

JORNADAS DE LA
CONFERENCIA DE
CONSEJOS SOCIALES DE LAS
UNIVERSIDADES ESPAÑOLAS

GRAN CANARIA • 7/8/9 NOVIEMBRE 2018

Los retos inaplazables del Sistema Universitario Español:
Nueva Gobernanza, Reputación, Internacionalización y Compliance

THE IMPACT OF GOVERNANCE REFORMS

- THE CASE OF DENMARK

Valoración del impacto en la excelencia de las universidades europeas a partir de las reformas de sus estructuras de gobierno a partir de la experiencia danesa

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AN EMERGING NEW MINDSET

The main resource for a country's endogenous growth is its human and cultural capital (Romer, 1990, Nobel Prize 2018). The Human Capital Project and WDR (World Bank 2018)

Universities are key in national innovation systems and they play an important role but not the only role in maintaining and building this resource (Boulton and Lucas, 2008)

Key components of a higher education system are its *human capital, funding structures, governance framework, institutional landscape, its research and study programs*

UNIVERSITIES AT CROSSROADS

- 1. Complexity in demands**
- 2. Diversity of students**
- 3. Making sense of massification**
- 4. Brains on the move – brains in the cloud**

1: COMPLEXITY IN DEMAND

Universities are institutions placed between strong and changing forces, such as it is described in Burton Clark's triangle (OECD, 2008): caught between government, market and academia:

- Opportunities for the young
- Mission orientation
- Requests for policy support
- Business academia linkages

Who owns the universities? New governance models?

2: DIVERSITY OF STUDENTS

Global students will be integrated in the general student body:

- Traditional (young) national students will still be an important group
- International mobility full degree students will increase
- Virtual students will out number on-campus students
- On-the-job students will increase
- Life-long-learners, including of 3rd and 4th age, seek further education

What would be the average age of a 2050 student?

3: MAKING SENSE OF MASSIFICATION

Increasing coverage of higher education systems leads to diversification in institutional mission, and new models emerge:

- Emergence of transnational colleges and campuses, virtual institutions, and institutions without tenured faculty,
- Universities collaborate by creating new institutions that are designed to be flexible, interdisciplinary and train graduates to adapt to society's demands
- Universities establish elite colleges on campus and recruit international students for special programs as well as exchange students for traditional programs

Who will be the citizens of the learned republic anno 2100?

4: BRAINS ON THE MOVE – BRAINS IN THE CLOUD

No institution is better than the sum of its human capital. Countries with a high percentage of sedentary researchers tend to be at the periphery of global knowledge exchange systems (Kamalski et al. 2013 and 2016):

- Discrepancy between long term academic employment and rapid change
- Brain circulation benefits all, when each country focus on quality in opportunity
- New career parthways in a wider higher education open market
- Simultaneous and transnational employment, combining jobs

How does a balanced academic staff profile look like?

