

# EUROPEAN UNIVERSITY ASSOCIATION

## Autonomy, efficiency and effectiveness – opportunities for higher education: A pilot study

Veronika Kupriyanova, Enora Bennetot Pruvot and Thomas Estermann  
Governance, Funding and Public Policy Development Unit

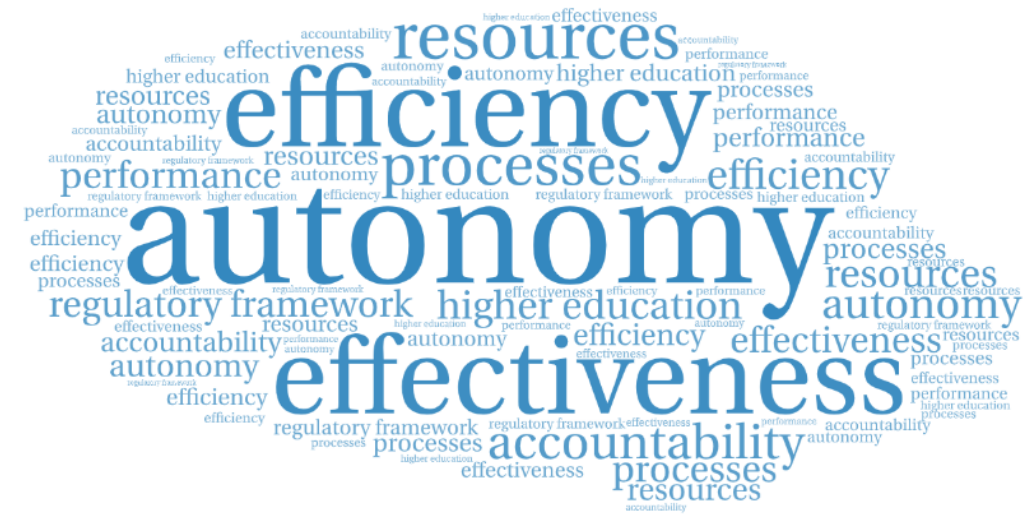
University Politehnica of Bucharest  
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# Focus

1. Introduction
2. Methodology
3. Results
4. Discussion
5. Conclusions
6. Q&A

# Growing focus on efficiency and effectiveness in HE

- National targets set across Europe
  - In Austria, Ireland, Latvia, Lithuania, UK...
- EU-level objectives for HE and research
  - EU strategic framework for education and training until 2020: “*Improve the quality and efficiency of education and training*”
  - Renewed EU Agenda for Higher Education: “*Supporting effective and efficient higher education systems*”
  - European Universities Initiative
  - European Research Area: “*effective national research systems*”



=> How to enable universities to be more efficient and effective?

# Autonomy as an enabler of efficiency and effectiveness

## USTREAM project findings: Key message 4

*“Universities must be **autonomous** and able to independently **shape** their **governance** structures within agreed accountability frameworks in order to be able to react more effectively to external challenges, address social and economic needs, and manage resources in a more strategic, **efficiency** and **effective** way.”*



- ⇒ How does autonomy exactly support efficiency and effectiveness?
- ⇒ What is the impact of autonomy on efficiency and effectiveness?

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# Research framework

Connection to EUA's work on autonomy, funding and efficiency



# Research framework: Autonomy

- Multidimensional approach based on the University Autonomy Scorecard (32 indicators)



Organisational autonomy	Financial autonomy	Staffing autonomy	Academic autonomy
Ability to decide on selection procedure for the executive head	Ability to decide on internal allocation of public funding	Ability to decide on recruitment procedures (senior academic staff)	Capacity to decide on overall student numbers
Ability to decide on selection criteria for the executive head	Capacity to keep financial surplus	Ability to decide on recruitment procedures (senior administrative staff)	Ability to select students
Ability to decide on dismissal procedure of the executive head	Capacity to borrow money	Ability to decide on promotions (senior academic staff)	Ability to introduce programmes
Ability to set term of office of the executive head	Ability to own real estate	Ability to decide on promotions (senior administrative staff)	Ability to terminate programmes
Ability to include external members in governing bodies	Ability to sell real estate	Ability to decide on salaries (senior academic staff)	Ability to choose the language of instruction
Ability to select external members in governing bodies	Ability to engage in joint procurement	Ability to decide on salaries (senior administrative staff)	Capacity to select QA mechanisms and providers
Capacity to decide on academic structures	Ability to set the level of tuition fees for national/EU students	Ability to decide on dismissals (senior academic staff)	Capacity to select QA mechanisms and providers
Capacity to create legal entities	Ability to set the level of tuition fees for non-EU students	Ability to decide on dismissals (senior administrative staff)	Ability to design content of degree programmes

