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From the Academic Republic to the Managerial University

- The Implementation of New Governance Structures in German Higher Education -

*Presented at the International Workshop
„Reforms of Higher Education“*

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Content

- (1) The international context: international trends in governance
- (2) The national context: the traditional model of an academic republic
- (3) The new governance regime in German higher education
- (4) The current state of implementation: some empirical findings
- (5) Conclusions

Governance

- (1) Relationships between state and higher education institutions
- (2) Different instances of steering:
 - state
 - university management
 - market / competition
 - academic community
- (3) Internal institutional steering

International trends in governance of higher education - According to OECD (2003) -

The study identified 5 areas of reforms (based on 14 countries):

- (1) Institutional autonomy
- (2) Funding
- (3) Quality assurance
- (4) Institutional steering and management
- (5) Leadership

The national German context

- (1) B. Clark (1983): state and academic oligarchy as the two main factors co-ordination German higher education
- (2) Historical reasons:
 - From the beginning (14th c.) dual character of German universities
 - as state institutions
 - as corporate / collegial institutions
- (3) Concept of culture state (19th c.)

The national German university as an academic republic

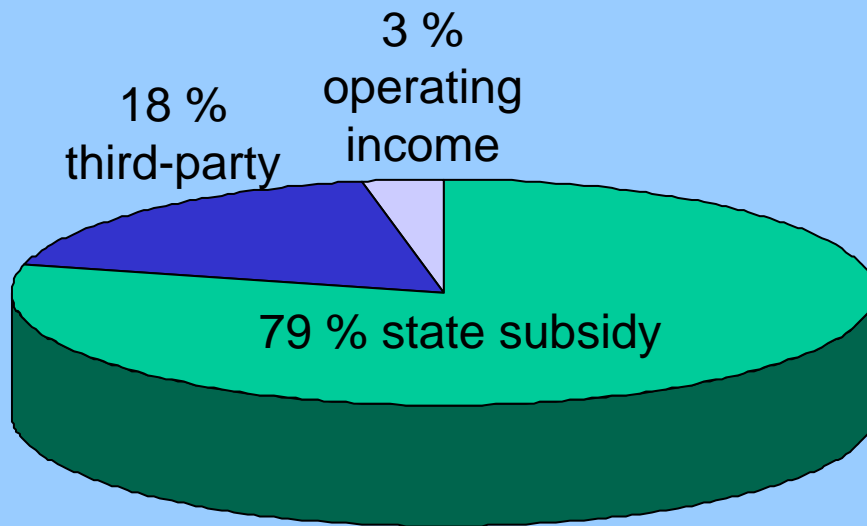
- (1) State privileged and supported
- (2) High degree of individual scholarly freedom
- (3) Internal self-government with a weak management and strong academic level
- (4) Since 1970s: organized as a group university

Higher education institutions in Germany (2004)

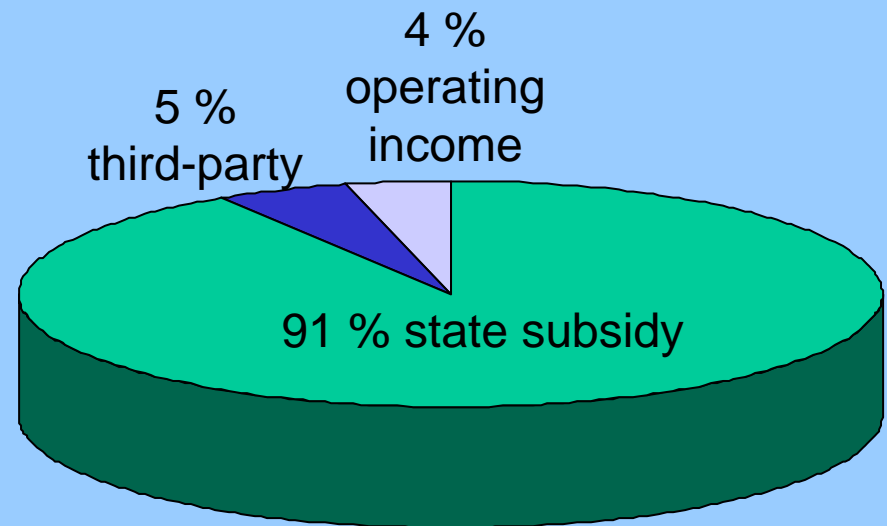
	Number of institutions	Proportion of new students (in %)		Proportion of all students (in %)	
		1993	2004	1993	2004
Public	262	97,6	95,4	98,3	95,4
Private					
- church	43	1,4	1,4	1,0	1,3
- others	61	1,0	3,2	0,7	2,3
	366	100 %	100 %	100 %	100 %

