

ACADEMIC INSTITUTIONS AS STRATEGIC ORGANIZATIONS

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Governance and relevance: Towards a new generation of research and innovation policies

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A REMINDER

Facing a disrupted environment

- The academic environment is becoming more competitive, less stable and more uncertain
- Major evolutions started since the last part of the 1900s :
 - worldwide massification
 - commodification of higher education
 - globalization and world standards
 - less taxpayer money and new steering tools

At the turn of the 2000s, radical reforms...

- were based on tools meant to foster their organizational autonomy and accountability in order to consolidate their contribution to the so-called "knowledge-based economy".
- Such tools implicitly or explicitly target the undisputed models of performance supplied by top research universities such as Harvard, Berkeley or Cambridge, without paying attention to the social processes which support the success stories that sustain their inventiveness.

The paradoxical target of reforms

Obviously all universities cannot be the best!
Thus two major issues are at stake.

- Which are the properties of universities that benefit the most from reforms?
- What about the others? How good are the reforms for them? This is a real concern, as “the others” represent the overwhelming majority of HE institutions in the world and in Europe, that support major missions of education in democratic societies...

REPOSITIONING RESEARCH ON UNIVERSITIES

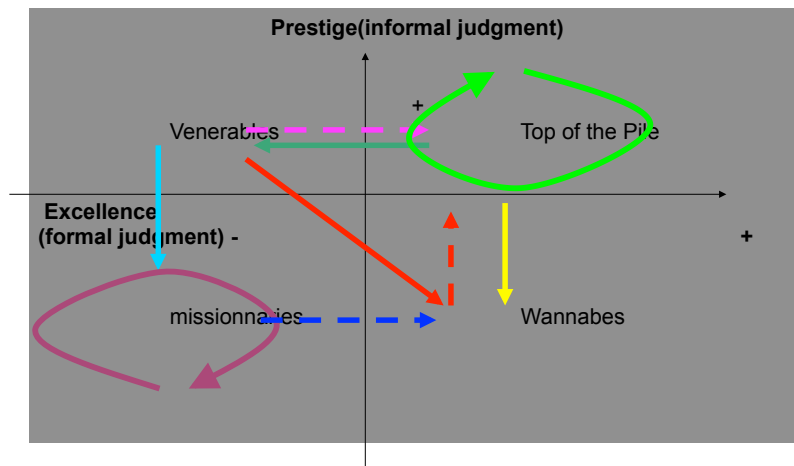
From national systems to universities

- With a few exceptions, the obsession of HE scholars with the macro-level of policy systems led to neglect studying universities as organizations.
- By considering the doctrines rather than the implementation of rules, are action-oriented social orders. Such organizations, even in Europe where they lacked formal autonomy before the 2000s wave of reforms, are embedded into multiple contexts that contribute their historical trajectories by impacting their resources, constraints, internal policies and behaviors.

A starting point to renew the understanding of HEIs

- Policy changes have generated tensions between two ways to judge quality (two regimes of worth), the one based on trust in collegiality (“reputation”), the other stressing “evidence-based performance” (“excellence”).
- Research suggests that universities can be classified according to how they experiment the tensions built by „excellence policies“.
 - ToPs: No tension. High on both dimensions
 - Missionaries: No tension. Low on both dimensions
 - Venerables: Tension (high on national reputation+ low on international excellence)
 - Wannabes: Tension (high on national reputation+ low on international excellence)

Table 1. Types and trajectories



Level of effort needed

- The level of effort required from them depends on the degree of tension they experiment and on their position relative to the one they aspire to.
- Their ability to address evolution challenges largely depends on their specific organizational capabilities

Taking advantage of policies

- In order to take advantage of policy changes, universities have to reorganize their internal and external interactions, with their members, and with society and polity.
- Therefore they may be required to upgrade their strategic capacity to position themselves as competition increases and predictability decreases.

see Thoenig J.C. and C. Paradeise. 2018 « Higher Education Institutions as Strategic Actors”, p 1-13

ASSESSING STRATEGIC CAPACITY

Our research perspective

A core competence to manage HEIs is organizational development, which requires.

- Assessing type and target of each university
- Assessing its strategic capacity
- Identifying which organizational capabilities have major implications for action taking.

Strategic capacity, not strategy! (1)

Academic strategy is often approached in a narrow sense (administrative recipes, procedural techniques) by « specialized » literature, that analyses:

- Policy statements and declarations;
- The role and activity of top-level staff, seen as principals of internal agents;
- Decision-making, not considering implementation, whereas implementation shapes strategy-making capacity, not the reverse.

Such top-down approaches of strategizing are to a large extent fairy tales, (i.e. the man of providence, national steering policies and norms)

Strategic capacity, not strategy! (2)

- To fabricate actual strategic positioning is to a large extent a co-production of a set of local social processes : strategic capacity refers to how much an institution is able to line up its internal components to achieve some common ends, based on the capacities provided by its internal social processes.
- How each internal subunit makes itself **compatible** with the others, achieving a fit between internal differentiation and integration of the organization shapes its identity, its priorities, its vision of university reconciles its multiple identities as a member of the university as an organization and of a discipline.

-> Enacted strategic lines are explicitly **and** implicitly sustained by internal social processes.

A guide to organizational sources of strategic capacities (1)

1. The **main time horizon set for implementation** and the way this time objective is defined and shared internally, as well as by external stakeholders (referenced public authorities, donors, etc.)
2. The **in-house stakeholders involved**, who actively participate in setting up the project
3. The **importance and credibility** lent to the strategy by the institution's members
4. The **outside actors and stakeholders within the action context**, who count (public authorities, steering and funding agencies, businesses, labour markets, activists of moral causes, trade unions, etc.)