4 Dimensions:

**Organisational Autonomy**  
7 Indicators

**Financial Autonomy**  
11 Indicators

**Staffing Autonomy**  
8 Indicators

**Academic Autonomy**  
12 Indicators

# Research framework: Efficiency (I)

- Multidimensional approach to efficiency and effectiveness based on the USTREAM framework

	Operational dimension	Academic dimension	Strategic governance dimension
<b>System level</b>	Land use Estate ownership VAT regulations	Programme certification procedures	University autonomy legislation Funding modalities
<b>Sector level</b>	Collaborative procurement Shared services	Shared research assets Shared staff	Exchange of practices Benchmarking Peer learning
<b>Institutional level</b>	Space use optimisation Centralised procurement Asset sharing within institution	Research profiling Review of the academic offer	Leadership and engagement Value for money reports 'Efficiency culture'



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## European Higher Education Area: The Impact of Past and Future Policies

Editors: Curaj, Adrian, Deca, Ligia, Pricopie, Remus (Eds.)

### Efficiency of Universities: Drivers, Enablers and Limitations



Veronika Kupriyanova, Thomas Estermann and Norbert Sabie

#### Introduction

#### Background and Objectives

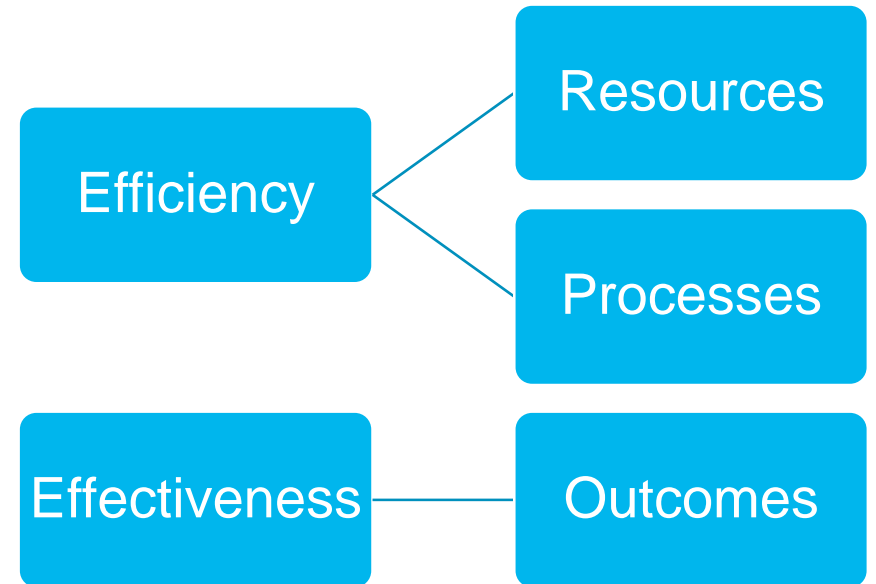
Since the significant economic downturn arising from the global crisis in 2008, there has been increasing interest from policymakers and higher education institutions in Europe about efficiency and effectiveness in the higher education context. The growing attention to these topics has also been triggered by changes in funding modalities and in university governance and accountability frameworks, as well as growing competition among higher education institutions and the evolving student body. Against this background, two important questions arise for higher education practitioners and researchers: first, how could universities achieve their core institutional goals while ensuring the efficiency of their processes and operations, and secondly, what kind of framework conditions could support universities in their quest for efficiency and effectiveness?