PREPARED TO CHANGE



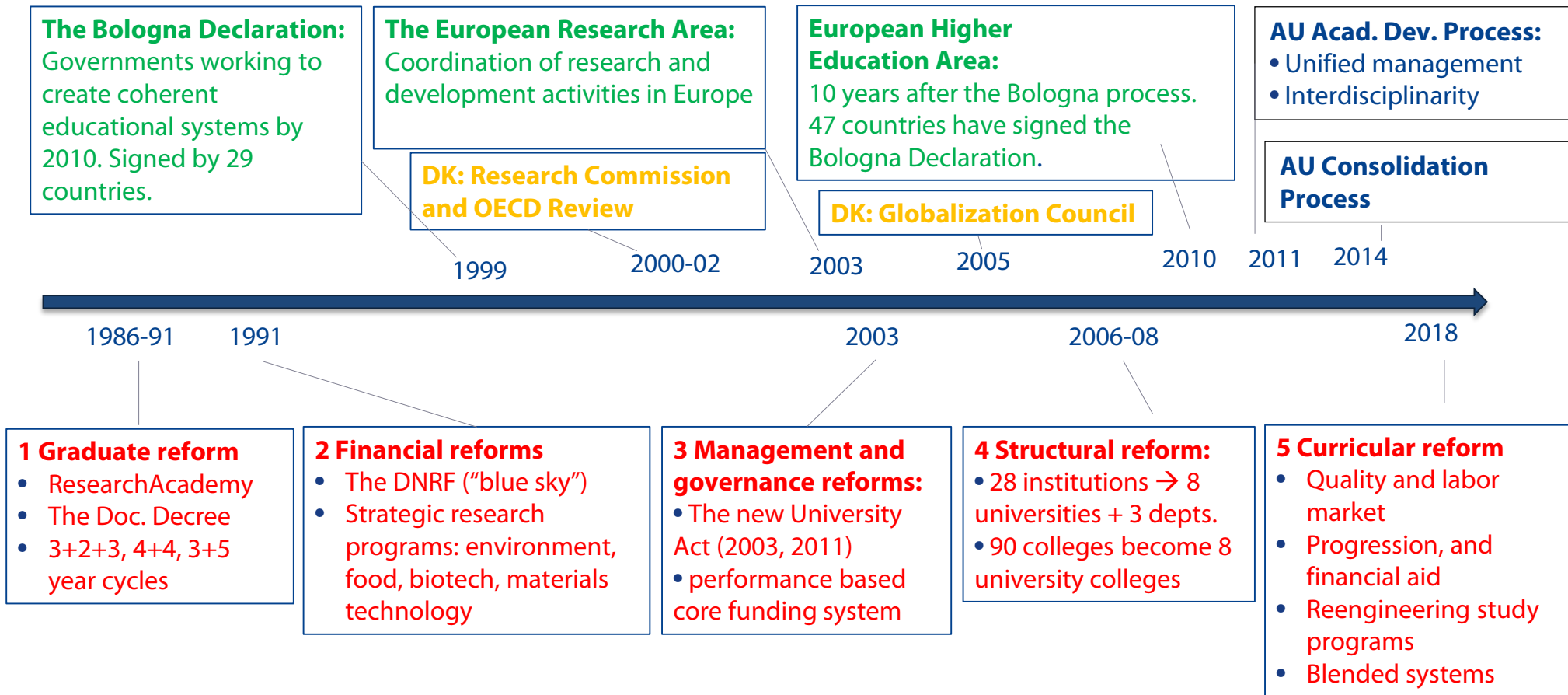
BACKDROP FOR DENMARK'S REFORMS

- Education and life long learning for all (developed since mid 18hundreds)
- Highly flexible labor market and tight social safety net (developed since WW2)

- 1968 Expansion of higher education system, and abolishment of civil service status for faculty
- 1970 New (democratic) governance system
- 1975 Abolishing state support of Danish Language science journals
- 1986 Quality (and internationalization) in a mass system
- 2003 Universities self governing legal entities, external majority in governing boards which hire and fire rectors

DK'S REFORMS IN EUROPEAN CONTEXT

(Gradual abolishment of civil service in higher education since 1960ties)



OPPORTUNITIES FOR CHANGE

What made it possible?

- Accumulated need for reforms since the 1980s and 1990s
- Agreement of need for more interaction between universities, research institutions and society
- Accelerating global competition

Which measures?

- OECD review and Whitepaper Commission (2000-02) recommended focus on consolidation, labor market for researchers and efficiency in governance
 - Internal management supply could not keep up with external management demand
- New University Act 2003 (Political consensus based on White Paper)
- Prime minister's Globalisation Council 2005
- Globalisation Act of 2006 (based on Prime minister's Globalisation Council report)
- Political pressure supplemented by free choice of merger partners – not all merged, realised in a period of increasing funding

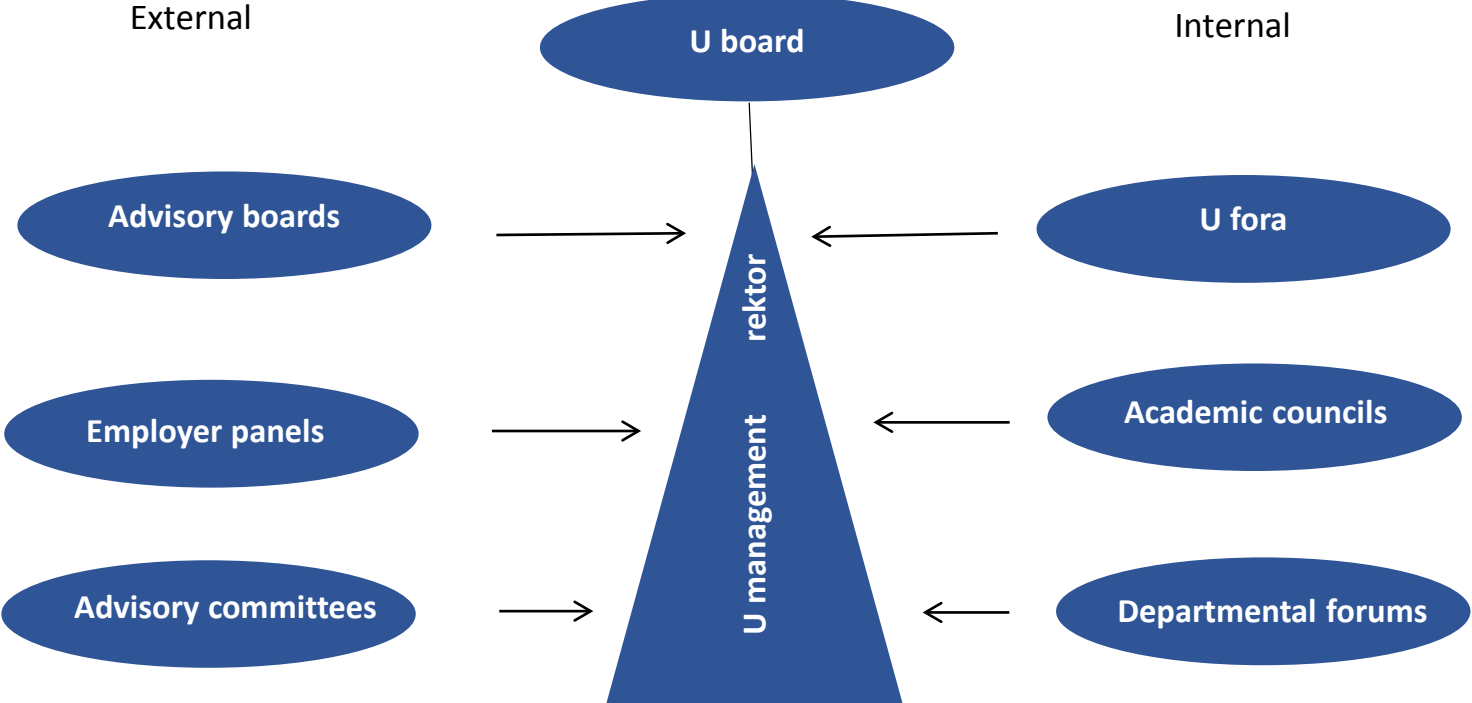
WHY MERGERS?

