



Instituto de Dirección y  
Organización de Empresa

## In Search of the FFF (Fit for the Future) University

Corporate and organisational demands for the  
efficient and effective development of universities\*

(En busca de la Universidad del futuro: Exigencias  
corporativas y organizativas para el desarrollo  
eficiente y eficaz de las universidades)

*Prof. Dr. Stephan Laske*  
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(University of Innsbruck)



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1-A 06/308



**CONFERENCIAS Y TRABAJOS DE INVESTIGACIÓN  
DEL INSTITUTO DE DIRECCIÓN Y ORGANIZACIÓN  
DE EMPRESAS / Núm. 308**

**DIRECTOR: Prof. Dr. SANTIAGO GARCÍA ECHEVARRÍA**



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*Alcalá de Henares, Septiembre 2006*

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\* Text corresponding to the conference given by Prof. Dr. Stephan Laske in the **University of Seville** on the occasion of the **"14<sup>th</sup> Annual Meeting of the Spanish Alexander von Humboldt Association: The University as an Institution for Knowledge and Innovation"** on September 16<sup>th</sup> 2005.

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**Abstract:**

*Over the last thirty five years, and in all European countries, "University Reform" has become a permanent process. Professor Laske, an expert on analyses concerning university management, analyzes the process up to the present day from an Austrian standpoint. Based on this experience, he discusses in-depth the future of universities as a result of these permanent university reform processes. Using seven different propositions, Professor Laske analyzes the background to the above processes and their effect upon the future of European society.*

*En todos los países europeos la "reforma universitaria" es un proceso permanente durante los últimos treinta y cinco años. Prof. Laske, experto en estos análisis sobre el management de las universidades analiza este proceso desde la perspectiva austriaca hasta nuestros días y en base a esa experiencia entra a fondo en el devenir universitario consecuencia de estos permanentes procesos de reforma universitaria. En torno a siete proposiciones analiza el trasfondo de estos procesos y las consecuencias para el futuro de la sociedad europea.*

**Keywords / Palabras clave:** Education, University, Reforms, Future, Propositions / Educación, Universidad, Reformas, Futuro, Propuestas.

**Classification / Clasificación:** Jel I20, M10.

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EDITA: **I.D.O.E. UNIVERSIDAD DE ALCALA**

ISBN: 84-8187-048-X  
Depósito Legal: M- 37644 - 2006

Imprime: **DIGITAL COLOR 2000, S.L.**  
Paseo de la Estación, 7 - 28807 Alcalá de Henares

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# **IN SEARCH OF THE FFF (FIT FOR THE FUTURE) UNIVERSITY: CORPORATE AND ORGANISATIONAL DEMANDS FOR THE EFFICIENT AND EFFECTIVE DEVELOPMENT OF UNIVERSITIES \***

## **1. Introduction**

In our view, the question of the right conditions for the efficiency and effectiveness of universities is synonymous with the question of how today universities can be made fit for the future. In view of the worldwide, varied and lasting changes in academic systems and the complexity of these processes, it would be presumptuous to believe that one could give clear answers, and least of all answers relevant beyond the respective historical, political and/or national contexts. For this reason, it is necessary from the outset to emphasise two significant limitations to the ideas present: First of all, we choose the situational context of the Austrian academic system. In recent years, this system has undergone a fundamental process of change and is seen – at least from an external perspective – almost as a European benchmark. (Together, the authors have more than 35 years of experience as higher education teachers in this system. Several research projects in the field of higher education management, the management of a larger reform project at an Austrian university and numerous leadership functions serve as additional information sources). Secondly, we will somewhat deviate from the norm for scientific essays by presenting our statements and observations in the form of more or less differentiated propositions, rather than using a form which suggests it is possible to present a “well-rounded” complete picture.

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\* We greatly acknowledge the help of Diane Scharf and Joe Gatt for their great help to translate the German version of this paper into a proper English article.

## **2. The university situation in Austria**

### **2.1. A brief look at 35 years of reforms**

The European systems of higher education are on the move. Austria, too, has instigated surprisingly radical reforms of its universities in the past 35 years. The first major university reform after the Second World War, the University Organisation Law (UOG, 1975), brought about an important modernisation thrust and replaced what was frequently called the "professors' university". The core idea of this reform was the attempt to enforce the principle of increased democratic involvement more strongly also in universities and to offer the people affected by university decisions a high degree of co-determination and legal security. Simultaneously, the influence of the state was to be maintained by all means.

