

# **Increased Autonomy and its Consequences - The Case of Bielefeld University**

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- The Reform Philosophy and its Principles
- Basic Elements of the Reform
- The Bielefeld Experience todate
- Résumé and Conclusions

# The Reform Philosophy and its Principles

- **Philosophy:** According to the minister of innovation, science, research and technology of NRW, the „Higher Education Freedom Law“ of January 2007
  - Is the heart piece of NRW higher education politics,
  - Equips the HE-institutions with **autonomy** of a new and unique dimension in Germany,
  - Offers to them a **flexible legal frame** which liberates them from all hampering and unnecessary regulations,
  - Aims at providing stimulating conditions as to **unfolding creativity and competencies** allowing to successfully survive the intensi-fying national as well as international competition,

# The Reform Philosophy and its Principles

- **Philosophy:** According to the minister of innovation, science, research and technology of NRW, the „Higher Education Freedom Law“ of January 2007
  - Prepares the ground for a far-reaching **cultural change** within the HE-institutions,
  - **Trusts** in the willingness of the people acting in these institutions to accept the **new autonomy and responsibility**,
  - Starts with the belief that **quality** up to excellence of teaching and research develops where and when those decide about the profile, programs and strategy of a HE-institution who have the most respective knowledge and competence,
  - The shift from the “democratic” group university to the **competitive entrepreneurial university** means **chance** and **challenge** for all actors.

# The Reform Philosophy and its Principles

- **Principles:**

- Reduction of state regulation (less *bureaucracy*)
- Institutional *autonomy* (independence as an incentive)
- Strengthening *competition*
- Strengthening *leadership* structures in HE-institutions
- Increasing *efficiency*
- New relation between state and institutions by: *contract management* (target agreements), *global budget*, *accountability* system
- Output- resp. *performance orientation*

# Basic Elements of the Reform

- HE-institutions change their legal status from state institutions to **public corporate bodies** having legal capacity,
- HE-institutions may choose other legal forms on the basis of a law (f.e. the foundation variant),
- HE-institutions perform their functions and tasks by means of **self-administration**,
- The service **status of the personnel** changes from the state to the institution, even for civil servants,
- The **financing status** changes from state funding to public subsidies for current expenditures and investments.

# Basic Elements of the Reform

- **Financing**

- **State subsidies** in terms of a global budget follow three different philosophies
  - 80% according to the previous year allocation (**new**),
  - 20% according to (3) performance indicators: BA and MA graduates, PhD graduates, funds from third parties (**new**),
  - On top: participation in a statewide “innovation” resp. “structure” funds according to success in raising the proportion of female employment and in particular in relation to funding by the German Research Foundation (GRF), (**new**)
- Funding from **third parties** (GRF, EU, national and state ministries, companies, foundations, others)
- **Tuition fees** (introduced 2006, decision had to be made by each institution as to “if” and size, ceiling at 500 € per semester)

# Basic Elements of the Reform

- **Financing**

- HE-institutions may raise **credits** from banks, but only if they apply the accountancy system according to the fundamental commercial rules (**new**),
- There is a **ceiling of credit borrowing** laid down by the ministers of science and of financing (**new**),
- HE-institutions may establish, take over or engage in **commercial enterprises** under restricted conditions (investment from free liquid means, scientific purpose, adequate influence on decision making)

# Basic Elements of the Reform

- **Accountability**
  - Comprehensive *controlling* (**new**),
  - Introduction of *cost accounting* (latest in 2010),
  - Monitoring of *performance indicators* (strengthened),
  - Steering by reference numbers/ *indicators* (dito),
  - Comprehensive information resp. *review system* (dito),
  - Annual statement of accounts (**new**),
  - Annual economic plan (**new**),
  - Specific controlling power to students as to the use of fees (**new**, introduced with the fees).

# Basic Elements of the Reform

- **Steering approach**

- A ***new power structure*** between state, university council, academic senate, and rectorate
- Shifting basic (strategic) competencies from the state to university council (***strategic body***),
- Strengthening strategic and operative power of rectorate (***operative body***),
- Reducing the power of collective bodies (senate, former senate commissions, ***academic self administration***),

# Basic Elements of the Reform

- **Steering approach**

- **Target contracts** rectorate/ university council/ state and rectorate/ departments/ scientists as to research profile, focal areas of development and support, performance objectives.
- **Quality assurance** by program **accreditation** or by system accreditation (new and in progress) as well as by **evaluation** (of courses, of study programs, of research performance, of organizational units like departments or schools)
- In spite of goal of professionalism through new bodies and internal power distribution: honorary **self-administrational engagement** remains right and duty!

