

# Effectiveness of Governance Arrangements in Higher Education in Europe

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1. Some theory on governance of higher education institutions
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6. Challenges for the future in higher education governance

- Autonomy
  - Managerial autonomy
  - Policy autonomy
- Steering
  - Ex ante: on the basis of rules/norms
  - Ex post: have the goals been reached
  - Structural: hierarchical
  - Financial: directing decisions

# Management versus policy

→ examples

- **Management**

- personnel
- finances
- organisation

- **Policy**

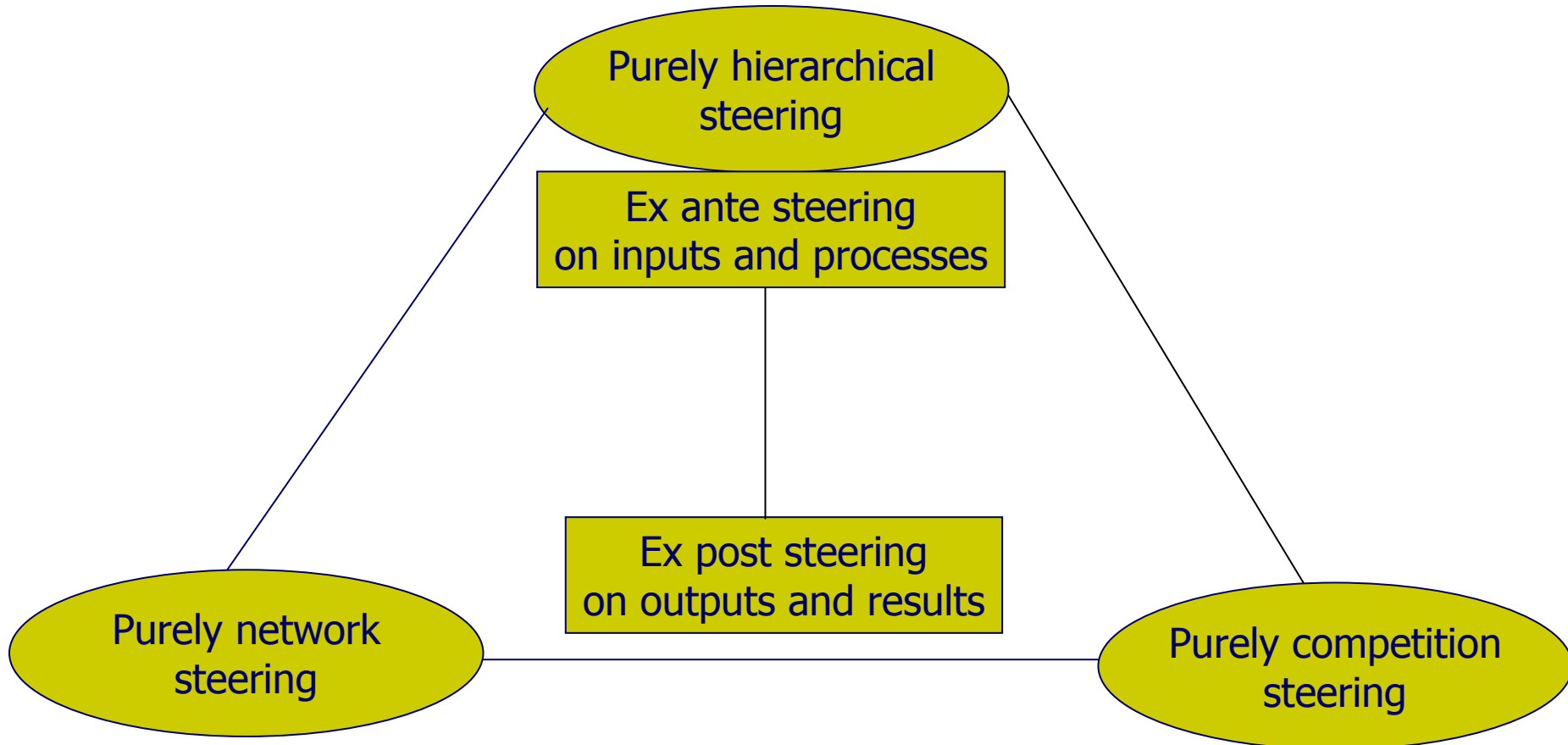
- processes
- policy instruments and desired output
- target groups
- social aims and policy results

