Most of the funding to public universities is based on historical allocation, and to some extent on the number of students. Around ten years ago some regions began to employ indicators of employability. However, the economic crisis that started in 2008 increased the level of unemployment of new graduates, created instability, and pushed regions to return to historical allocation. The only exception is represented by the autonomous community of Cataluña that still employs a more sophisticated formula, which also consider graduates' employability. In the coming years, other regions – like Madrid – aim to introduce a new formula for additional funding, which should consider teaching, research and employability indicators of performance. Interviewees recognise that the employability criterion should have a limited weight, as the labour market is subject to changes, so the job prospects of graduates from a given programme may be good today and not in the future, or vice versa. Other dimensions of relevance are not

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<sup>33</sup> With the exception of programs leading to regulated professions – e.g. engineering, medicine, law - where only the central government approval is required.

considered – according to the interviewees – because at the moment there are no indicators to measure them.

Organisation and information. Some regions attempt to coordinate the teaching supply of universities in their territory, especially to improve employability. For instance, the autonomous community of Castilla y León recently signed an agreement with public and private universities that aims to coordinate the creation of new programmes with a common strategy as well as promote inter-university collaboration for the provision of distance learning (Castilla y León, 2016). The goal of such agreements is to “soften the negative effects that can be caused by the deregulation regarding the organisation of studies”, to avoid waste of resources for duplicate courses. Duplicate courses may imply a waste both during the training period – when there are too few students for each programme – and/or ex post, since excessive numbers of graduates in a field will find more difficult to get a job. The Madrid region aims to create a commission to coordinate programme supply in the region. However, the attempt to coordinate the supply is very problematic. While regions can neglect funding to courses that are financially not robust, they cannot propose to develop new courses. The autonomy principle of universities and academics is very strong, and even more so for private universities.<sup>34</sup>

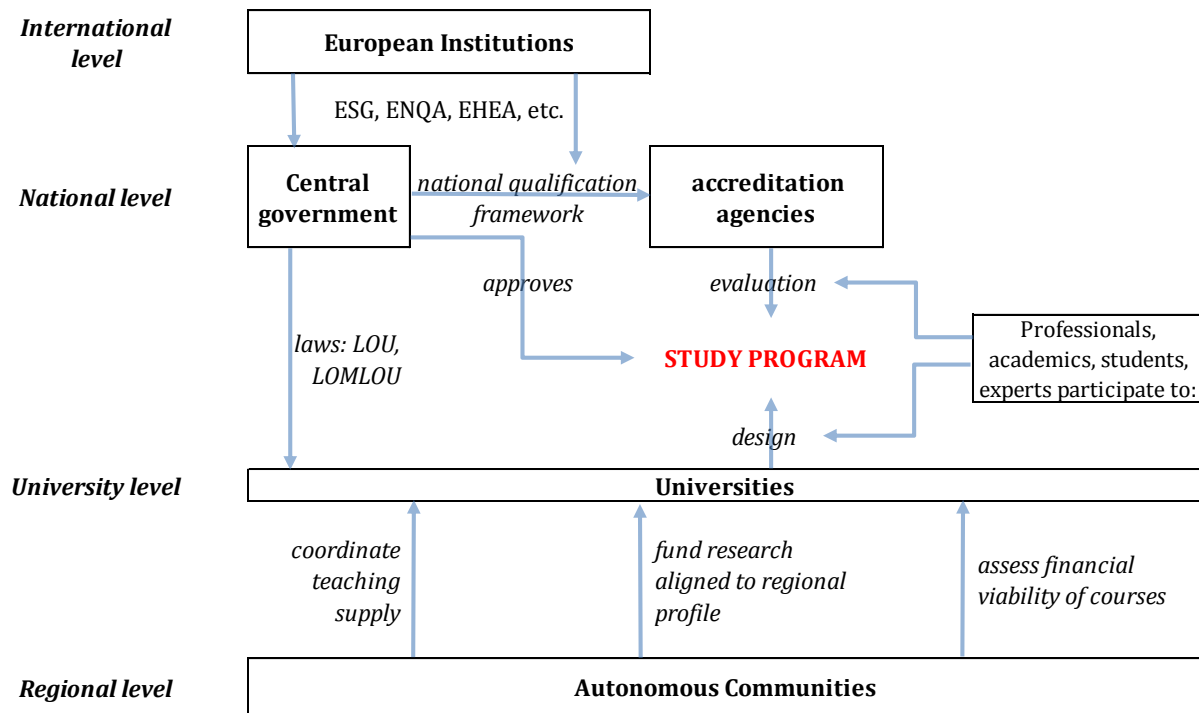
Information. Autonomous communities of Galicia and Cataluña collect information on employability in order to complement data collected by universities and evaluation committees. Already for 15 years, in Cataluña the accreditation agency runs a yearly survey among former students three years after their graduation. Around 25,000 former students are interviewed each year, one by one, and the interview includes around 100 questions on current occupation, whether the job is coherent with their specialisation, and what are their suggestions to improve the study programme, especially in terms of competences. The results of the survey inform the decisions of the regional committee on which programmes should be opened in the coming year. Recently, under the request of the Catalan government, the regional accreditation agency has launched a new Acredita procedure assessing programmes in terms of employability and internationalisation, and according to the efforts they put and the results they obtain. If both efforts (so-called “enabling” dimension) and results are outstanding, the programmes receives a special label. Around 10% of the courses receive such a label, 70% are accredited without a need for change, 15% need a revision and 5% are not accredited. The results of the evaluations not only inform decisions on opening new courses but they are also made public via a website (<http://estudis.aqu.cat/euc/en>).