- Strong international impulses for change
 - Importance of growth and innovation policy in a globalising knowledge economy
 - Danish public research environment deemed too fragmented by national research councils and OECD
- Great political ambitions
 - More interdisciplinary cooperation in higher education
 - Development of more flexible and relevant degree programs for students
 - Greater success for the universities in their applications for EU research funding
 - Higher quality (in the sense of impact) of Danish university research output
 - Removing barriers in the innovation system (between universities, research institutions and the private sector)
 - More effective knowledge exchange between research sector and ministries

UNIVERSITY GOVERNANCE – ACT 2003

- **Autonomy**
 - From state institutions to autonomous bodies within the public sector
- **Accountability**
 - Through the use of university performance contracts
- **Governing boards with a majority of external members**
 - Safeguard the university's interests as an educational and research institution
 - Determine guidelines for its organisation, long-term activities and development
 - Establish the budget, underwrite the books and appoint the auditor (PwC)
- **Appointed leaders in university governance structures**
 - Rector, pro-rector, university director, deans and head of departments
- **Advisory academic councils**
 - Instead of collegial bodies

POINTED LEADERSHIP and SIGNIFICANT STUDENT AND STAFF INFLUENCE



A RESPONSIVE UNIVERSITY

1. Institutional challenges
2. Academic development process
3. A strategy
4. Results and status

1. THE INSTITUTIONAL CHALLENGES

- Expanding scope
- Increasing enrollment
- Diversifying student body
- Multiple and diverse income sources
- Unequal research funding opportunities
- Speed in external change and slow internal response
- Traditional and defensive structures

VISION AND GUIDING PRINCIPLES

Guiding principles:

- Interdisciplinary education, and research based on excellence in core disciplines
- Talent development aimed at exceptionally motivated and qualified students at all stages of their academic careers
- Generosity in collaboration, and strengthening the university's international capacity

Vision:

- Aarhus University strives to be a leading globally-oriented university that is highly engaged with society and that supports economic, cultural and social development

Mission:

- Aarhus University is an academically diverse, strongly research-oriented institution that creates and shares knowledge