To help institutions and policymakers address these questions, the European University Association (EUA), together with its partners, initiated a project called



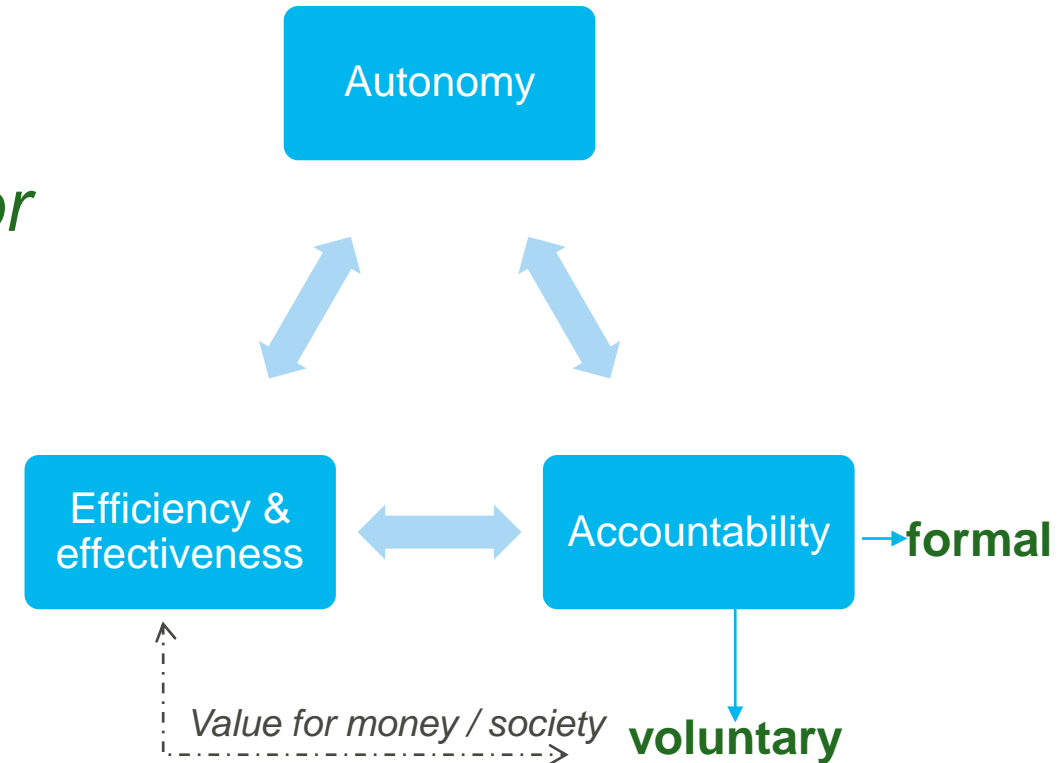
# Research framework: Efficiency (II)

- Principles of Lean and Six Sigma
  - Efficiency understood as the capacity to achieve financial and other gains through optimised use of **resources** and management **processes**
  - Effectiveness understood as the capacity to achieve the **outcomes** expected from the institutional vision, mission and the corresponding strategies and actions plans



# Research framework: Accountability

*“A relationship between an actor and a forum, in which the actor has an obligation to explain and to justify his or her conduct, the forum can pose questions and pass judgements, and the actor may face consequences”  
(Bovens 2006, p. 9)*