Figure 1 depicts the main actors, forces and policies affecting the relevance of higher education in Spain.

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<sup>34</sup> For instance, the Aragon government tried to impede the establishment of a study programme in a private university, which appealed to a court and won.

Figure 1: Actors, forces and policies affecting relevance of Higher Education in Spain



## Indicators of relevance

The Verifica procedure implies desk activities for universities aimed to define the programme's objectives, strategic plan, etc. in compliance with the formal requirements inspired by ENQA. Indicators of relevance are not required, and their use has only occurred on an individual initiative, for instance to support employability prospects.

Acredita is based on in-site visits, interviews and surveys with students and employers to assess whether the course meets expectations and it is satisfying in terms of employability. Acredita occurs six years after the activation of the course. Hence, given that the first programmes were started in 2007-2008, very few students have already graduated and if they have, they have spent only a few years on the job market. Hence, at the moment the employability dimension is evaluated on few data and based on the very first employment positions. An exception is Catalonia, which has an established procedure to survey employability prospects, which inform decisions to start new or existing courses. Officials say that this instrument has been very effective. However, there is not a formal evaluation, nor whether this later translates in higher employment rates.

Universities employ employability as a marketing lever to promote their courses, but there is a common understanding among the interviewees that the information provided to students is not always sufficient. Catalonia stands apart as this information is made public through a specific website that allows for a comparison of programmes. Clearly, this comparison is limited to Catalonian universities, whereas there is a lack of comparable information of job prospects and programme evaluations in the other regions.

When asked on the availability of data and indicators on other dimensions of relevance, interviewees agree that these are largely lacking and possibly difficult to conceive. The Eurostudent survey (2011) has been the first and last collection of data on student satisfaction at the system level. Issues like the level of participation to political and social

life (e.g. do you vote? Are you members of any associations, parties?) as well as personal development (e.g. are you satisfied of your life?) are not systematically investigated. The Catalanian government assesses the internationalisation dimension of the programmes, assessing whether they are taught in English, they provide information in English, etc. In terms of the results, it is interesting to note that one indicator evaluates positively programmes where former graduates work abroad (figures are 4% for bachelor graduates, 10% for master students and 16% for PhDs). This highlights a clear tension in the government mission, which is on the one hand to provide the best opportunities for their citizens and on the other hand to strengthen the regional socio-economic system by attracting and retaining human capital. From this latter perspective, it appears odd that a course is judged positively if it favours emigration of their students. The 'rationale' for this indicator – according to public officials – is that compared to other countries in Europe the number of students that go abroad is very low<sup>35</sup>, and this may suggest – among others – that the programme does not provide the right competences.