Insufficient performance and competitiveness, unclear responsibilities, a lack of efficiency, inadequate focus and strategic orientation, the constraints of bureaucratic control systems, a fossilisation of the personnel structures and a lack of managerial competence were some of the arguments used to point out the urgent need for a further re-organisation of the university system (Höllinger, S., 2004, p. 52; Laske, St.; Hammer, R., 1997). After intensive political debate, this resulted in the University Organisation Law 1993 (UOG, 1993). Among others, main features of this reform included: maintenance of the partial legal capacity, the system of limited university autonomy, a lack of budgetary flexibility, complex decision-making bodies and the systematic duality of the management into operative and strategic functions at both the university and faculty level.

In retrospect, the UOG 1993 turned out to be a mere episode: The universities had hardly implemented the law, when the next reform was being worked out – without any serious attempt to analyse the experience gained in implementing UOG 1993 and without testing the viability and scope of this system.

The new organisation of the civil servant law for scientific staff in 2001 can be regarded as the overture to this next organisational reform. It was conceived as a transitional law valid up to the point when the planned full university autonomy was to be implemented

and included the following objectives (Titscher, St.; Höllinger, S., 2003, p. 10f.; Marhold, F., 2004): staff appointment autonomy of the universities, increased support for young scientists through a new career model, an increased number of professorships, improved chances for mobility, abolition of the "civil servant" system and a lasting reduction of tenured positions, as well as a re-structuring of salaries in the form of "all-inclusive payments" which were to make it possible for universities to create autonomous incentive structures. This was to ensure the first element of the so-called "3 pillars of reform" (Titscher, St., 2004, p. 79f.). The other two elements – university autonomy and profile-building – were to be provided by the University Law 2002 (UG, 2002).

For Austrian universities to be more successful in the international competition for students, staff and research resources, they have to – according to the reform advocates – be able to be more goal-orientated, more efficient and more flexible (Müller-Böling, D., 2000). The Anglo-American system served as a model for this step, since it was claimed to feature a much higher degree of dynamic development, innovation, market adaptability and management know-how (Burtscher, Ch. et al., 2006).

University management, according to the UG 2002, can be summarized as follows:

- the university becomes fully autonomous and turns into a corporate agent with strategic tasks and operative decision-making power;
- the ministry is reduced to providing and controlling the overall framework (for instance, by means of performance agreements and strategic controlling as well as indirectly through nominating members to the university's strategic control body, the University Council);
- within the university, a strongly monocratic leadership (chancellor and, in his or her name, the deans) replaces decision-making collegial bodies; previously existing possibilities for co-determination by the (scientific) staff and students are replaced by a limited form of democratic participation in daily, operative business;
- the staff only has a weak influence on strategic decisions;

- internal control is exercised – following the logic of New Public Management – through a system of agreements on objectives and business-oriented control techniques;
- personal relationships between individual members of the university and the monocratic leadership bodies are important elements of university development (or stagnation);
- the members of the University Council are to provide an external perspective for university decisions; the body itself has a strong structural position in the system.

The motivation of the law's protagonists focused on increased efficiency of higher education management. The background of this university management concept is provided, on the one hand, by the New Public Management model (NPM), i.e. the systematic transfer of "modern" management techniques from the field of private business to public sector organisations, which up to this point had been controlled mostly by bureaucratic principles and rules. On the other hand, the theoretical approach offered by the "Resource-Based View (RBV)" is explicitly quoted as a reference point for the Austrian university reform: "Since the current situation ... is strongly characterised by budgetary constraints, the so-called Resource-Based View offers a suitable theoretical basis" (Titscher, St.; Höllinger, S., 2003, p. 11). Combined, these two concepts provide, so to speak, the "stuff from which the dreams of the university reform are made out of". Since early 2003, attempts have been made to implement the legislator's ideas in everyday academic life at the 21 Austrian public universities.