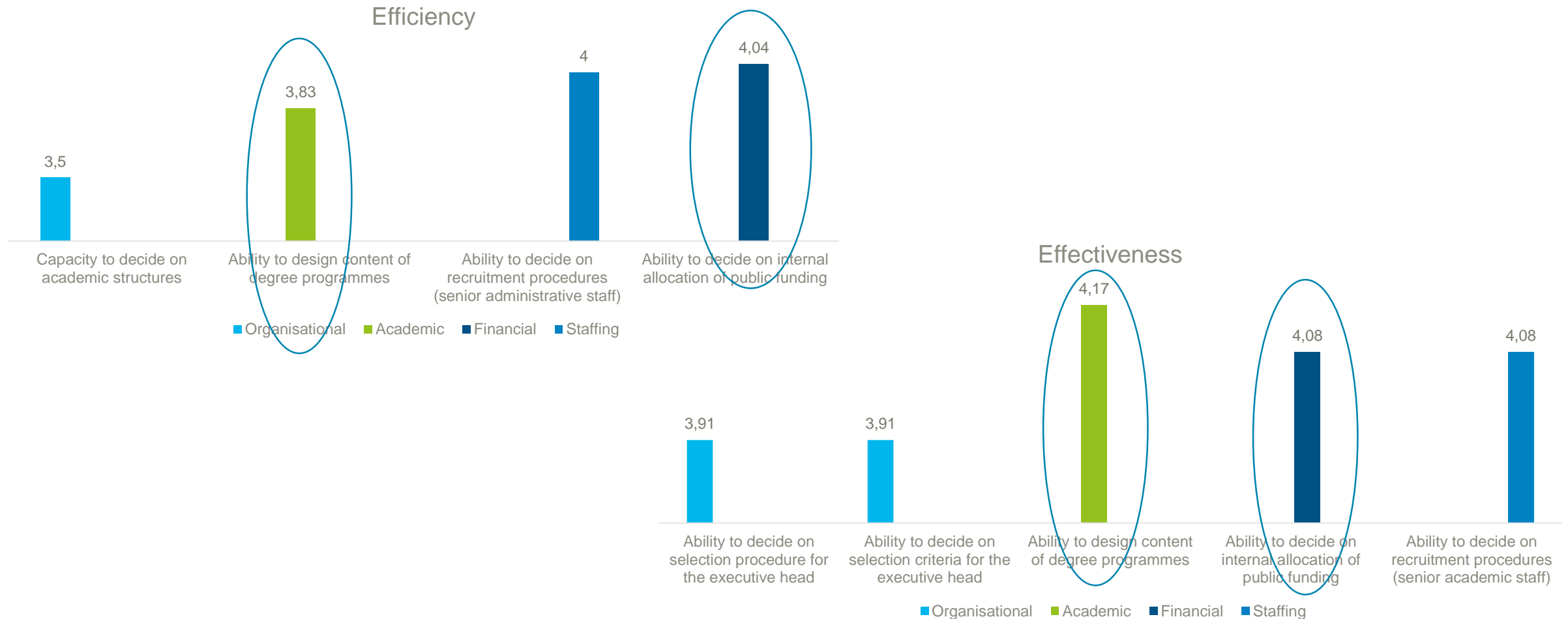
# Research method & sample

- Structured expert assessment
- Rating the impact of each autonomy indicator on institutional *resources* and *processes* and *outcomes* (effectiveness) (1-5 points)
- “Ideal” expectation of the impact
- Average scores calculated for each autonomy indicator
- Check for differentiated views
- Qualitative feedback / comments
- Twelve experts from 12 countries
  - Austria, Belgium, Finland, Iceland, Italy, Latvia, Lithuania, Netherlands, Poland, Portugal, Romania, Sweden and Switzerland
- Extensive experience in university management (Vice-rector or head of admin level)