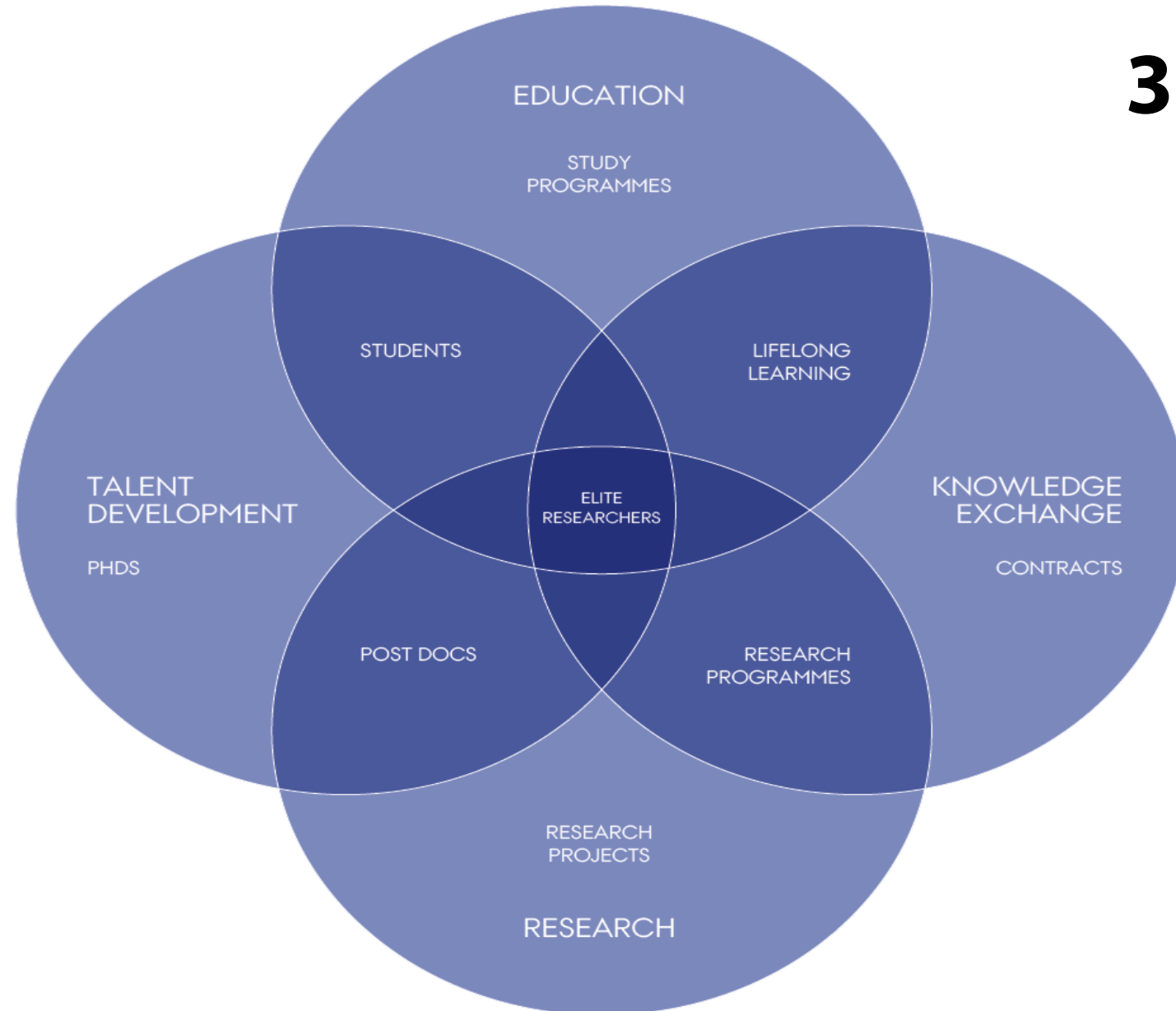
2. ACADEMIC DEVELOPMENT PROCESS

- **Academic organisation:** A unified university with *fewer internal boundaries*. From nine to four main academic areas, from 55 to 27 departments. New i-centres, national centres, AIAS and AU Ideas
- **Governance:** Management with *appointed leaders and joint responsibility* for the entire university. From ten management units to *a senior management team*
- **Administration and finance:** A single university with *an integrated administration*. A common financial model, standardised quality service for the whole university; from three to *one (two) levels of administration*
- **Empowerment:** *Increased staff involvement*, strengthened academic councils, one per faculty, four AU Fora, one for each core activity