## **2.2. The view from outside**

Better luck next time? From the point of view of its protagonists, compared with former models the UG 2002 is a new game with a different deck of cards. With pronounced self-confidence, the ministry responsible documents its reform objectives on a special internet site: [www.weltklasse-uni.at](http://www.weltklasse-uni.at) ("world-class university"). Regardless of whether the universities or external groups see this claim as a vision or a factual description, as counterfactual exaggerated self-evaluation or as cynicism, one finds numerous foreign experts commenting very positively on the basic logic of the

UG 2002, even if they don't agree with all the details. For instance, "a number of experts discuss the reform extensively and very positively in the volume "University Reform in Europe" (edited by Titscher and Höllinger) – and more concretely in the article "Austria's Universities on their way from law to reality" (Titscher, St.; Höllinger, S., 2003). "Austria has at last brought movement into the university system. Reason enough for many German observers to glance enviously towards the south! However, it is not only envy, but also strong interest, since they hope to learn something from the Austrian reforms for their own potential reforms" (Meier, F.; Schimank, U., 2003, p. 119). Fischmeister expresses it even more euphorically: "The UG 2002 is not a law for small minds that neither have the wish for freedom nor the readiness to assume responsibility ... The UG 2002 has the potential to create a university for 'true scholars' in the sense of Schiller, where young people are able to learn creativity of the mind" (Fischmeister, H.F., 2003, p. 75).

At numerous international specialist conferences, the authors have found that European university administrators intend to orient themselves on the Austrian reform process in formulating their own, national university laws. More than three years have passed since the introduction of the UG 2002 at the universities. Therefore, it seems to make sense to deal with the question of the corporate and organisational demands for the efficient and effective development of universities by drawing on the first experiences with the new law. (It must be emphasised, however, that these statements cannot and do not claim the status of a systematic evaluation).

### **3. Propositions concerning demands for efficiency and effectiveness at a "fit for the future" university**

Proposition 1: *One of the central pre-conditions of a university which is fit for the future is a differentiated and sustainable idea about itself; an interpretive scheme which is communicated to its most important stakeholders and which is accepted as authentic by its members.*

The Austrian actor and cabaret artist Helmut Qualtinger once said "I don't know where I'm going, but I'm going to be there much faster!" Applied to today's university, this means: If there is no sustainable

"idea of the university" (Jaspers, K., 1980), neither new governance structures, global budgets, intellectual capital reports nor performance agreements will do any good. "The interpretive schemes represent the organisation's mission, core values and its accumulated views of its world, itself and its social relations – in other words, the organizational culture" (Parker, L.D., 2002, p. 604). Those incapable of communicating this idea to their members and other important stakeholders will neither be able to acquire the necessary material and immaterial resources, nor ensure a sustainable commitment to the institution as such. "To formulate this optimistically: a process is required which creates a joint vision of the future that at least a large majority can identify with. It must generate enough energy for the university members to orient their own actions on it. Thus, one of the leadership tasks is to formulate questions concerning the development of an individual 'identity' as a university: Who are we and who do we want to be in the future?" (Laske, St.; Meister-Scheytt, C., 2006).

In many commentaries the autonomy of the universities, i.e. their "liberation" from ministerial control, is emphasised as a central gain resulting from the reform. After years of experience on the strings of government guidance, the autonomy of the university is, without a doubt, an extremely important reform element. However, it can by no means be self-serving and act as a justification for any arbitrary content. On the contrary: autonomy as decision-making freedom is inevitably linked to the obligation to make decisions, i.e. determining the core values which characterise an individual university.

It is of particular importance that this image is not determined in an authoritarian and arbitrary way by just a few people. Instead, it must be developed in regular interaction and by means of an intensive discourse within the university and between the "inside" and the "outside". Together with many other experts we continue to dream the currently seemingly old-fashioned dream that universities are to be preserved and developed further as places of education, of joint learning and research, of freedom and reflection, of criticism and societal responsibility (vgl. Frühwald, W., 2006; Kappler, E.; Laske, St., 2001).

*Proposition 2: Whoever propagates efficiency as the main priority of the university ignores the historical development of*

*universities and refuses to participate in the content-based discussion regarding which central function the future university is to fulfil in a global world characterised by numerous social tensions.*

Some critics fear that in the past 20 years a movement has developed in European academic institutions that is willing to sacrifice the "idea of the university" on the altar of short-term considerations of usefulness and marketability. "Science and its institutions are becoming increasingly socially devalued as their results become economically important and more desirable and as knowledge turns into a decisive productive factor in international economic, social, and cultural competition" (Frühwald, W., 2006). In Europe, this could lead to the same situation reported some years ago by the Australian Federal Parliamentary Senate Committee about Australian universities: "The overwhelming commercial imperative for universities to protect their reputation and capacity to earn income was said to have led to a deterioration in the intellectual climate, academic freedom and morale and the increased victimization of dissenters" (Myton, D., 2001). The debate as to which degree an entrepreneurial university (Clark, B.R., 2001) can serve as the model of a modern university system and what the potential consequences could be has yet to be initiated in Austria. So far, quite a lot of voices have expressed fears that the consequences of UG 2002 might bring about significant restrictions for basic research and the humanities, arts as well as cultural studies or the exclusion of important groups from central decision-making processes at the universities.