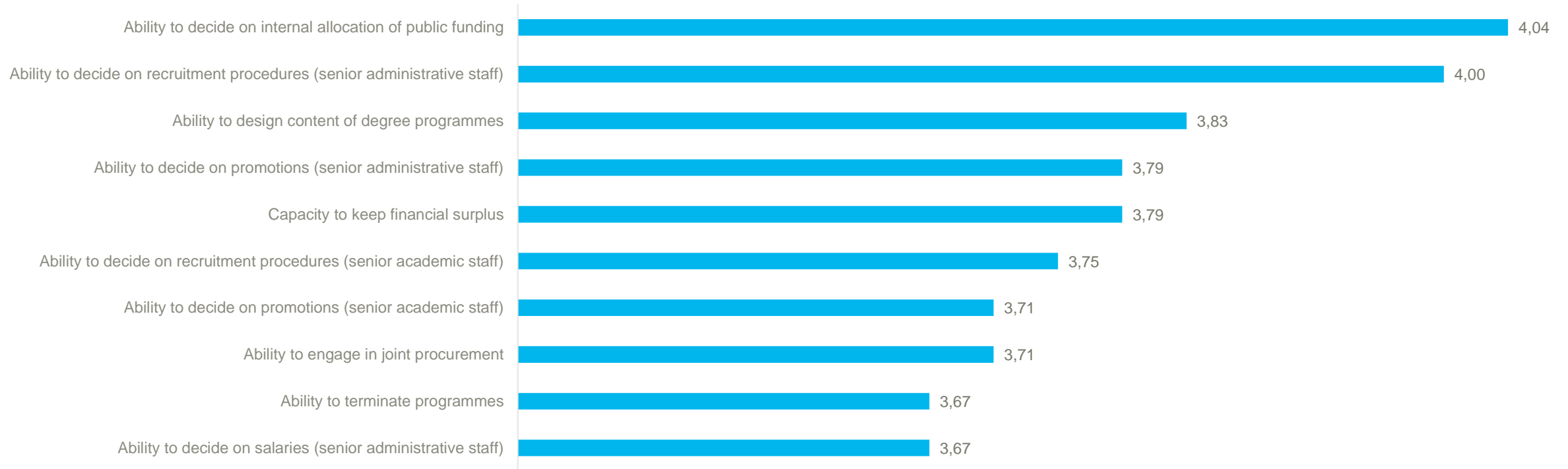
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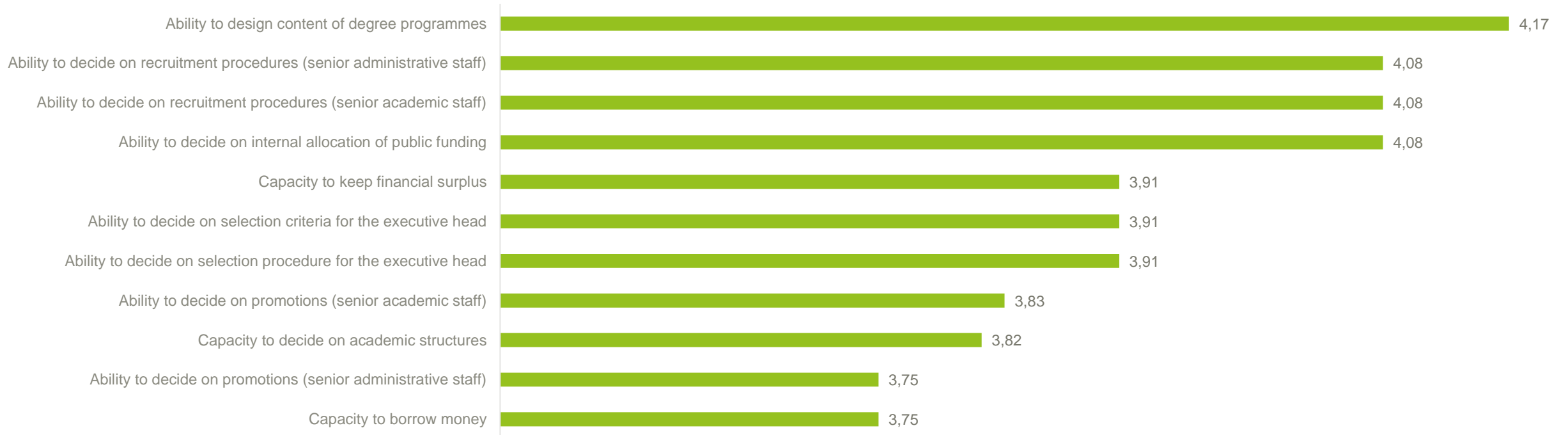
# Most impactful indicators per each autonomy dimension