Funding of public higher education in Germany (2003)

**Universities €13.5 billion
(without medicine)**



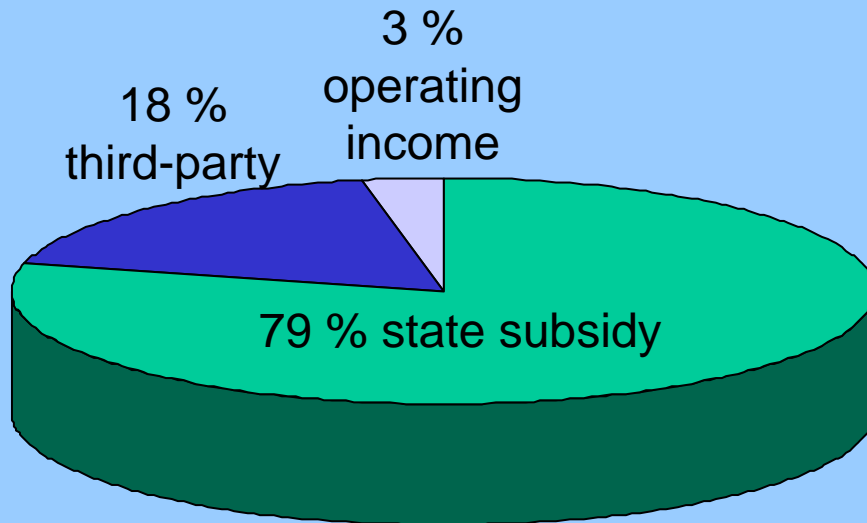
Fachhochschulen €3.1 billion



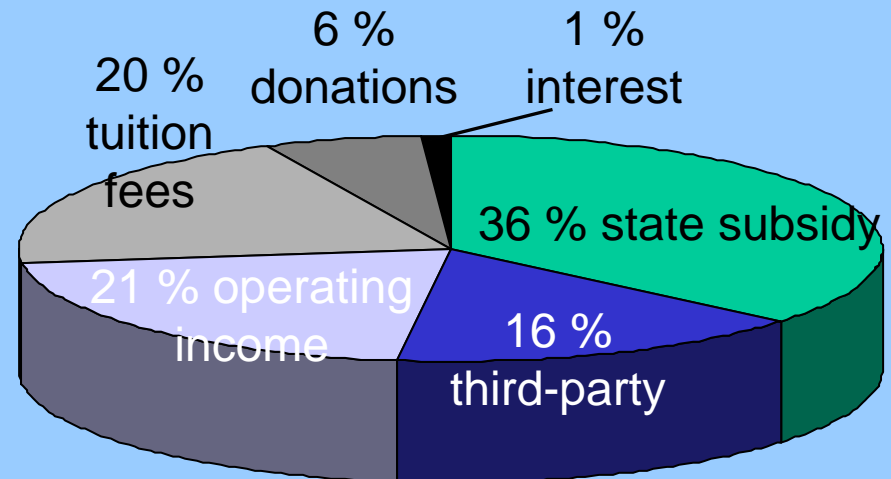
Medical universities/faculties: €14.1 billion

Sources of higher education funding in Germany (2003) and USA (2000)