Through comparative studies of countries and institutions, Considine/Marginson (2000) and Slaughter/Leslie (1997) "... document carefully the increasing momentum toward viewing universities as if they were private sector corporations, toward the imposition of increasingly hierarchical forms of administration under the guise of corporate discipline, the re-conceptualization of students and research funders as customers and faculty as a labour force, and the view of teaching and research products as forms of intellectual property to be bought and sold, etc. One of the most striking features of these processes is the degree to which this rush to corporatize universities is a worldwide phenomenon. Another is the hegemony of the economic rhetoric of 'markets' and rational choice

*as the principal languages of the increasingly large groups of professional university administrators" (Greenwood, D., 2007).*

If "language is a mirror of the mind" (Chomsky), then the current zeitgeist of management at universities seems to be a close relative of the "homo oeconomicus" we know from the economic sciences (Laske, St.; Meister-Scheytt, C., 2003). To illustrate this: At a German university, the pro vice chancellor now allocates "time slots" of just 13 minutes, since in his experience, this suffices to discuss the most important aspects of a problem – the person in question was previously employed by a large consulting company. Prioritising efficiency at the cost of the university's (yet to be defined!) societal mission would be a rash manoeuvre simply to avoid the efforts necessary to intensively discuss the core values of the university: Post robbers, dictatorships, tin can producers, prisons or psychiatric institutions can also act efficiently: "efficiency has no essence!" (Hedlin, P., 1996).

*Proposition 3: In times of limited financial resources and increasing (international) competition for qualified scientists and resources, the recommendation to strengthen the visibility and attractiveness of universities by means of "profiling" can easily lead to a rationalistic fallacy.*

In times of growth and economic prosperity, universities or government bodies responsible for them, frequently pursued a "strategy of subject matter width", i.e. the goal was to produce disciplinary variety in the sense of fully-fledged universities or at least broadly based technical, medical or art universities. However, ministerial and university practice led to increasing doubts about the efficient use of the budgetary means allocated to the universities. The widespread expectation that these indisputable management deficiencies within the academic system could be most easily overcome through the structures of a market economy, through competition and the transfer of business instruments to the organisation "university" (this reflects the widespread "New Public Management" logic), led to a strategic re-orientation. Today, the recommendation is to bundle the resources which are available or which have been acquired through additional efforts where possible and use them in fields where the university already has proven research strengths. The motto – and in principle quite a sensible one

– is "profiling"! The logic behind the idea aims at forming a critical mass of research experts through bundling resources, who are then ensured a fair chance in international scientific competition and their reputation reflects back on the institution. "Competition seems now to be the central goal of universities – competition for funding, for status, for students both local and overseas, for research grants and for highly productive staff" (Gale, F., 2001, p. 13).

This is not the place to discuss the risks of such a strategy in greater detail – we would like therefore only to point out some aspects that, in our opinion, have not received enough attention in the current discussion.

- It is consistent with the UG 2002 and the basic logic of autonomous universities that profile decisions have to be made by the individual university; at the same time, however, this implies that a national university policy can only take place indirectly (e.g. through specific funding programmes or targets in performance agreements).
- The concentration on disciplines with a strong future potential will almost inevitably lead to a "zero-sum game", where less marketable subjects have to reckon with grave restrictions. However, it must be seriously questioned whether marketability should become a central criterion of university "product range policy"– universities have a societal obligation which surpasses such considerations.
- Finally, it should be pointed out that science, too, has its trends (cf. e.g. Kieser; A., 1996), and thus profile formation processes at numerous universities have frequently led to similarity rather than to differentiation (in a radius of approximately 750 km around the University of Innsbruck, there are some eight comparable faculties where the subject area "Financial and Capital Economy" is or will be anchored as a central element of the institution's profile; we assume that a similar situation exists in the fields of the "nano sciences", "life sciences" or "oncology"...).