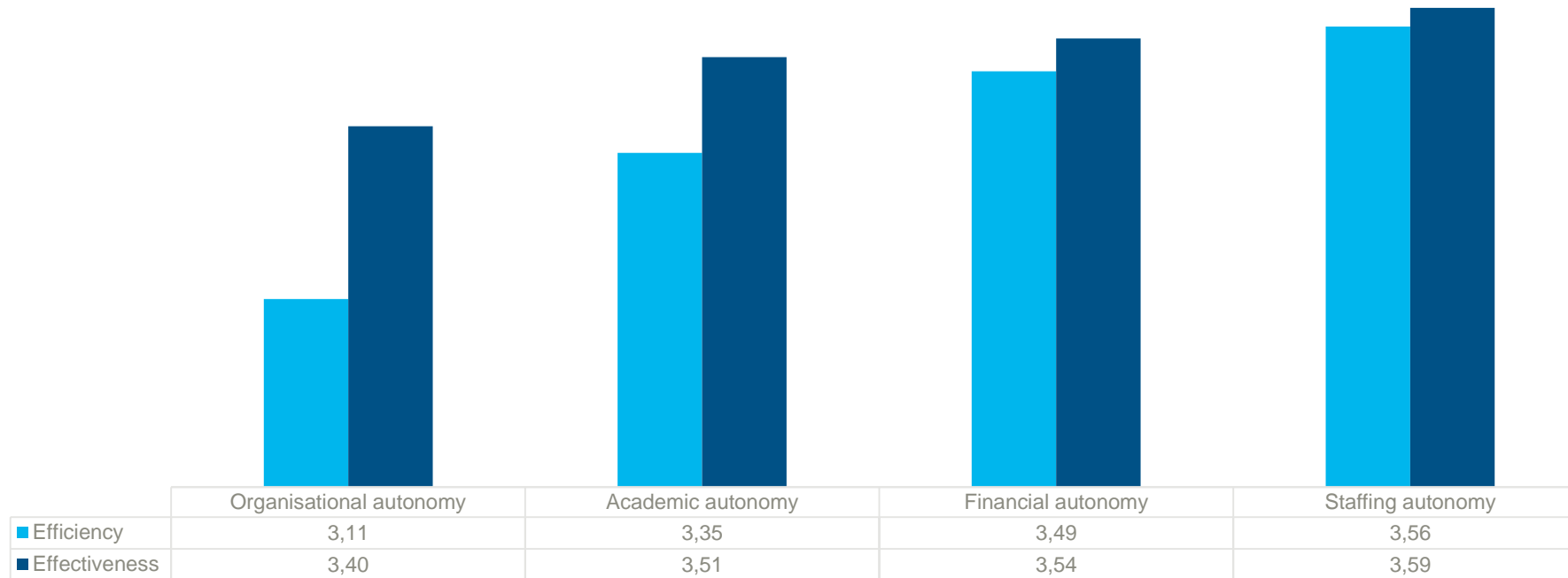
# Top 10 autonomy indicators: efficiency



# Top 10 autonomy indicators: effectiveness



# Ranking of autonomy dimensions





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# Policy implications and opportunities for HE

## **Original hypotheses:**

- Importance of financial autonomy for efficiency
- Importance of academic autonomy for effectiveness

## **Areas for discussion and further investigation:**

- Staffing autonomy for greater efficiency and effectiveness
- Financial autonomy for greater effectiveness
- Academic autonomy for greater efficiency
- Organisational autonomy for greater efficiency & effectiveness

# Opportunity 1: staffing autonomy for greater efficiency and effectiveness

- The ability to select and advance staff in an adequate way is crucial for both efficiency and effectiveness.
- Sufficient and sustainable public funding is needed for HE to attract and nurture talent.
  - !! Caution with staff layoffs and recruitment caps imposed at policy level
- Adequate internal accountability mechanisms ensure equity, fairness and transparency of all staff related procedures.

## Opportunity 2: financial autonomy for greater effectiveness

- Financial autonomy has a proven impact on efficiency (e.g. through real estate management, space optimisation or procurement).
- Opportunities for effectiveness lie with flexible internal financial management supporting high-level goals and strategic institutional profiling.
- High financial autonomy comes with high accountability and cannot justify funding cuts.

# Opportunity 3: academic autonomy for greater efficiency

- The ability to design the content of academic programmes supports the effectiveness of learning and teaching (e.g. through the use of new modes of learning, shared study programmes and institutional collaborations).
- Capacity to introduce and terminate programmes promotes efficiency (e.g. by reducing course duplication and optimising programme portfolio).
- High academic autonomy comes with internal quality culture and accountability (e.g. institutional vs programme-based accreditation).

## Opportunity 4: organisational autonomy for greater efficiency and effectiveness

- Framework leadership provisions are crucial for effectiveness.
- The capacity to decide on academic structure is essential for aligning the organisational structure with the university's mission and ambition.
- The review of existing structures (e.g. in times of mergers) offer a chance to look at them from the perspective of efficiency.
- University leaders and governing bodies can provide an impetus for efficiency and effectiveness and bring new competences in these fields.

# Conclusions

- The pilot study supports greater awareness of the link between autonomy and efficiency at different levels encouraging:
  - Policy makers to embed efficiency and effectiveness considerations into regulatory framework reforms.
  - Institutions to take full advantage of their autonomy (within their regulatory frameworks) to enhance their efficiency and effectiveness.
- The results could be further validated with a larger and more diverse sample of institutions and enriched with additional qualitative research.

# Thank you for your attention

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Veronika.Kupriyanova@eua.eu