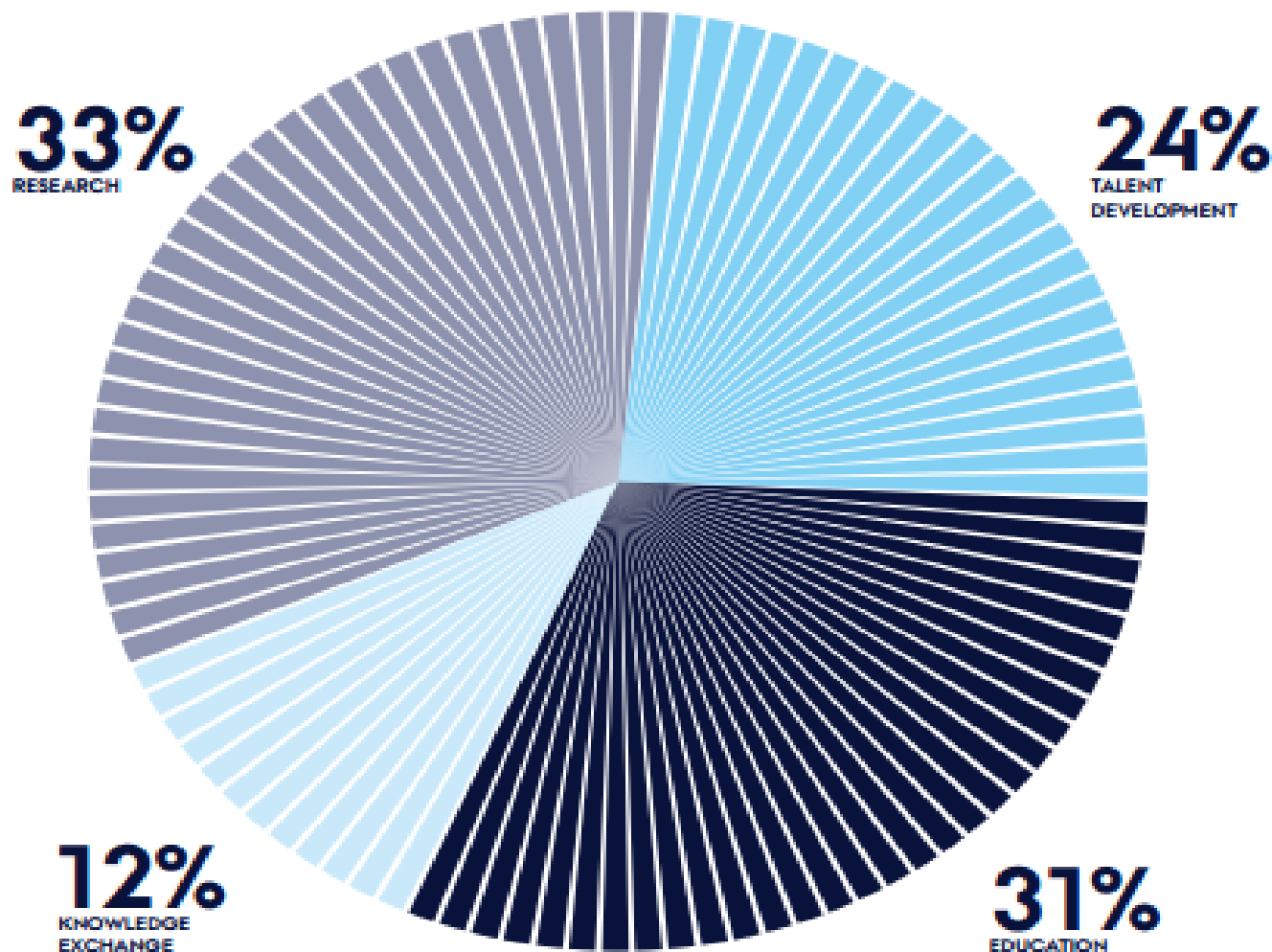


3. A STRATEGY

-- the quadruple helix



CORE ACTIVITIES EXPENDITURES



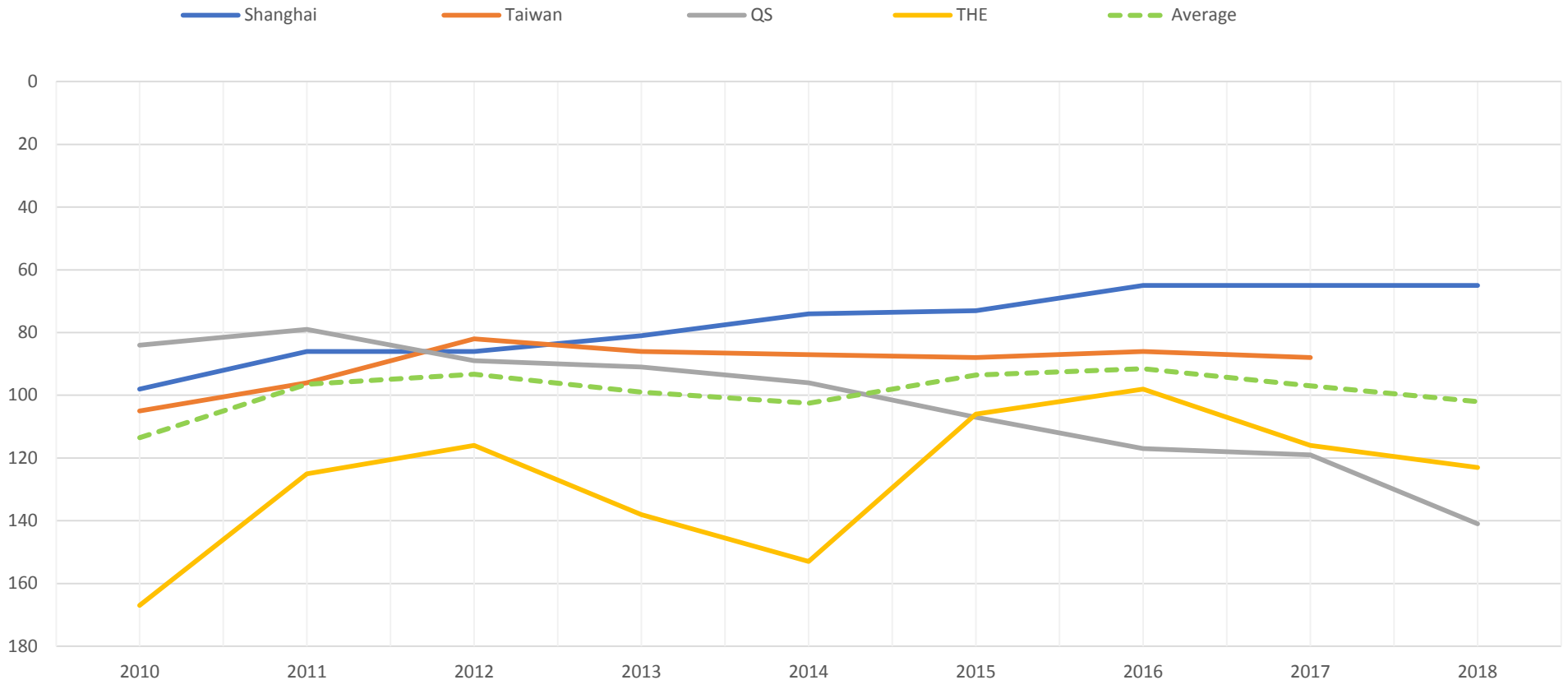


4. Results and Status - TOP 100

In responding to the Danish reforms Aarhus University

- changed governance, external board and appointed rector
- engaged in mergers and absorbed six independent institutions
- reorganized and consolidated internal structures: 5 traditional faculties and the 6 merged institutions became 4 new faculties, and more than 100 departments became 26.
- went from 22.000 to 39.000 students (and 75.000 open learners enrolled in the Danish University Extension)
- Reached an annual revenue of €1 billion, including more than 6000 individual research grants

AARHUS UNIVERSITY'S GLOBAL RANK



AU in subject/field rankings

THE 2017	#
Arts & Humanities	65
Computer Science	80
Life Science	85
Social Science	79

TAIWAN 2017	#
Agricultural Sciences	10
Environment/Ecology	15
Plant and Animal Science	47
Clinical medicine	66
Social sciences	68

QS 2017	#
Agriculture and Forestry	45
Anthropology	35
Archaeology	17
Communication and Media Studies	25
Dentistry	21
Theology, Divinity & Religious Studies	29
Biological Sciences, Development Studies, Economics and Econometrics, Education, Environmental Studies, History, Medicine, Nursing, Politics and International Studies, Psychology, Social Policy & Administration	51-100

SHANGHAI 2017	#
Geography	27
Ecology	30
Environmental Science & Engineering	32
Food Science & Technology	17
Agricultural Sciences	8
Clinical Medicine	29
Medical Technology	49
Economics	44
Political Sciences	30