The Catalonia accreditation agency is trying to develop the evaluation dimension of sustainability in line with the United Nations 'Sustainable Development Goals' (Assembly UN general, 2015), which ought to consider a programme's attention to environmental management, social perspective to the students, etc.

### **Reflection on linkages between relevance, policy levers, typology and indicators**

Interviewees agree that QA procedures have increased attention to relevance, particularly in terms of employability. At the same time, the approval of the teaching programme is crucially related to the financial viability and the allocation of funds for teaching is to a large extent related to historical allocation and the number of students. Therefore, rather than future employment outcomes, on the supply side the design of the programmes aims to match in-house expertise (e.g. the profile of existing body of academic staff) and the possibility to enrol sufficient numbers of students.

On the demand side, students have little information on the job prospects – partly because of an incomplete data collection and information systems and partly because only recently the new programmes have "produced" the first graduates. The deregulation of teaching offer stemming from the abolishment of the centralised list of programmes has contributed to the problem of making informed choices. In fact, the number of different names of programmes has increased remarkably, so that programmes with the same name may have different content or vice versa. This has two main effects. First, students – and their families – tend to privilege traditional programmes like medicine, law, education, etc. – which had the greatest job prospects in the past, even if at present this might not be the case anymore. Second, it renders mobility within Spain and attractiveness for foreign students more difficult. In order to address this problem, some interviewees advocate for a centralised information system on the programme supply of Spanish universities – like in the UK – or the standardisation of programme denominations. However, they also recognise that these solutions are challenging because regions and universities might perceive these as a threat to their competences and autonomy.

### **Concluding remarks**

In recent years, the concept of relevance and particularly employability has become more important in the Spanish higher education. QA processes have played a major role in this respect. Interpreting the interviews, three major challenges appear to be particularly crucial for more effectively address the relevance of higher education in Spain.

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<sup>35</sup> See the international database of brain-drain brain-gain: <http://www.iab.de/en/daten/iab-brain-drain-data.aspx>: Spain emigration rate of high skilled in 2010 was 2% compared for instance to 9,1% in Italy, 7,7 in Germany, 55 in France. Emigration rates have grown remarkably in recent years (Ramos, Royuela, 2016).

First, there is a need to collect and distribute information more systematically. At present, there are remarkable limitations in the data and indicators available to inform decisions of universities and students. In the future, the support and policies of autonomous communities will arguably play an important role in this respect.

Second, the emphasis on other dimensions of relevance other than employability should grow. Some interviewees highlight the risks deriving from narrow conceptions of relevance. They suggest that the increased emphasis on employability has shifted the traditional conception of higher education as something beneficial for the society as a whole – and worth of public support – to providing individual economic return, and accordingly justifying the reduction of public investment and the rise of student fees. Since higher education has become costly, the pressure to finish on time has increased, reducing time for participation in the governance and in political life, further spurring the conception of higher education as an individual endeavour – which points to a self-reinforcing cycle.

Third, universities within the same regions and regions themselves should increase coordination, cooperation and collaboration to reduce redundancy and improve effectiveness. In recent decades, the Spanish higher education system shifted from a strongly centralised system to a strongly decentralised one. Precisely because of the strong centralised tradition, regions appear reluctant to reintroduce some sort of central state coordination. However, interviewees agree that deregulation of the teaching supply and the disappearance of a centralised coordination had some drawbacks; therefore, more coordination between universities in a region and between regions would be desirable. However, this is not an easy task, particularly because different political forces are in power in different regions. Possibly, solutions adopted in established federal systems like Germany and Switzerland may be valuable, such as tailored contracts between a region and each university, agreements to transfer educational funds from one region to another when students move, etc. Coordination is also essential to address the demographic and economic disparities existing between and within regions. Spain – alike many other countries – is characterised by few urban areas that are very developed in terms of industries and services, and areas that are less developed and connected. Therefore, peripheral regions are confronted with a difficult dilemma. At present, a large share of graduates from their universities move to more economically developed cities in Spain or abroad, where they can find a job suitable to their qualification. However, if they limit the provision of courses that have limited job prospect in the region, they might risk losing their youngers earlier – as they will study out of the region – and/or reducing their future job prospects.

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