**Universities €13.5 billion
(without medicine)**



**Public US-universities €125 billion
(without medicine)**



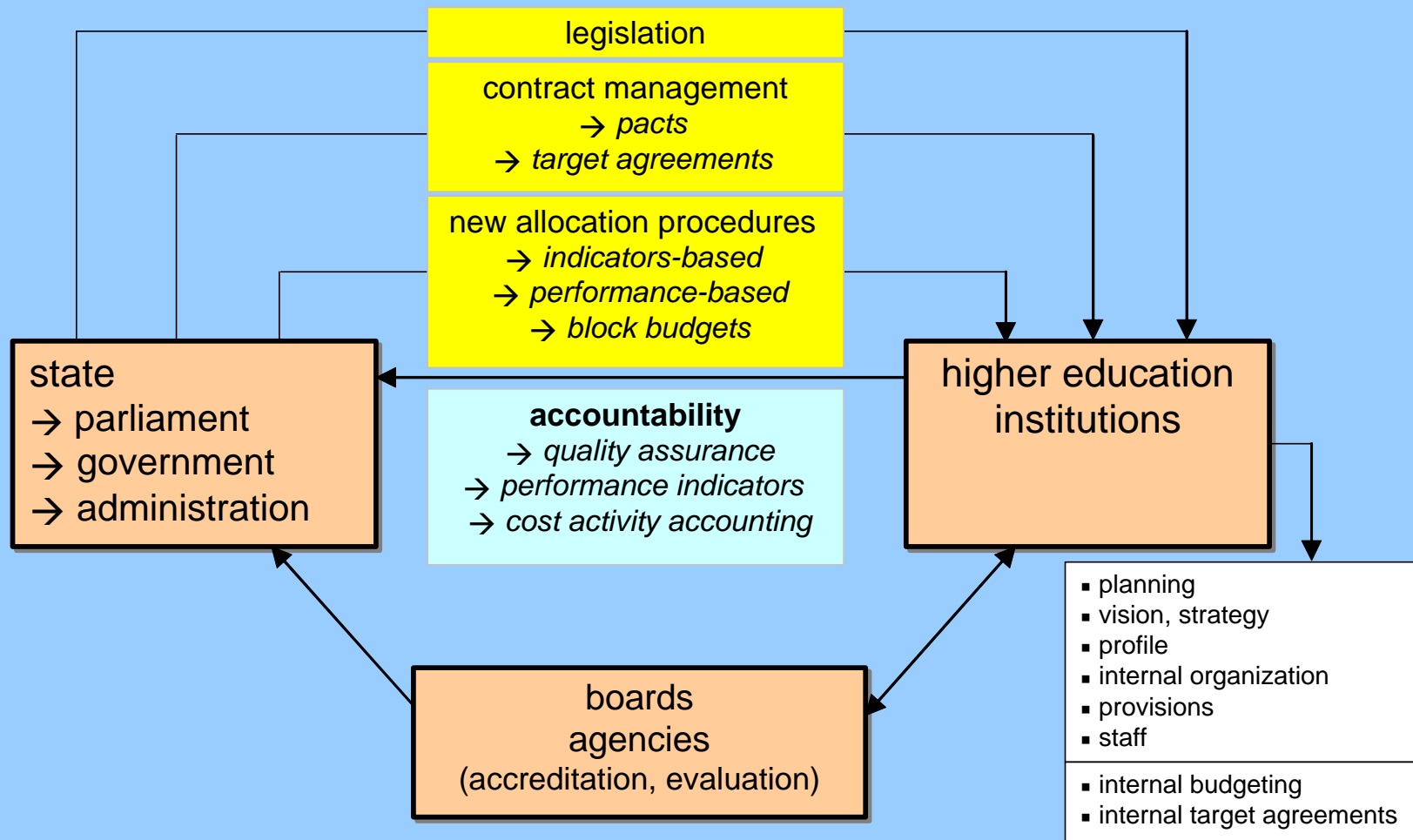
Governance in German higher education after 1945

1. Establishment of several responsibilities at federal level (1969 ff)
2. The restoration in 2006: renewed limitation of federal responsibilities
3. Continuous extension of state control (at state level) since 1960s
4. Main criticism
 - excessive state regulation and bureaucratic overload
 - discrepancy between individual autonomy and underdeveloped institutional responsibility
 - university as a conglomeration instead an integrated unit