Public Administration	6
Chemistry, Veterinary Sciences, Public Health, Sociology	51-75

SELECTED SUCCESSES

1. Internationalization
2. AIAS - Aarhus Institute of Advanced Study
3. ARC - Arctic Research Center
4. SDC – Sino Danish Center
5. An entrepreneurial university

1. INTERNALIZATION AT AARHUS UNIVERSITY

Aarhus University decided to play an international role, therefore Danish is the language of instruction at undergraduate levels, English at graduate and whenever relevant, 50% of courses now are in English. Most of the students in English taught courses are Danish

- International Center, one stop shop
- 6000 foreign students out of a total of 41.000
- Open recruitment policy
- Generosity in research collaboration
- Active in Coimbra, EUA, the Utrecht network, the Guild a.o.

Trends in Denmark : *From quantity to quality, from many to few (deep) partnerships, from exchange to full degree students*



2. AARHUS INSTITUTE OF ADVANCED STUDIES (AIAS)

Aarhus University decided to proactively participate in the development of advanced global talent, and established AIAS in 2012. AIAS is an open, interdisciplinary institute for advanced study. *aias.au.dk*

- Advancing highest quality research at Aarhus University (AU) by recruiting talented, highly qualified fellows worldwide and within all disciplines
- Fellows are free to develop their research in periods of 6 month to three years
- Fellows are invited to participate in various kinds of collaboration with researchers, research teams and advanced students at AU and abroad
- Funding: EU co-fund – € 15 M, and AURF - € 20 M