## Possible tensions:

- Between formal and factual autonomy
- Different kinds of autonomy and steering combined  
e.g. managerial autonomy but financial governance → choices=?
- Autonomy vis-à-vis ≠ (steering/governing) bodies / multi-party model
- Lack of steering versus abundance of steering

- State *control* model
  - Steering on input and throughput
- State *supervising* model
  - Steering on parameters e.g. output (steering on borders)
  - Steering on dependences

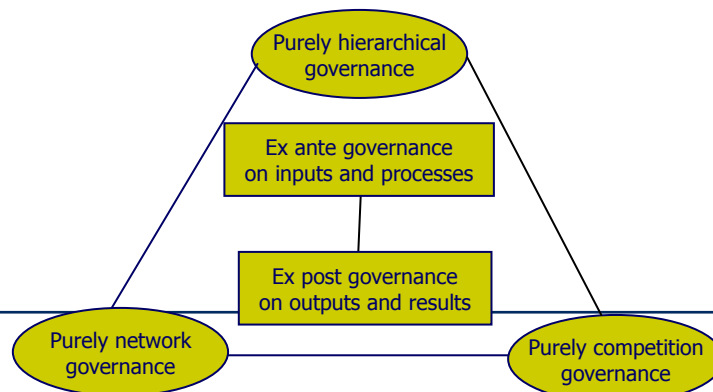
# Basic models of interaction and of steering



- External governance  $\leftrightarrow$  autonomy
- Internal (= institutional) governance  $\leftrightarrow$  autonomy



some general observations on HEIs in Europe





## General observations on external governance of higher education institutions in European Countries:

- Overall responsibility for HEI's lies within the relevant **Ministry** (= a department of government led by a minister) → **hierarchical**
- National **quality assurance bodies**: responsible for setting *quality standards* and conducting *evaluations* → **ex ante**
- **Advisory** or consultative **board** on national level, supporting the ministry (HE Council, Advisory Council or similar) → **network**
- National-level body consisting of the executive heads of all (public or government-dependant private) universities, usually called a "**Rector's Conference** or Council". → **network**  
(In some countries, there is an equivalent body for the heads of professional/vocational HEIs)

## Governmental Regulations for higher education institutions:

- HEIs in Europe: **autonomous** entities according to national legislation
- The **institutional governance structure** of HEI's is regulated according to national or regional legislation  
(Belgium, Germany and Spain → delegated to the level of the Community).
- Official regulations are usually supplemented by **institutional statutes**.
- Further **reform** of higher education governance structures is **under discussion** in several countries  
e.g. Lithuania and Finland

## External regulations on institutional strategic planning

- HEIs are autonomous, so responsible and accountable for
  - their management
  - goals and activities
- Key instrument: **strategic plan**  
(Exception: in some countries not officially required for HEIs, e.g. Belgian communities)
- An **annual report** is requested in most countries
- HEIs in many countries must produce regular updates for **national databases**, used by ministries for monitoring and budgetary purposes
- In several countries HEIs conduct **self-evaluations** and publish the results.

# State vis-à-vis higher education institutions

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In brief, government regulations should aim for:

- Transparency in management
- Accountability
- Continuity in policy making
- Concretization of mission
- Optimization of institutional internal policy
- Quality assurance

(at the level of the higher education institutions)

**→ mainly ex post**

## Higher Education Institutions governing bodies:

- An **executive body** ("Rectorate"): headed by a Rector, President or Vice-chancellor as the executive head of the institution.
- An **academic body** : responsible for matters relating to the *educational and research services* provided by the institution.  
Members: mainly academic staff, usually also including students
- A **decision making body**: responsible for *long-term strategic planning*. Has authority to modify or confirm statutes and its approval is required for decisions taken by the executive head  
In some countries: academic body serves as decision-making body.
- [An **advisory body**: there is a trend in European countries to install this body to oversee and monitor educational, operational and financial activities. Members: mainly external stakeholders.]