"So in response to global external environment pressures, universities have dramatically adjusted their activities and profiles. Marginson's ... typifying them as globally converging largely results from universities' perceived need to 'do it all' as they struggle with

the ever present threat of further real reductions in government funding, volatile international student markets, income source diversification, cost reduction and deficit avoidance ... This further predisposes them towards similar missions, broadly similar profiles and mutual imitation (Marginson, S., 2001). So in a global and increasingly homogeneous marketplace, universities behave as 'information entrepreneurs' (Parker, L.D., 2002, p. 608).

Proposition 4: *Universities are complex organisations which are characterised, due to the peculiarity of the scientific process, by manifold ambiguities and contradictions. The control and management of such organisations can be accomplished only by people and with the help of approaches that are sufficiently open to this ambivalence ("complexity requires openness!" (Kappler 1989)).*

"Universities are many things at once ..." (in analogy to Morgan, G., 1988). For instance, the executive bodies, external stakeholders, academic and non-academic personnel or those people who use the services offered most likely have quite diverging ideas about what a university really is, about its functions or the quality standards used to measure performance. These different perspectives (each with a different focus) constitute the university as such, rather than in a legal sense (for more details, cf., Czarniawska-Joerges, B., 1993; Neuberger, 1990). It is not only these individual perspectives and interests, however, which determine the contradictions of universities. There are also unavoidable fields of tension resulting, for example, from history, grown structures, as well as traditional tasks and processes (Meister-Scheytt, C.; Scheytt, T., 2005).

In order to clarify these considerations, some of these contradictions and paradoxical situations are given as examples: The relevant issues include the claim to autonomy, freedom and self-determination of learning processes as well as formal and traditional ideas about canonical subject matter content; the exchange value of (continuing) education (academic degrees as driving licences for jobs or as entrance tickets to professional careers) as well as the practical value of learning processes (education as a contribution to personality formation and as training the power of judgement); fostering critical and reflected thinking as

well as preserving cultural traditions; the analysis and development as well as the reproduction and preservation of societal structures; process as well as output orientation; standardisation as well as differentiation; increasing subject matter quantity and limited time resources as well as increasing quality and efficiency demands; free access to university to develop the educational potential of a society as well as the demands for top performances; adherence to the subsidiarity principle (decentralisation of decisions and the creation of multiple decision arenas) as well as programme coordination, etc. (for instance, cf. Kappler, E., 1995; Laske, St., 1997). In general, one should not forget that a critical position towards "what is" in itself is a constitutive feature of science.

Outsiders – especially people with experience in business organisations – frequently see the causes of the dialectic vagueness of universities mentioned above in insufficient goal definitions, in unsatisfactory or inefficient planning, weak leadership, unclear responsibilities, inadequate management and control or in a "weak" organisational culture. As a consequence, they frequently demand "strong leadership". We don't want to rule out the possibility that these factors also play a role. However, a fixation on these technical-instrumental points of view would not be far reaching enough to do justice to the differentiated character of the university (Zauner, 2006).

For the management of universities this means that the ability to cope with the future is closely linked to the ability of the system and the responsible people to reflect the described fields of tension in the university's core values, and to continuously balance them through differentiated control media, instruments, and competencies.

Proposition 5: *Currently, many universities are experiencing a phase of pathological "management overkill": the process of gaining university autonomy and the parallel tendency towards standardisation lead to a situation where the "devil of bureaucracy" is substituted by the "Beelzebub of control".*

The necessity for Austrian university reform was justified not least by the inflexibility and an out of touch bureaucratic state management.

It is quite ironic that the ministry of science used to accuse the universities of inadequate strategic orientation and a lack of dynamic development, while it really was the ministry's competence to improve the situation it complained about. With the UG 2002, most management responsibility was transferred to the universities; today, the role of the ministry consists mostly of setting the overall framework by means of performance agreements and strategic controlling.

In the past years, one could not escape the impression that the central authorities find it hard to adapt to their changed tasks and to refrain from detailed control. This is expressed not only by the fact that they have imposed extensive report duties on the universities; there are also regular attempts to intervene in operative decisions (especially in personnel questions). While there is no doubt whatsoever that quality decisions within the universities and in the ministry require a solid information basis, and that there were, until recently, grave deficiencies, we doubt whether intellectual capital reports really need – as originally planned – far more than 140 data and index figures. Normally, even global corporations are managed by means of one or two dozen index figures at the most.

