

4. Managing Universities: a Question of Degree

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“To compare the university to the modern corporation, the classical bureaucracy or the imagined community is, in the minds of many academics, to compare music to money, or literature to town hall legislation. In the end they are thought to be alike in all unimportant aspects.” Simon Marginson and Mark Considine in the ‘Enterprise University’ (2000)

‘The University should act like a business’. Pronouncements like this, typically emanating from senior management and their consultants, send a shudder through many academics who see such a vision of the future or, increasingly, an interpretation of the present as a threat to what they hold dear. Academic freedom and collegiality, academics appear to have learned, are to be protected against the barbarous tendencies of managerialism.

We have no doubt that academics have had some bitter experiences with poor management but we wonder whether key academic values might be able to survive and actually even thrive under better management.

Many of the stakeholders in universities have sought to manage universities. Governments in many countries have attempted to use funding mechanisms to mould university missions, governance structures, channel research into ‘useful’ areas or ensure that the sector supplies a sufficient number of graduates of the right type to meet the needs of the economy.

However, these need not be the only reasons for more effective management. Several commentators have either analysed the phenomenon of or advocated the adoption of entrepreneurialism stimulated by management within universities. Based on a series of case studies from North America, the United Kingdom and Australia, Burton Clark, for example, suggested that we were witnessing the emergence of fast-to-develop and quick-to-respond groupings situated at the periphery of the university, and ranged around a traditional academic cluster of disciplines whose directions and interactions were steered by an institutional core group. While much of this literature has focussed on the role that management plays in stimulating the periphery, some degree of managerialism might also enhance a university’s ability to achieve its most university-like objective, meeting the needs of the ‘academic heartlands’, namely the pursuit and sharing of knowledge.

Resistance to steering by management can be fuelled by a sense that managers and academics are pulling in different directions. There are various ways in which these power relations might play out in the form of tensions between

managerialism and academic values. We have referred to the types of institutions that might result as: the 'command and control' university; the 'shared office' institution; and the 'Edge of Chaos' university.

Command and control

Highly corporate and commercial universities are based on top-down management emanating from a Board, with a Vice-Chancellor acting as Chief Executive Officer, and associated executive structures setting the mission, strategy, and detailed implementation. This top-down management sets detailed key performance indicators through the organisation's line management structure. The organisational structures are well defined, if not rigid, and there are specific lines of accountability and responsibility. Faculties and schools act like strategic business units within corporate commercially-focussed organisations.

Serviced office

On the other hand, where organisational structures are very weak, it is arguable whether members of the university regard themselves as having to act in the interests of that institution. As the Carnegie Foundation International Survey of the Academic Profession found, the vast majority of academics are more likely to align themselves to the aims of their discipline, rather than a department or any institution or organisation. It is possible for the aims of an institution to be almost wholly irrelevant to some academics, who look to it to provide a serviced office – physical space, some administrative support, access to information technology and a library, as well as a fee for service. One might even conclude that institutions such as this have moved outside any sensible definition of organisation.

Edge of chaos

We're not sure that many academics entered their profession with a desire to operate in either of the two environments that we have just described. Indeed, it is unlikely that many institutions that only behave in these ways can flourish for long. We may not want to be told what to do, but we hardly want to be left alone to drown in the competing demands of research, teaching and administration.

Mihály Csíkszentmihályi suggested that we all work best when the challenges we face are commensurate with our skills – we are neither bored by routine nor overwhelmed by anxiety. So, if a manager wants colleagues to be engaged and focused on their work, they need to be allowed and encouraged to operate at the edge between boredom and anxiety, between the order of an established routine and the chaos of turbulent uncertainty. Working on the edge might even turn out to be fun.

Interestingly, at a different level, commentators on organisations have made similar arguments. In their seminal and groundbreaking work *Competing on the Edge, Strategy as Structured Chaos*, Shona Brown and Kathleen Eisenhardt

describe a partially structured organisation. According to Brown and Eisenhardt, for an organisation to be able to thrive, it must evolve, making mistakes and learning from those mistakes through a process that they describe as experimental probing. They also suggest that organisations have to be able to operate both on the edge of chaos – with central management setting loose parameters for direction and implementation – and the edge of time – with plans emerging and adapting to unfolding events rather than being fixed rigidly in advance. The organisation must also allow change to occur proactively rather than reactively.

While originally framed in the context of companies operating in an environment of rapid and unpredictable change, such as the information technology industry, the core elements of their approach to organisational strategy do make sense for universities. As Marginson and Considine acknowledge, academics might continue to shudder at the prospect that universities might be compared to business. However, if we are to adopt some of the lessons of business management in the university, it would be better if managers and leaders acknowledged that the commercial sector has more to offer than the hierarchy of command and control. Instead, universities that can compete 'on the edge' might be able to become truly adaptive organisations, applying useful lessons from business to a continually changing environment.