Strong and flexible HEIs pursuing excellence in their different missions requires:

- Shaping, reinforcing, and implementing autonomy
- Increasing and diversifying income
- Enhancing quality and improving transparency

- Looking for a good balance: steering by government versus autonomy of HEIs
- Debate on full costing for HEIs: autonomy is one of the conditions that underpin the implementation of full costing
- Need of coordination in government regulations
- Enable HEIs to be competitive actors on labour market: need for structural adjustments
- Adjust HEIs internal governance (ex ante) to the increasingly desired (by HEIs) ex post external steering

## New financing model for HEI's in Flanders

Short intro to political/historical context:

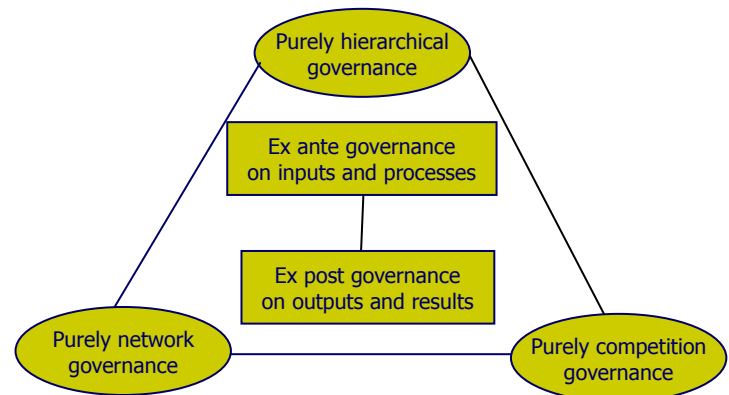
- 1993: Belgium became federal state:
  - 3 policy levels with their own legislative and executive bodies: the federal state, the communities and the regions
  - educational responsibilities: three communities: Flanders, French-speaking and the German-speaking community
  - Flanders: Flemish ministry of Education
- "Flemish" legislation (decrees) for universities (1991) en *hogescholen* (1994)
- Bologna-process (1999) → new decrees
  - "Structural Decree" (2003)
  - "Flexibilisation Decree" (2004)



## New financing model for HEI's in Flanders

### Rationale of the new Financing Decree (2008)

- Similar financing for universities & university colleges (cfr. Structural Decree)
- Shared responsibilities:
  - Government
  - HEI's (input – output mix)
  - Students (“learning credit”)



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## New financing model for HEI's in Flanders

### Goals of the new Financing Decree

- Stimulate participation in HE
- Increase study efficiency
- Guarantee equal chances
- Rational offer of educational programmes
- Support 'flexibilisation' & 'academisation'
- Stimulate quality of education & research

## New financing model for HEI's in Flanders

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### Mechanisms of the new Financing Decree

- One envelope for all HEIs together → communicating vessels
- Educational part
  - lump sum
  - variable part depending on 'student performance'
- Research part
  - lump sum
  - variable part depending on research output

## New financing model for HEIs in Flanders

### Effects of the new Financing Decree on HEI's governance

- Too early for final conclusions
- But already clear:
  - Students (+parents...) have been become involved party too → need to be included in concepts
  - Steering on students' performance = difficult
  - The desired shift to more ex post steering has not come through yet (mainly ex ante)

- The good balance: steering by government versus autonomy of HEIs has not yet been found
- Students are increasingly becoming stakeholders too
- If HEIs internal governance (now: mainly ex ante) is to be adjusted to the increasingly desired (by HEIs) ex post external steering
  - ➔ Need of more professional management competencies in higher education