DALE'S CAFE

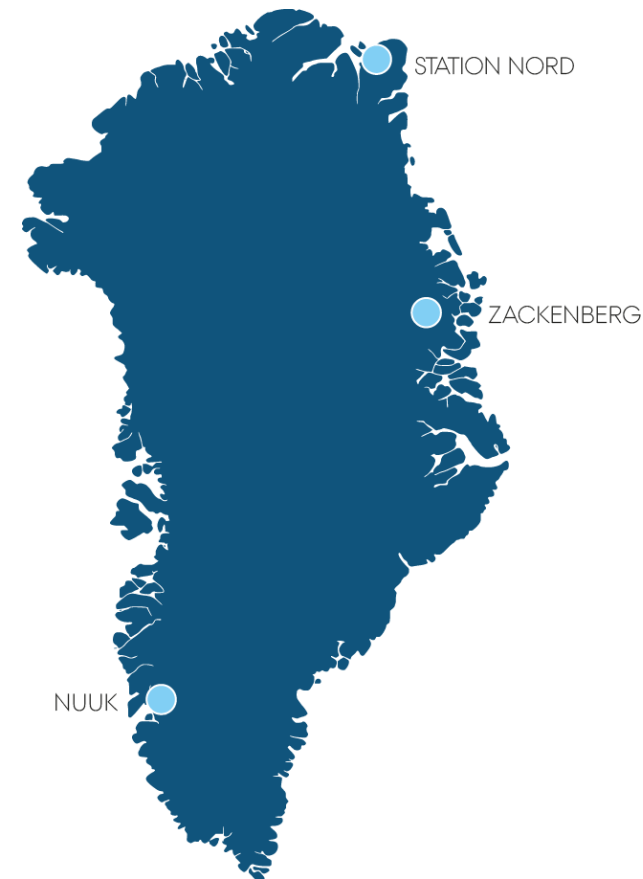
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3. ARCTIC RESEARCH CENTER (ARC)

AU decided to take responsibility for advanced and unique research infrastructures for the benefit of the international research community. One of these is organized by the Arctic Research Centre

- ARC runs research stations in Greenland (Daneborg, Zackenberg, Station North and Nuuk)







4. SINO-DANISH CENTER (SDC)

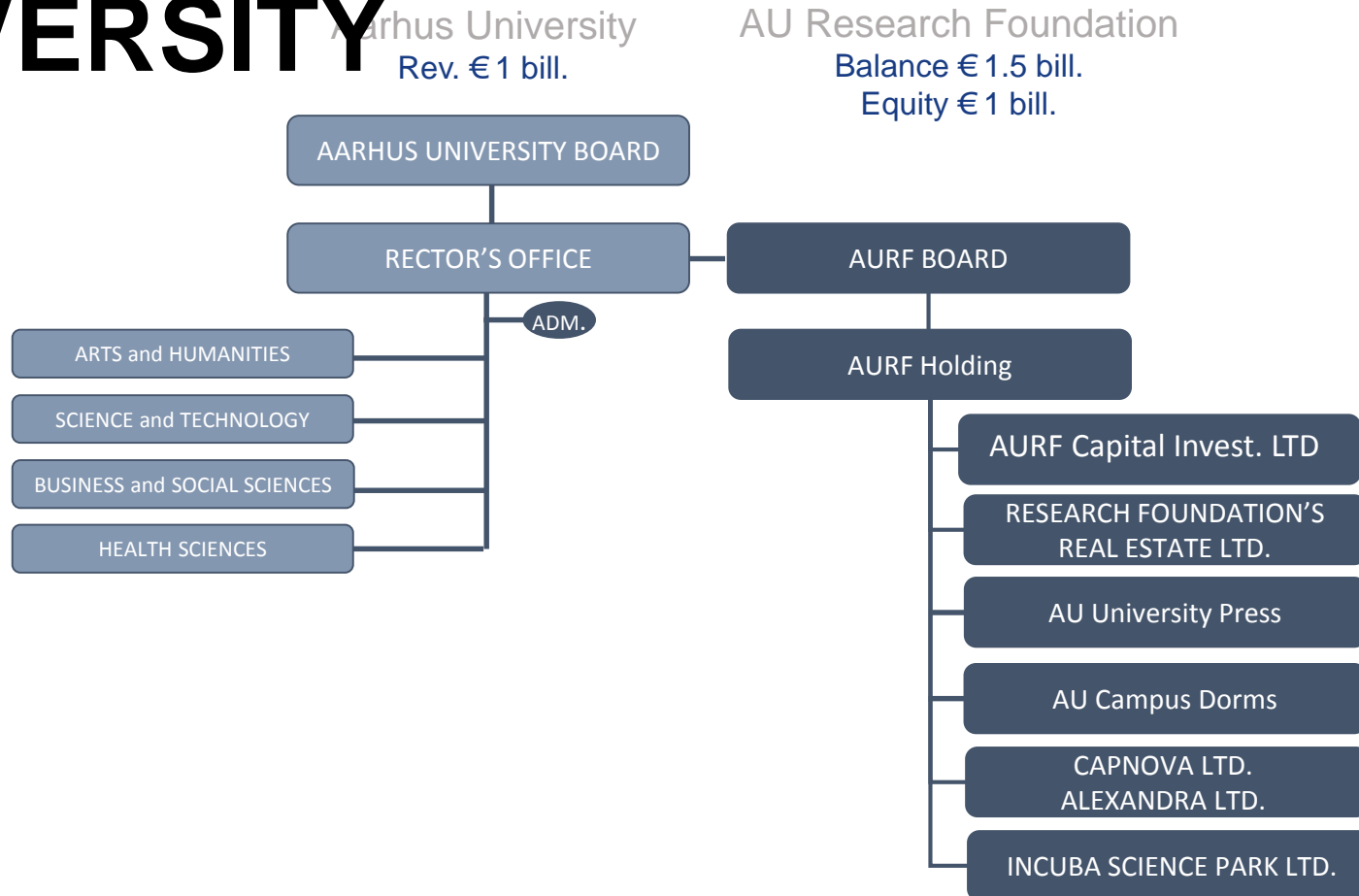
SDC in Beijing is a joint college for education and research established in 2011. Partners are 8 Danish research universities, the Danish Ministry of Education, the University of the Chinese Academy of Sciences (UCAS) and the Chinese Academy of Sciences (CAS):

