CHAPTER

Governance: the Challenges of Globalization

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GLOBALIZATION

Higher education is not immune to the forces of globalization so visible in the world of business and commerce. This is already particularly apparent on the research side of most universities. Top-quality researchers have long had their own international network of peers who take on the roles, variously, of deadly rivals and friendly collaborators. In areas of so-called "big science", this has long been a necessity due to the very high cost of equipment and infrastructure. However, in recent decades this trend has also been apparent in most areas of academic activity, including the arts and social sciences. In Europe, it is being encouraged by the European Union and successive Framework Programmes, which have taken forward quite remarkably the degree of cooperation across national boundaries. Moreover, the nature of recently emergent scientific problems – global environmental change, the human genome project, etc. – has also demanded scientific analysis, organization and cooperation on a truly global scale.

The globalization of research has been both a cause and a consequence of two major innovations. The first, and most obvious, is the growth of information and communication technologies, which have allowed fast, cheap and user-friendly means of communication between research groups. In the UK, for example, probably the single biggest impact upon the daily lives of most academics was the introduction of the joint academic network (JANET) in the 1970s. The growth of the Internet was therefore something that most aca-

demics found relatively unproblematic. Now there is the promise of digital broadcasting to open up a whole new era of global communications which, as we shall see below, will begin to feed into the teaching, and not just the research, side of university life.

The second innovation is less commented upon but, in my view, it is equally decisive. This is the growth of English as the *de facto* global language. This is particularly true of science and it is being fostered by the growth of the information technologies (IT) described in the previous paragraph. The emergence of English as the global language has provided a competitive advantage to Higher Education in the UK, but one which is, of course, not unique to the UK: the United States, Canada, Australia and other English-speaking countries have also used this advantage to foster their international links, not least to recruit overseas students to their universities.

While globalization is well advanced on the research side of most universities, it is less prominent so far in teaching and learning. However, the global spread of IT and the English language are now providing the conditions for the development of a truly global market in teaching and learning in higher education. It is possible, for example, to set a terminal anywhere in the world and undertake an MBA Course mounted by any one of a number of leading North American and European institutions. The market for higher education through distance learning has been estimated at $300 billion worldwide—and this is growing. As we move more and more into a knowledge-driven economy, there is no reason to believe that the higher education market will not rapidly become globalized.

In the United States some of these tendencies are already well advanced. There has been a range of responses amongst higher education institutions in the USA, many of which give an indication of how matters may develop in Europe, ranging from for-profit organizations like the University of Phoenix to the launch of a combined on-line course catalogue by a number of leading established US universities, some of whom have enlisted private sector support for their courseware development. Knowledge-providers in the private sector are also lining up to attack the global market in higher education in the twenty-first century, sometimes on their own, more often in conjunction with existing universities. While the universities provide most of the academic expertise and crucially the "branding" necessary for market credibility, the partners provide production facilities, distribution, marketing, etc, as well as much of the underlying technology, in order for the operation to proceed on a truly global basis. The universities have access to the necessarily large amounts of funding needed to invest in the development and maintenance of courseware, while the private sector partners have access to the quality control procedures, accreditation and status of established universities.

In the UK there are few signs that these kinds of partnerships are being brought together, despite the high quality of British higher education and the

high quality of creative talent in the UK media sector. Higher education, of course, remains a social, and not just a cognitive, experience. Students want more than to sit in front of VDU screens. Nevertheless for certain, and growing, parts of the market, such as distance learning, provided it can be of high quality, IT-based education fulfils an important need. This particularly applies to what one might call the continuing professional development end of the market. This also happens to be a rather profitable area of higher education in the UK.

These possibilities will also be assisted by changing patterns of student demand for teaching and learning. The conventional three-year, fulltime, residential course was based upon what might be called a "just in case" philosophy of learning. We have all known that in the vast majority of subjects most of the knowledge gained in a university course is not used directly during the lifetime of a student's career. Nevertheless we have continued to teach it, "just in case" it is needed. Or, recently, the increasing flexibility of access to higher education in the UK has provoked a discernible shift to more "just in time" forms of delivery – lifelong learning and all that. In the future, however, the trends outlined at birth may well produce a further shift towards "just for you" forms of learning, in which students can access from a vast array of courseware the elements required to meet their particular needs at a particular time. While there will undoubtedly remain a market for the conventional three-year, full-time, residential degree, it may well be smaller than at present and institutions may increasingly have to choose their niche in the market.