Among university members, this ministerial "information gathering thrust" and the internal university data acquisition processes required by evaluations, accreditations and other quality assurance methods creates the impression that the much criticised university bureaucracy has returned through the backdoor – with a new image and much more powerful than before – leading the universities into a condition of pathological management overkill (Türk, K., 1976; Power, M., 1997). Thus, it is hardly surprising, if "evaluitis" is increasingly seen as one of the modern plagues of the university. As processes have a strong legitimizing power, it is essential to watch that the quality of teaching, learning and researching is not determined by the control of standardised processes but continues to be shaped by people, ideas, methods and subject matter content, which together constitute the strength of science (Kemp, W., 2004).

Proposition 6: *The central objective of university reform is the improved efficiency of its core functions. Today, linguistic kow-towing to terms like "excellence", "elite" and "quality" has almost become an obligatory daily*

*exercise among those in leading university positions. Strangely, among those involved this contrasts strikingly with the quantity-based idea of what performance is.*

Indisputably, building and developing a performance-oriented climate is among the permanent tasks of any university system and any university. It is equally indisputable that there are extremely different ideas as to which conditions really help foster the performance potential of university members. Subject matter expertise, group membership, specific functions in research, teaching or administration, acquaintance with other university systems, personal interests, mental models of universities and individual experience are only some of the factors determining these ideas. Again, it is true that a university fit for the future must take its multidimensional character into account sufficiently. And this is exactly what doesn't seem to be ensured by the latest university reforms. Although rhetoric of performance and quality is very popular today, it needs to be stressed that this alone does not create quality. At best, it is suitable to enhance sensitivity to quality issues, provided that such attempts are not thwarted by the obstacles of academic reality.

More serious than this linguistic creation of an academic façade of rationality (Meyer, J.W.; Rowan, B., 1977) is the tendency to measure performance in quantitative units in order to make them "more objective" and "comparable": "Research has been commodified into published outputs that must be counted, cited and published in defined groups of 'highly ranked' journals." (Parker, L.D., 2002, p. 612) First, the consequence of such a quantification logic is that counting and adding impact factors threatens to replace content considerations, for instance in appeal procedures. Secondly, a very concrete tendency towards a "multiplicative science" can be observed, where – enhanced by undifferentiated goal-setting processes – collecting points is being misunderstood as proof of performance. Finally, evaluation concepts designed in this way strongly determine behaviour: for example, commitment to academic teamwork is considered naïve unless rewarded with performance points. One can assume that it will be only a matter of time, before the first "equivalence calculation models for scientific performance" are propagated as an expression of academic progress ...

"A commitment to quality as a core organizational value is pursued as an overt marketing strategy, but simultaneously degraded in the process of cost reduction" – this is how Parker (2002, p. 612) describes a dilemma which appears especially strongly in the quality of the teaching staff: The more budget pressure increases, the more universities tend not only to impose cuts on pedagogical design but also on "allocation of personnel" (increasing student-staff-ratios, part-time teachers).

*Proposition 7: In the past decades, central university management functions (chancellors, deans) have undergone a phase of dramatic change, one that the professionalisation of (potential) functionaries frequently could not keep up with.*

As long as central control tasks and a majority of the administrative functions of an university were assumed by the ministries and numerous internal decisions were worked on in collegial bodies, the chancellors' and deans' tasks were mostly limited to general representation, relationship management, internal communication, micro-political activities and the representation of university or faculty interests vis-à-vis the ministry. With the autonomy of the universities, these management functions have been strongly upgraded: Today, even a medium-sized university has a research and administrative staff of 1,000 – 2,000 people, a budget by far exceeding € 100 Mio and thus, in its size, corresponds to a larger medium-sized enterprise. Accordingly, the scope, variability and complexity of university tasks are increasing as well.