# Basic Elements of the Reform

- **Power structure (university level)**
  - At first glance, **group university** seems to continue to exist, as the traditional member groups are confirmed,
  - And as they must be represented in the bodies which have decision power.
  - However: kind and **degree of influence/ power** depend on the numerical composition of the bodies as well as on their tasks on the one hand, and on the qualification, function, responsibility and degree of affliction of the groups on the other hand.

# Basic Elements of the Reform

- **Central power structure : four bodies**
  - *The rectorate/ presidency*
  - *The rector/ president*
  - *The university council*
  - *The academic senate*

# Basic Elements of the Reform

- **Central power structure :The rectorate**
  - Has at least two members of main/ full occupation: the rector and the chancellor,
  - Has a number of side-line vice-rectors, the number being decided upon by the university council (new).
  - The statute of the university (released by the senate) may define
    - that the rector can prescribe directions for the rectorate's work,
    - that the rectorate can determine spheres of responsibility for each of its members,
    - that the rector has a power of veto.
- The Bielefeld senate has denied to grant these rights.

# Basic Elements of the Reform

- **Central power structure :The rectorate**
  - Manages and leads the university, devises economic plan
  - Has competency to decide all those issues which are not explicitly conferred by law to another body,
  - Has to devise the university development plan including the study program, the research agenda/ foki and the organizational structure as binding frame for the other bodies,
  - Has to consider the development plans of the departments and schools,
  - Has to enforce evaluation, the target agreements and the development plan,

# Basic Elements of the Reform

- **Central power structure :The rectorate**
  - Prepares the senate meetings,
  - Has to deliver information and to render account to the council and to the senate in the case of implementation of their decisions,
  - Has to regularly ***render account*** to the council once a year, has to report to the council at least four times about the financial and economic status of the university,
  - Has to ***report*** to the senate once a year,
  - Has the right to demand all bodies and internal institutions to deliver information wanted as well as to advise and to decide certain issues within a fair period of time,

# Basic Elements of the Reform

- **Central power structure :The rectorate**
  - The full-time members are elected by the university council by majority vote,
  - Rector and chancellor have to be recruited by advertisement (may be supported by head hunting),
  - All other vice-rectors get named by the rector designatus and elected by the council, they must be professors of the university,
  - All the elections have to be prepared by a commission filled proportionally with members of council and senate,
  - All elected members have to be confirmed by the senate,

# Basic Elements of the Reform

- **Central power structure :The rectorate**
  - The first ***term of office*** of the rectorate members takes 6 years at least, further terms take at least 4 years,
  - ***Re-election*** is possible,
  - ***Dismissal***: Each member of the rectorate may be dismissed by majority votes of the council (2/3) and of the senate (3/4).

# Basic Elements of the Reform

- **Central power structure :The rector**
  - Is heading the university,
  - Chairs the rectorate,
  - Represents the university to the external world,
  - Has the domestic authority,
  - Has a control and a directive right towards the deans,
  - Sees via the deans that everyone fulfills his or her duties.

# Basic Elements of the Reform

- **Central power structure : the university council**
  - **Advises** the rectorate and **controls** its management,
  - **Elects** the members of the rectorate,
  - **Consents** the development plan and the target contract,
  - Consents the economic plan and the entrepreneurial activities of the rectorate,
  - Gives **comments** on the statements of account and on evaluation reports,
  - Gives **statements** on issues which are of fundamental relevance for the university or central institutions,

# Basic Elements of the Reform

- **Central power structure : the university council**
  - Gives *exoneration* of the rectorate,
  - Consists alternatively of **6, 8 or 10 personalities** who present societal segments in a responsible way (from science, economy and culture),
  - Has either only or at least 50 % **external members**, chair must be an external member,
  - Is **pre-elected** by a commission which has 6 votes (2 from senate, 2 from the preceding council and 2 from the ministry),

# Basic Elements of the Reform

- **Central power structure : the university council**
  - Is finally ***elected*** by senate (majority vote),
  - Has to be ***confirmed*** by ministry,
  - Has to ***meet*** at least 4 times a year,
  - Is ***joined*** by the rectorate (without votes),
  - Has to elect its ***chair*** from the external members,
  - Gets a ***compensation***.