CHANGING MISSION OF HIGHER EDUCATION

One of the reasons why these trends have largely escaped our attention in the UK is that we have been consumed recently by internally derived changes in the structure and function of higher education. The very rapid shift from an elite to a mass system of higher education need hardly be labored here – this shift is now widely acknowledged even if some of its implications still need to be worked through. Certainly the shift towards mass, or even "comprehensive", higher education has challenged traditional conceptions of the university. In particular, the old Humboldt ideal of a university – essentially that of an ivory tower separate from society at large and therefore not contaminated by pressures of everyday life – is now virtually dead. While most governments in both the developed and developing world have well understood the need to expand higher education in order to attain global competitiveness in a knowledge-driven world, they have been equally reluctant to fund higher education at a level that would simultaneously sustain mass Higher Education *and* the Humboldt ideal. This is even more true when it comes to research. Thus, as the higher education sector has grown in size, so has it become more diverse

both in terms of function and institutionally. Coming to terms with this diversity is one of the major challenges for higher education in the twenty-first century.

It should also be noted that this shift from an elite to a mass system of higher education has been accompanied by a shift in public policy with regard to universities. University education is no longer funded publicly as an end in itself. Rather it is funded for more ulterior, even utilitarian, purposes. In other words, higher education is a means rather than an end. The expansion of public funding has not taken place on the basis of cultivating young minds for their own sake; rather, it has taken place on the basis of promoting societal, and not just individual, values. Universities have therefore been given a mission, one that is moreover set by those from outside the university world—principally government. In the UK at the present time, for example the mission is quite clear; it is to aid economic competitiveness and promote social inclusion. While universities remain dependent upon the public purse this is inevitable, but this also implies a degree of flexibility to change in relation to externally defined goals with which universities have felt it uncomfortable to come to terms. A good example of this is the promotion of lifelong learning. This is seen as increasingly necessary in order to fulfill the mission of universities relating to both economic competitiveness and social inclusion. But it also implies a quite radical adjustment of the structure and functioning of universities, changes which universities have, on the whole, been *responding to* rather than controlling. Thus, the delivery of lifelong learning has quite profound implications for the structure and function of higher education; it implies a set of qualitative and not just quantitative changes in the nature of teaching and learning.

GOVERNANCE AND STAKEHOLDERS

Taken together, the changes have gathered around the university sector a group of stakeholders whose roles have been subtly changing. Students, for example, see themselves less as pupils and more as customers—a trend accelerated in the UK by the recent introduction of substantial fees for undergraduate students. Moreover, the student body itself has become more diverse, whether measured in terms, of age, gender, ethnicity, modes of study, social background, etc. This in turn has created a demand for more flexible forms of delivery. Access to higher education has come to be seen less as a privilege for which students are grateful, and more as a right which carries with it attendant expectations. And this change in the culture of learning has led our students to make comparisons, not always flattering, between standards of service that they receive in universities and the standards they receive from other knowl-

edge providers in the private sector and elsewhere. This not only applies to the quality of teaching and learning (including the quality of coursework), but also to other facets of university life, where services ranging from catering to computing are increasingly compared with standards applicable in the private sector.

As the investment of public funds in higher education has increased, so too have governments taken a closer interest in university affairs. The ulterior, and sometimes utilitarian, nature of government policies towards higher education has seen universities become more and more closely intertwined with policy delivery outside the narrowly defined educational sphere—for example, economic competitiveness, regional economic development, urban regeneration, social inclusion, technological innovation. Public funding of universities is increasingly targeted, sometimes quite specifically, towards the encouragement or achievement of particular policy goals. But overarching all of this is the government's demand for increasing value for money and hence, in the UK at least, a much more interventionist system of quality assurance, quality control and relentless evaluation.