There are, without any doubt, many good arguments that speak for a reform of the classical university (e.g. more self-determination, improved management of scarce resources, faster decisions, clear responsibilities, stronger performance orientation, systematic safeguarding of development space, etc.). If, however, one checks the degree to which people in positions of responsibility are systematically prepared or trained for their new leadership roles or receive structural and instrumental support, one cannot help noticing that traditional role models continue to characterise qualification profiles (Wolff, R., 2006). Implicitly, there still seems to be the classical and yet counterfactual hope that in the final analysis a

professor can do anything or that the following principle is true: "To whom God gives an office, to him he gives understanding!" While in part thoroughly sensible business instruments are recommended (e.g. management by objectives or systematic staff appraisal) – there is, for instance, no consulting or information as to how these instruments have to be adapted to fit an expert organisation and its peculiarities: "trial and error" or "learning by doing" are the predominant modes of learning. Frequently, these methods seriously damage the motivation of the people concerned. At this point, the widespread claim that a university is a "learning organisation" is yet to be created when it comes to the systematic qualification of its central managerial staff. How else can those in leading positions be enabled to employ the entire range of relevant management tools (justice, legitimation, power, trust, expertise, money, recognition) intelligently? Experience has shown that leaders who feel insecure about their leadership behaviour, fall back on methods of "leadership through bribes" or "leadership through fear" – both forms that seem inadequate for university management.

In the final analysis, it is also true of Austrian universities that "the supposedly streamlined 'modern' corporate approach to management now being employed within universities has often reverted to a simplistic classical management approach relying upon authority, discipline, unity of command, unity of direction and centralization. ... A real tension has been created between the need for universities to strategically position themselves for survival in a highly competitive environment and the need for them to preserve space for inquiry and critique (the very foundations of their 'distinctive competence' and 'competitive advantage')" (Parker, L.D., 2002, p. 610).

#### **4. The future potential of the polyphonic university**

"One can imagine that an institution such as a university will not only have diverse aims but may have conflicting and competing ones. It may wish to do several things at once and in different arenas; not only to instruct persons but also to help them think independently; not only to provide the backup for well established research projects that have visible outcomes but also to tolerate hidden niches for the unexpected maverick or the genius who could be lodged anywhere

in the system; to foster both productivity and creativity, knowing that these sometimes go together and sometimes do not. Diverse social arrangements allow one over time to move in many directions at once, or allow persons to go off in different directions. *Contradiction is the engine of the intellect*" (Strathern, M., 1997; emphas. SL/CMS).

If – in view of the picture of the university as summarised in the quote above – we ask what the corporate and organisational demands for the efficient and effective development of universities can be, a first answer must be: "There is no recipe. Such handy tips as there can be are of a different order and generality than a recipe-style planning and problem-solving manual would offer. The nature of the context or environment, the organic character of the open-system university and its hugely diversified membership, the ever changing character of the puzzles and conundrums which face the manager, defy their reduction to set tasks for which there is a set of steps and a solution" (Duke, C., 2002, p. 11). For all the scepticism regarding simple recipes, some guiding principles can still be maintained:

- A university fit for the future needs a vision about its own identity which is neither subjected to short-term questions of marketability nor to backward-oriented, nostalgic idealisations of past times. Rather, it must deal intensively and constructively with the tensions between preservation and change.
- The development of this identity is more than merely modern, discipline related profile building; it should much rather position the university in its societal context. This also includes the definition of the relationship to other institutions of the tertiary education sector.
- Efficiently managing public resources per se does not pose a threat to academic freedom; quite on the contrary, it is necessary so that the university can, at the same time, afford extravagance. Extravagance in this context, however, does not mean a careless waste of resources, but safeguarding development space in the sense of organizational slack.
- The university fit for the future requires a differentiated and differentiating understanding of performance and quality,

one that cannot be defined and fixed a priori, but is constantly re-defined through processes and thus can take into account the polyphonic character of the university (Laske, St.; Meister-Scheytt, C.; Weiskopf, R., 2000).

- In contrast to currently propagated leadership theories counting on the "great man" and seeing an unambiguous, powerful and charismatic leadership figure as the model of modern management, the university of the future needs leadership personalities whose professionalism is expressed both in the competent use of management and control instruments and in a strong awareness of their own and the instrumental limits. "Put it another way, successful management is more about leadership which creates energy than about control which absorbs and monopolizes it" (Duke, C., 2002, p. 12).
- Finally, the university needs members that don't withdraw into their private sphere of interest, but are motivated and participate in the process of continuously developing the university: "... as long as academics simply attempt rebuttal and reorientation, they may be condemned to the role of the boxer on the ropes – gloves and elbows up while fending off the head shots, lessening the pain somewhat, but scoring no points. If we do not attempt to re-engage in this way, then others will continue to redraw the shape and the size of the ring, while we are busy protecting our heads" (Parker, L.D., 2002, p. 613).

Not withdrawal but participation is the suitable form of the university fit for the future.

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