

# University Leadership in Times of Change: Examples from Europe



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# Goal

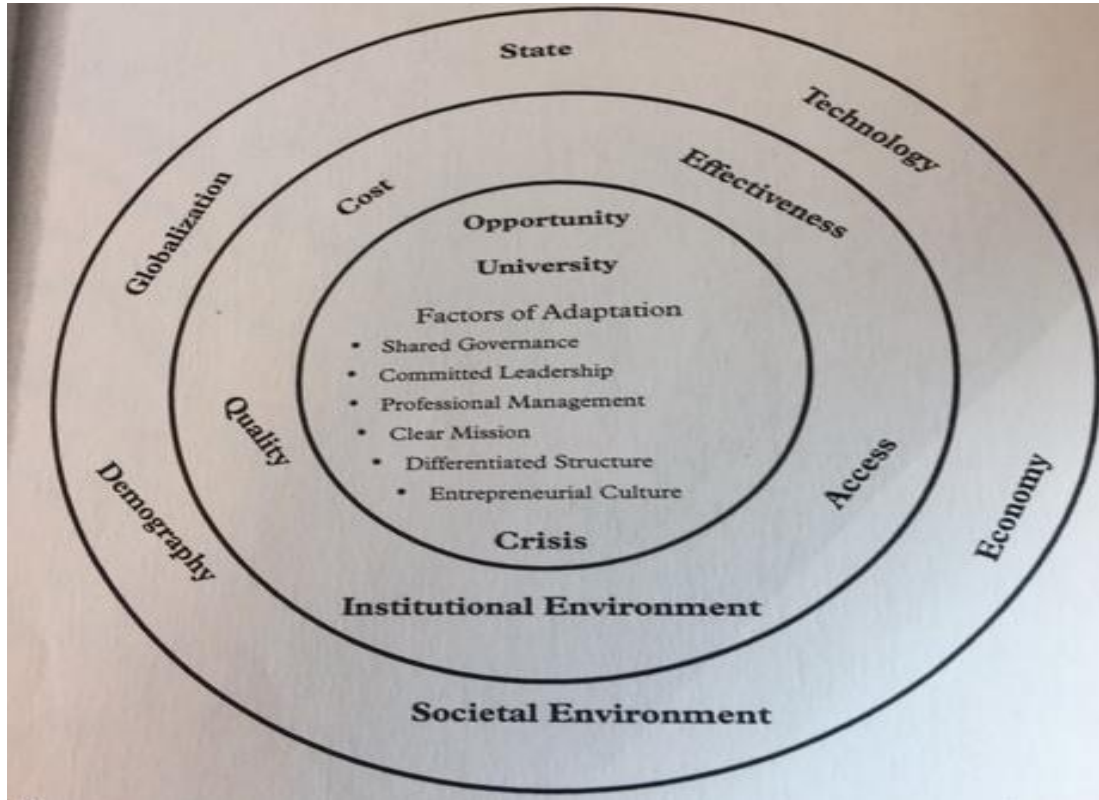
- Present trends in Europe
- Reflect on practical experience of 13 years in leadership position
- Share observation after 3 years back to HE field
- Concluding thoughts

# Personal Background

# Career Pathway

- Doc, Post-Doc, Professor in Higher Education, WU Vienna 1988-2002
- Vice-Rector, Research, International, External Relations, 2002-2015
- Professor and Director, Institute for Higher Education Management, WU Vienna University of Economics and Business, 2015-

# Adaptive University Structures



# Trends in European HE Systems

# HE environment in Europe today

- Size: 20 million students, 4,000 HE institutions
- 28 member states, policy driven, public system
- Expansion and stabilization
  - GER (Gross Enrolment Ratio) increase 20%
- Globalization and competition
  - Bologna reform
    - 3 Tier structure, transferable degrees
  - Rankings
    - ARWU & THE: TOP 100: 25% Continental European Universities

# Patterns of Development in HE Systems

- From institutions to organizations
- From academic to entrepreneurial values
- From state and academy to the market
- From diversity to profiles and reputation



New Public Management



# Leadership Experience

# Higher Education in Austria

- Relative open access, small tuition fees
- Dominantly public system
  - 22 public universities with ~ 280,000 students
  - 21 vocational colleges with ~ 50,000 students
  - 13 private universities with ~ 12,000 students
- Budget 3,5 billion
- Personnel
  - 2,500 professors
  - 36,000 assistants
  - 18,000 administrators

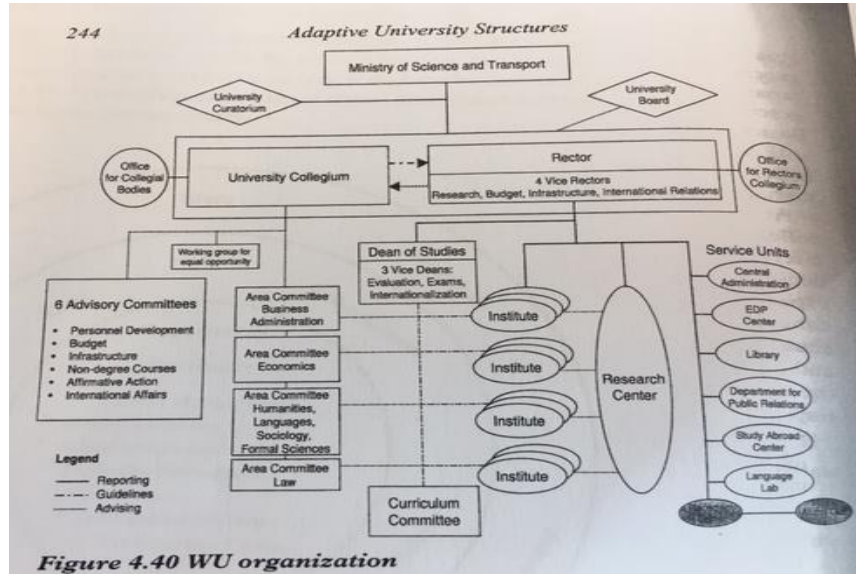
# WU as an adaptive case: The entrepreneurial approach