The growth of external evaluation of our affairs has accompanied, and in part been caused by, a decline in professional trust relationships. This is being brought about because governments have, rightly or wrongly, observed that the culture of the academic profession has, on the whole, lagged behind changes in the structure, organization and—crucially—culture of other organizations in the private sector, most notably the business corporation. To use A H Halsey's well-known aphorism, "the decline of donnish dominion" is now well advanced. This is not only reflected in declining comparative salary levels and increase in staff: student ratios, but also in the decline of institutional loyalty and even manifest casualisation, especially of research staff. Any attempt to remedy these trends clearly has to take account of the strong pressures towards outsourcing which the new Internet technology and digital broadcasting technology permit. This, of course, is by no means unique to the university world, though how far universities will simply become commissioning agents for courseware the quality of which they control, but which they do not produce or distribute, remains to be seen. At this extreme, it will strike at the very heart of the Humboldt ideal – the academic profession no longer has the solitude and increasingly has less autonomy to control both the content and the assessment of the learning for which it is responsible. In the UK at the present time, this is an area of major public controversy as what are assumed by the academic profession as increasingly intrusive and bureaucratic forms of control are being promoted by quasi-governmental agencies tasked with ensuring what elsewhere might be termed trading standards.

However, these new technologies are by no means used solely to support highly centralized systems of control, quite the contrary. Internet technology

has allowed self-governing communities of academics to come together in ways that quite transcend national boundaries and institutional loyalties. There is very little that senior management in universities can, or should, do to restrict this process. Indeed, in many respects, it is a development to be very much welcomed, for not only is the speed of communication enhanced by the new communication technologies, but also academic colleagues come, quite voluntaristically, to benchmark the standards and quality of their research and teaching against each other through a loosely organized, but sometimes, quite vicious, system of peer assessment and review.

In many respects these trends summarize the contradictory characteristics of present changes in governance in universities. On the one hand, a group of increasingly vocal and articulate external stakeholders make demands that drive universities towards more centralized, and certainly more bureaucratic, forms of quality control with outputs that can be measured and demonstrated to our external audiences. On the other hand, the new technologies have also empowered our colleagues as individuals in ways that are not amenable to orthodox forms of management and governance. It is little wonder that exasperated university leaders have occasionally been heard to mutter that the modern university verges upon the ungovernable.

GOVERNANCE AND GLOBAL PARTNERSHIPS

The implications of all these changes are potentially very far-reaching for traditional systems of governance in higher education. In particular, the collegial system of decision making with which we are all familiar in both Europe and North America has found it very difficult to come to terms with the accelerating rate of change. Equally, there is no evidence that a shift towards a more clearly defined system of line management, with a "command and control" style of institutional leadership, has been any more successful. In comparable knowledge-based organizations in the private sector, the shift has been in the other direction, towards flatter management structures with more participative decision-making. Nevertheless, most members of the academic profession have found it difficult to come to terms with the existence of other management techniques imported from the private sector – most notably management according to outputs rather than inputs and, especially, management by objectives. This has not been helped by some of the more arcane aspects of the performance indicator industry imported into higher education. Nevertheless, we still struggle to develop appropriate systems of governance, which can simultaneously be collegial and participative, whilst also decisive and agile. All of this has placed a very high premium on the quality of institutional leadership.

CONCLUSION

In my concluding comments, however, I do not wish to concentrate on these internal aspects of governance, important though they are. Instead, I wish to concentrate on a more emergent, and certainly little noticed, problem: the emergence of global, or at least transnational, systems of collaboration between universities, on the one hand, and the essentially national systems of accountability and evaluation which pertain, on the other.

Viewed from a European perspective, the move towards international collaboration between universities has been fuelled by two quite separate sets of initiatives. The first concerns the European Union itself, for since the Treaty of Maastricht, the Commission has possessed the legislative power to include education amongst its activities and in recent years it has been a very active player in the university world, developing programs in both teaching and research which lie alongside those developed at the national and regional levels. There has been a burgeoning of both teaching and research collaboration among the European Union member states, but also there has been a startling rise in student mobility across Europe. In this sense, higher education is being used as a vehicle for European integration, and in this respect it has been very successful. This recently culminated in both the Sorbonne declaration and its successor, the Bologna declaration, which seek to harmonize the "architecture" of higher education qualifications systems in Europe.

Meanwhile, universities themselves have been coming together quite outside the formal structures of collaboration within Europe. In part these have been quite loose partnerships of European universities aimed at influencing the Commission's Higher Education's policies and practices (e.g., the Santander Group). But, more recently, these collaborations have become more global in scope and more than just talking shops. There is a marked tendency now for quite formal collaborative structures to emerge spanning not only Europe, but also North America, Asia and Australasia. Groupings as varied as Universitas 21 and unext.com have emerged as ways in which individual universities can come together to form global alliances and partnerships which can engage in a wide range of activities: benchmarking quality in teaching and research; joint marketing (especially to attract graduate students); research collaboration; students and staff exchanges; joint coursework development; credit accumulation and transfer; and even joint ventures with private sector partners. The analogy here is rather like that of the alliances which have emerged amongst airlines, which proceed from joint marketing through to building a global brand and on into code sharing (the academic equivalent being credit accumulation and transfer). None of these groupings have—yet—proceeded far along the pathway towards full legal incorporation and trading. But, I suspect that alliances of this kind will be needed in order

to service a developing global market for students and courseware that would be attractive to both the students themselves and to private sector investors. In addition, students in the future are likely to be even more mobile across national boundaries as they seek to make themselves more employable in a global market place.