- Aims to promote and strengthen collaboration between Danish and Chinese learning and research for the benefit of both countries
- Offers opportunities within postgraduate education and research through joint degree programs (joint and double degrees) and research activities (Ph.D. programs)
- 350 master students, 100 Ph.D. students, 500 alumni (CN/DK)
- No full time faculty, but recruited from the cloud (250/yr from DK)
- 12.000 m² new building and annual budget of € 15 million





5. AN ENTREPRENEURIAL UNIVERSITY





CONCLUSION

WHY IS DENMARK DOING SO WELL?

- Life long education for all
- Highly flexible labor market and tight social safety net
- Long term perspectives in education, research policy and strategy
- Focus on quality and excellence in research (Aarhus Declaration)
- Stable or increasing funding levels, public – private partnership
- Governance systems open for change management

The principles of the Aarhus Declaration of Excellence:

- Basic research is the foundation
- Freedom and trust in the individual researcher
- Respect for the long-term perspective

www.excellence2012.dk/the-aarhus-declaration/

ADAPTING TO A NEW REALITY

The new mindset leads institutions to develop new answer to solving the challenges. A variety of university models emerge:

- Re-engineer comprehensive universities to accommodate a changing and diverse student population
- Stimulate deep transnational partnerships, and (shared) full degree programs
- Diversify academic freedom within institutions because of financial constraints and external funding structures
- Strive to be the best in some areas and create opportunities for selected talent
- Engage policy makers but retain research integrity and quality, while disseminating evidence based knowledge to the public

INSTITUTIONAL CHALLENGES

- Increasing enrollment and diversifying student body
- Expanding scope
- Multiple income sources
- Traditional and defensive structures
- Unequal research funding opportunities
- Fast external changes and slow internal response

How do your institution respond?



Muchas Gracias

Ref.: *"Universities: from Local Institutions to Global Systems"*
in *European Review* vol. 26 sup. 1, 2018, Cambridge University Press

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LESSONS LEARNED

LESSONS LEARNED – THE CONTENT

- A clear vision is key
 - Have a clear strategic forward-looking vision – aim to achieve more than could be delivered by the individual parties separately
 - Keep academic issues at the heart of the merger – research, talent development, knowledge exchange and education
- A merger is an opportunity for necessary changes
 - Mergers are often an opportunity to implement a whole range of changes that would be more difficult to achieve piecemeal in the course of business as usual
 - Management, financial and administrative reforms work alongside the academic change process
- Co-location is often necessary to deliver significant synergy and efficiency
 - New physical planning often needed (building, infrastructure etc.)
 - Relocation of staff and students motivated by the academic strategy

LESSONS LEARNED – THE PROCESS

- Leadership is vital
 - ... for formulating the vision ... for driving the process ... for overcoming the obstacles ... for negotiating with the stakeholders
- Shared vision with key stakeholders is key before acting
 - ... close dialogue with ministers, ministries, city councils, industry, labor unions...
- Senior management structure and governance principles are in place early in the process
 - ... need to include a transparent financial model and the right incentive structures
- Experienced and flexible change management organisation
 - ... with clear implementation plan flexible enough to accommodate necessary adjustments
 - ... with sufficient supportive manpower and resources
- Communication and dialogue are vital ... and not at all easy
 - ... content, targeting, dose, sequencing etc. ... and do not lose sight of those most affected by the changes ... communicate regularly, consistently, and proactively (before the event)
 - ... focus on managing expectations and keeping them realistic ...prioritize two-way dialogue (preferably face-to-face)
 - ... be prepared to handle the media...