A guide to organizational sources of strategic capacities (2)

5. **The identification of opportunities and threats for the future**, stemming for example from outside “competitors” (between universities, between ways of gaining access to employment opportunities, in the ways funding sources are accessed, in terms of student attractiveness, etc.) or that are linked to new societal issues and demands

6. The **in-house resources available** and necessary to support implementation of the strategy, and more generally to be able **to highlight, to protect and if necessary reorganise the institution’s tangible and intangible assets**

7. The way **opportunities are seized and threats avoided**.

Strategic capacity and types

- Taking all these variables together:
 - both ToPs and Wannabes demonstrate a high strategic capacity, which is not yet based on the same organizational capabilities
 - Both Missionaries and Venerables demonstrate a low strategic capacity, which is not yet based on the same organizational capabilities
- Taking strategic action thus requires to act on organizational capabilities in order to open up paths for change.

Table 2.1. Components of strategic capacity

Type	Top of the pile	Wannabe	Venerable	Missionary
<i>Time horizon taken as reference</i>	Mid-and long-terms	Short-and mid-term	Very long term	Short-term
<i>Attention paid to...</i>				
<i>this time horizon</i>	High	High	Low	Low
<i>competition dynamics</i>	High	High	Low	Low
<i>national and international academic contexts</i>	High	High	High	Low
<i>A resources</i>	High	High	Low	Low
<i>the operational application of the strategy</i>	High	High	Low	Low

Table 2.2. Components of strategic capacity

Type	Top of the pile	Wannabe	Venerable	Missionary
<i>Role played by... in building and scheduling the strategy</i>				
<i>the heads of the HE institution</i>	Strong	Very strong	Weak	Rather strong
<i>the academic community</i>	Strong	Weak	Strong	Weak
<i>The perception of the strategic project</i>				
<i>by the academic community</i>	Priority	Priority	Secondary	Secondary
<i>status of the strategic project</i>	Commitment endorsed by the whole community	Ambition of the management	Speech by the management A procedure	Speech by the management A procedure
<i>Level of strategic capacity of the institution</i>	strong	strong	weak	weak

ORGANISATIONAL CAPABILITIES SUSTAINING STRATEGIC CAPACITY

Organizational capabilities generating strategic capacity

- Three social processes or properties that matter
 - Human resource management
 - Cultural norms of belongingness
 - Governance
- Such processes both identify the position of a given university and provides benchmarks for change strategies

Table 3. Norms of HRM of academics

Type	ToP	Wanabees	Venerables	Missionaries
... Research missions	Great	Great	Great	Variable across department
... Teaching missions	Great	Moderate	Moderate	Variable across departments
... Administrative responsibilities	Great	Little to moderate	Little	Little to moderate
Attention paid to assessing these activities	High	High	Moderate	Variable across departments
Who counts in defining assessment standards?	The local academic community+ the disciplinary community	The general management based on professional standards	Senior professors of the institution	Colleagues of the same department and discipline
Which standards make the difference in assessing academic performance?	The talent and promises anticipated of single faculty members	Publication numbers in recent years in top-rated journals	The talent demonstrated by of single faculty members ass evaluated by departments and their chair holders	Variable across departments

Table 4. Importance lent to cultural characteristics

Type	ToP	Wanabees	Venerables	Missionaries
Social status associated with being a member	Very high	High	Very high	Moderate
Image attached to being a member	Scholar	Knowledge worker	Scholar	Teacher/researcher
Strength of local standards and values	Strong	Strong	Weak	Weak
Loyalty to the institution	Strong	Weak	Strong	Moderate

Table 5. Organizational governance

Type	ToP	Wanabees	Venerables	Missionaries
<i>Relationships between academics</i>	Members of the same "total" elitist institution	Competing individuals inside the institution and on the market	Colleagues who belong to the same elite	Peers bound together by equality
<i>Power balance between management and faculty</i>	M=F	M>F	F>M	F/M
<i>Regulation between disciplinary norms and values</i>	Integration= Differentiation Heterarchy	Integration> Differentiation Hierarchy	Integration = Differentiation Heterarchy	Differentiation> Integration Unstable political regulation
<i>Organizational model</i>	Organic bureaucracy	Mechanic bureaucracy	Professional bureaucracy	Fragmented bureaucracy

Strategizing

- Strategizing requires internal capabilities – social, cognitive, cultural, relational – which processes can build an internal ecology. It is that ecology that allows to develop an action theory enabling to scan the outside world and decipher opportunities and risks.
- Strategy building is thus a quasi-experimental internal process based on existing organizational capabilities. In changing environments, strategy builds a social fabric over time by testing, using and revising the on-going theory of action:
 - Based on skills and interpretation at all levels of the organization
 - Integrate them at all levels of the organization while preserving differences
 - Through developing multiple conversation arena facilitated by general management and heads of units

Consequences for policy-making

- Policymakers should first understand that strategic capacity requires relevant autonomy of organizations and to a middle-range time horizon.
- They should recognize and enhance the role of each type rather than disqualify and weaken their largest number by one-size-fits-all policies that only invite to benchmark external signs of „excellence“.
- Adjust incentives to the variety of missions of universities in order to improve the strategic abilities of all of them rather than punishing the ones which are far away from the benchmark.
- Policies should not only pay attention to stratification, but also to differentiation.
- This is a major issue in Europe as the rise of inequalities threatens democracy

CONCLUSIONS

Consequences for research agenda setting

Among many points

- Distinguish ToPs and WCUs. Are WCUs large comprehensive wannabes or can they be as such considered as ToPs? This question has to do with the issue of autonomy, inventiveness and sustainability of top research universities as virtuous organized social systems.
- Explore the conditions under which other types and especially missionaries can improve their strategic capacity in order to fulfill missions adequate to their specific resources and wishes, and essential to sustain national and European qualifications and democracy.