# Basic Elements of the Reform

- **Central power structure : the academic senate**
  - Has a concluding number of **competencies**,
  - **Confirms** the election of the rectorate members (simple majority),
  - **Confirms** the dismissal of rectorate members by the council (3/4 majority),
  - May give a **statement** on the yearly report of the rector,
  - **Defines and changes** the statute of the university and of frame regulations,

# Basic Elements of the Reform

- **Central power structure : the academic senate**
  - Has a *majority* of the professorial group,
  - Gives *recommendations* and *statements* on the draft of the development plan,
  - Gives *recommendations and statements* on the target agreements, on the evaluation reports, on the economic plan and on the *principles* of the distribution of the positions and financial means between the departments and other internal institutions.

# Basic Elements of the Reform

- **decentral power structure : the dean**
  - Leads and represents the faculty/ department within the HE-institution,
  - Designs the development plan of the faculty in agreement with the faculty council,
  - Is responsible for the process of evaluation,
  - Is responsible for the completeness of the supply of instruction/ courses,
  - Is responsible for the compliance with the teaching load,
  - Is responsible for the organization of the course program as well as of the examinations,

# Basic Elements of the Reform

- **decentral power structure : the dean**
  - Gives the necessary directives,
  - Allocates the positions and financial means according to the allocation principles in agreement with the faculty council,
  - Decides the allocation of the staff,
  - Executes decisions of the council,

# Basic Elements of the Reform

- **decentral power structure : the dean**
  - Must be a professor of the faculty,
  - Must be confirmed by the rector (president),
  - Term of office is 4 years, re-election is possible,
  - May be full-time dean (agreement between rectorate and faculty council required),
  - May have vice deans at his/ her side (dean's office), has a power of veto in dean's office.

# Basic Elements of the Reform

- **decentral power structure : the faculty council**
  - Has decision power for all those issues which are not devoted to the decision power of the dean or of other bodies,
  - Is responsible for all academic affairs, and decides on the faculty rules,
  - Has a majority of the professorial group.

# The Bielefeld Experience todate

- **Fight of senate** for keeping as much as possible of his former decision power (vocations, budget, development plan) by defining the statute (denied by ministry),
- Daily “transition” **quarrel for competencies** and composition of bodies between senate, council and rectorate,
- Danger of instrumentalization/ **misuse of council** by members of the HE-institution,
- **Fight of students** for greater presence and influence in bodies,
- Fight of students against fees (occupation of rectorate in February 2006, protests, color bags a.s.f., police operations), but student control power as to fee allocation,

# The Bielefeld Experience todate

- Fight of active students against university council resp. against their exclusion from the council,
- Need of council to find his role relative to rectorate (strategic, not operative),
- Generally great need for **transparency** of goals, decisions and procedures and for **communication**,
- **Pressure on rectorate** by council on the one hand (steady demand for information, figures, charts, economic plans, accounting reports, development plan),
- Increased **room for maneuver** and decision power for rectorate as to budget and personnel recruitment, in particular as to appointment of professors on the other hand,

# The Bielefeld Experience today

- Global budget, overhead by GRF (introduced in 2008), student fees and interest returns from banks as well as exclusive recruitment power of rectorate as to professors open **great scope of decision and action power** to rectorate,
- In particular, **recruitment and appointment of professors** is crucial: quick decisions; equipment, staffing and salary negotiations only by rectorate and dean, performance related salary elements,
- **Quick decisions** an advantage in times of increasing competition for senior scientists, junior scientists, students and funds,

# The Bielefeld Experience todate

- Competition for professors leads to ***salary inflation***,
- ***Competition forces*** institutions to introduce marketing, event management, and corporate identity measures,
- Financing modes basing upon performance criteria lead to up- and downwards ***financing spirals***,
- The new structure of bodies and competencies, increasing competition and internationalization require a significant ***growth of the professionalism*** of the leading managers on the central as well as decentralized levels (full-time vice-rectors and deans),
- A labor market for HE managers must develop in Germany.

# Résumé and Conclusions

- Indeed a rapid and speedy process of change,
- fostered by intensifying competition,
- HE-institutions must adapt with respect to their institutional structure, study and research program (profiling), management philosophy, recruitment behavior, personnel development politics, marketing and corporate identity policy,
- HE-institutions must develop a substantial higher degree of professionalism.