These kinds of transnational alliances, then, are proceeding both top-down and bottom-up. As Haug (1999) has pointed out in a recent review, top-down and bottom-up moves towards transnational collaboration have been a response to the new environment marked by globalization, new communication technologies, English as a lingua franca, increased competition and growing commercialization. For example, he points out:

- Foreign/overseas universities increasingly recruit paying students in Europe; it has not been sufficiently noticed that in the early nineteen nineties for the first time the number of Europeans studying in the USA exceeded the number of American students in Europe.
- Foreign universities increasingly are opening branch campuses in European countries either in their own name or via a franchising agreement with a local institution in Europe; in this type of transnational education students may sometimes earn the foreign degree without leaving their country although most move abroad to finish their studies and earn the degree; the same is also true, of course, both of European universities setting up campuses, predominantly in Asia and Latin America.
- Transnational distance education originating overseas is increasing rapidly; most is produced by established, accredited universities but there are accreditation bodies at home who have in the past paid little attention to inspecting their overseas operations; the example of the University of Phoenix also indicates the development of lifelong learning delivered in modules through small, private institutions in many countries in Europe.

Overall, as Haug points out, the recent and potential growth of offshore, franchise and open transnational education has been largely ignored by universities and governments alike in Europe, or perceived as a vague threat to national higher education. However, not only is governmental interest in these operations increasing, but one can also discern a degree of ambivalence towards them: on the one hand, such competition represents a useful stimulus to change in existing national systems, but on the other hand it undermines the university sector's traditional role as guardians of national and regional cultures.

Thus, while the development of global alliances has created fears of cultural homogeneity and uniformity, many individual universities have embraced such partnerships as a means of strengthening their market position (and

sometimes their status) in a potentially global market place. It is not easy, to say the least, how this fits happily into the burgeoning systems of quality control and evaluation which have been resolutely national in character throughout the world. One can immediately see a tension between the trend towards voluntary alliances among participating universities as a means of collectively strengthening their autonomy and, on the other hand, national governments' increasing insistence upon elaborate forms of quality assurance, accountability and evaluation at the national level.

As a result, there is much talk in Europe now of quality standards for transnational education. At its worst, this could involve another layer of bureaucracy introduced at the European level, which would be superimposed upon existing national schemes. All of this, of course, would be under the banner of harmonizing higher education qualifications across Europe and ensuring quality and standard and thus "student mobility". As Haug points out "next to national systems dealing mainly with institutional recognition, evaluation and accreditation, independent subject-based evaluation across borders could emerge as an essential part of the European Higher Education landscape" (Haug, G., 1999). I am not at all convinced that this is the right way forward, even though it is the line of least resistance in European thinking, accustomed as we are to very tightly State-controlled university systems. Instead, I foresee a more market-based approach, in which the bottom-up system of international collaboration outlined above will find its own level in the market place, based upon the ability of alliances to build and sustain brands, to operate their own internal rigorous forms of quality control, and to achieve a level of educational innovation which top-down systems of accreditation and quality control will only stultify. This, however, will be a battle to be fought out politically and I have to confess that, at present, it is very evenly balanced. The Bologna declaration alone indicates the degree of political interest in these issues. In the UK, a slow and hesitant move towards a more market-based approach in the form of student fees has continued to provoke widespread political resistance. Perhaps we should not be surprised at this. From the Middle Ages onwards, the universities have been the cornerstone of civic society, both in Europe and elsewhere. Universities have in many parts of the world symbolized nationhood and while the nation may be in decline as an economic and even cultural unit, those whose positions of political power rest upon the nation state will be reluctant to give up their control over the university sector. We live in interesting times.

REFERENCE

Haug, G. (1999). "Trends and Issues in Learning Structures in Higher Education in Europe", CRE, Geneva.