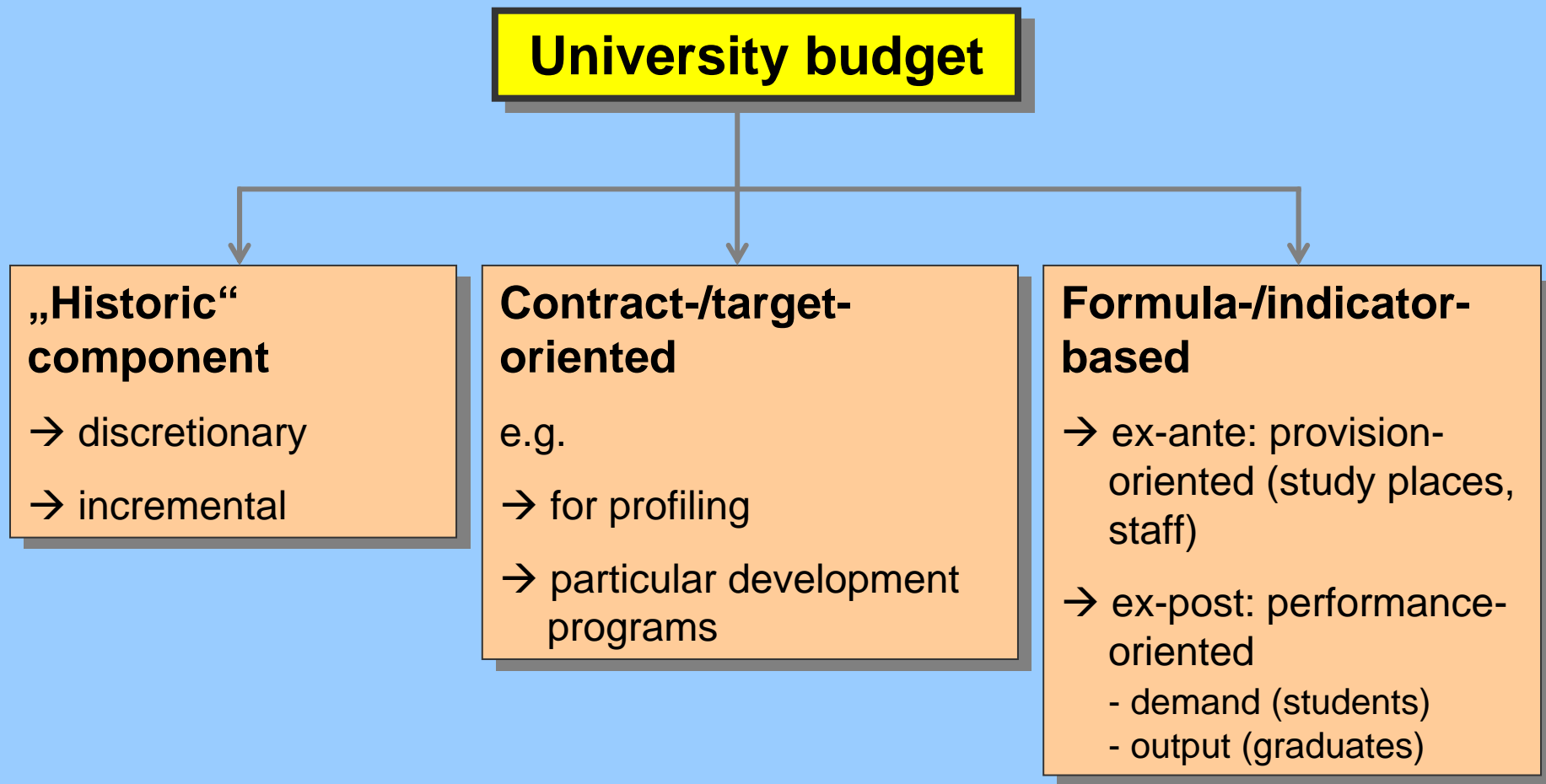
Elements of the New Steering Model in Higher Education

1. Deregulation: From state to institution
2. More competition
3. High degree of institutional autonomy
4. Decision-making by persons and not by committees
5. Quality and incentive oriented steering
6. Continuous evaluation and accreditation
7. Block grants
8. Contracts with guidelines for targets
9. Transparency by monitoring and full-cost accounting

The new governance regime in German higher education



Budget allocation between state and universities



The new type of managerial university

- De-regulation: shift from governmental to institutional level
- Strengthening of the executive functions of the university management
- Shift in the authority structure of the university: the emergence of a new managerial class
- Change in the role of the university management (from supportive achievements in administration to active steering of the complete institution)
- Increasing emphasis on the economic rationality of the university

The current state of implementation

- (1) Advanced stage of implementation
- (2) But still in a phase of experimentation
- (3) Differences among states and also institutions
- (4) Differences in the architecture of models
- (5) Differences in the speed of implementation
- (6) Inconsistent handling of procedures
- (7) However: same direction and dynamic of change

First results and possible consequences

- (1) New class of executives as the actual winner of organizational reforms
- (2) University management adopts the NSM as an instrument of re-structuring the university (and the authority structure)
- (3) No mutuality between bottom-up and top-down: asymmetrical relationships between state and institution and with institutions

First results and possible consequences

- (4) Focus of the reform on procedures and organizational issues
- (5) Substantial neutrality of the reform: What is the mission of the university?
- (6) Changing standards and criteria of academic significance: quantity instead of quality?
- (7) Participation: no concern of the NSM

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