- Legal Reform 2002 with new University Act, Implementation 2004
  - Autonomy
  - Lump-sum budgets
  - Contracts
- 2-year comprehensive transformation
  - Organization
  - Programs
  - Personnel
  - Finances
- New leadership team
  - Rector's Council
  - Board
  - Senate
- Change process with entrepreneurial approach
  - Not commercial motif but innovation/opportunity driven
  - New programs socially relevant to society
  - Individual attitudes of innovativeness throughout the institution

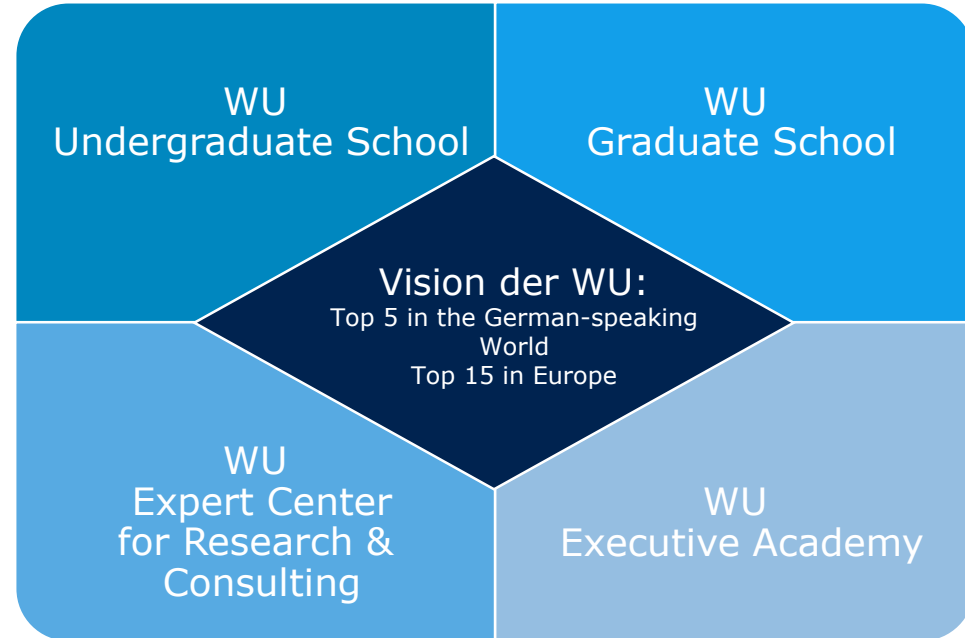
# Key Challenge: Comprehensive Change Process

- **Autonomy:** based on strategic plan
- **Leadership:** more power to rector, new supervisory board, reduced role of senate
- **Contracts:** Performance agreements with the government
- **Personnel:** from civil servants to university employees
- **Funding:** lump-sum funding
- **Organization:** forming departments, merging institutes, creating new units
- **Programs:** Bologna-reform with three-tier system

# WU History: Becoming of A New University



1999



2004

- **Autonomy**: power to decide; clash between institutional autonomy and personal autonomy
- Shared **governance**: involving key stakeholders in an encompassing process; *new structure of delegation leave certain groups behind*
- Committed **Leadership**: decisions need to be made based on a clear understanding of the future („becoming an internationally reputed institution“), *driver for change not for all*
- Vision for **change** as an ongoing piecemeal process: it is a mind-set not a result; *need to relax from change*
- Professional **management**: new administrative cadre developed of qualified professionals supporting core processes; *clash of values*
- Academic values in contrast to institutional requirements of reporting, assessment, and **constant quality improvement**

# Personal Experiences

- The change process
  - A need for crisis: inertia and sense of change
  - The problem of reform facades
- Governance and management
  - Cooperativeness of leadership positions
  - The middle level of deans and department chairs
  - Informal faculty governance
- Linking funding and performance
  - The flaw with MbO
  - Competition as a tool for efficiency

# HE Research



# Revisit Clark's Sustained Entrepreneurial University (2004)

- Aligning the Strengthened Steering Core
- Basic forms of an extended developmental Periphery
- Diversified Funding Base: The many sources of support
- Entrepreneurialism in Heartland Departments
- Institution-wide Entrepreneurial Culture



# The economist perspective: Aghion's performance model

- European Universities: Enhancing governance and performance
- Focus on markets and competition in research
- Three distinct recommendations on the EU level
  - Funding
  - Autonomy and governance
  - Competition and mobility

# Personal Conclusion

- From transactional to transformative leadership
- Management of culture
- Thrive for excellence and competitive forces
- Revised incentives and rewards

# Some Thoughts for Research

- Continued need to understand university steering as self-reliant, adaptive, entrepreneurial, innovative, ...
- For that it is necessary
  - To see universities as organizations in their environment
  - Use theories and approaches from organization studies
  - Focus on change and new modes of governance
  - Continued comparative work of all sorts
  - ...



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