

Competition and cooperation in higher education:

objectives and models

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Osnabrücker Kolloquium zum Hochschul- und Wissenschaftsmanagement

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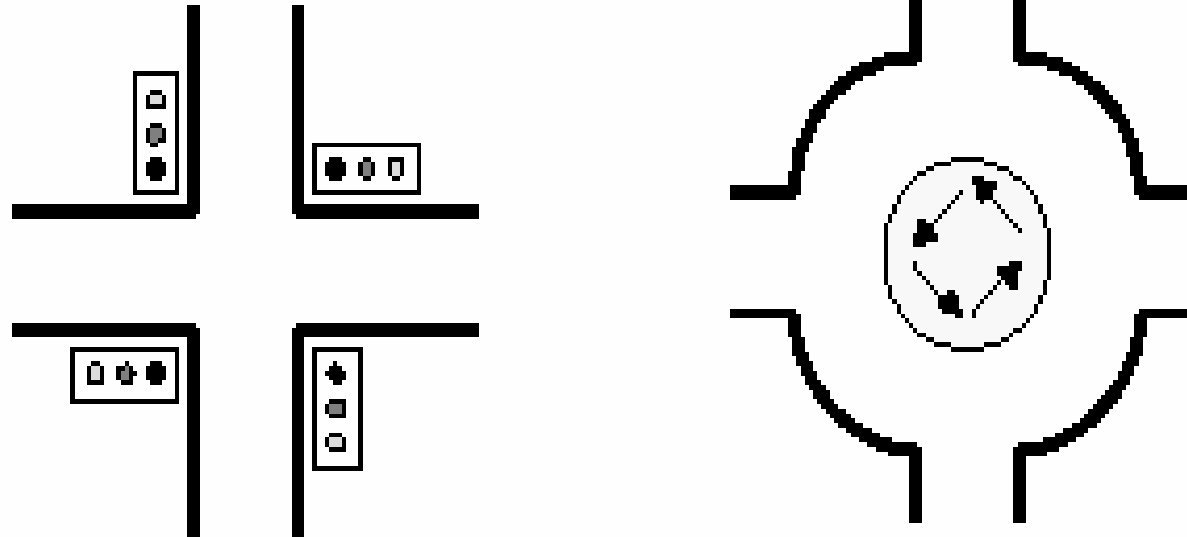
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Outline of this presentation

1. **R**ole of the state & HE markets
→ competition and cooperation
2. **F**orms of cooperation:
 - Mergers
 - Federation
 - Strategic alliances / consortia
 - Specific cooperation
3. **I**nternationalisation: a specific area



The evolving role of the state: New modes of coordination



From central planning to decentralised decision-making



Higher education markets: competition

Public versus private benefits: reduce role of government

Stimulate efficiency and output:

customers: tuition fees, vouchers, critical choice

producers: output orientation, value for money

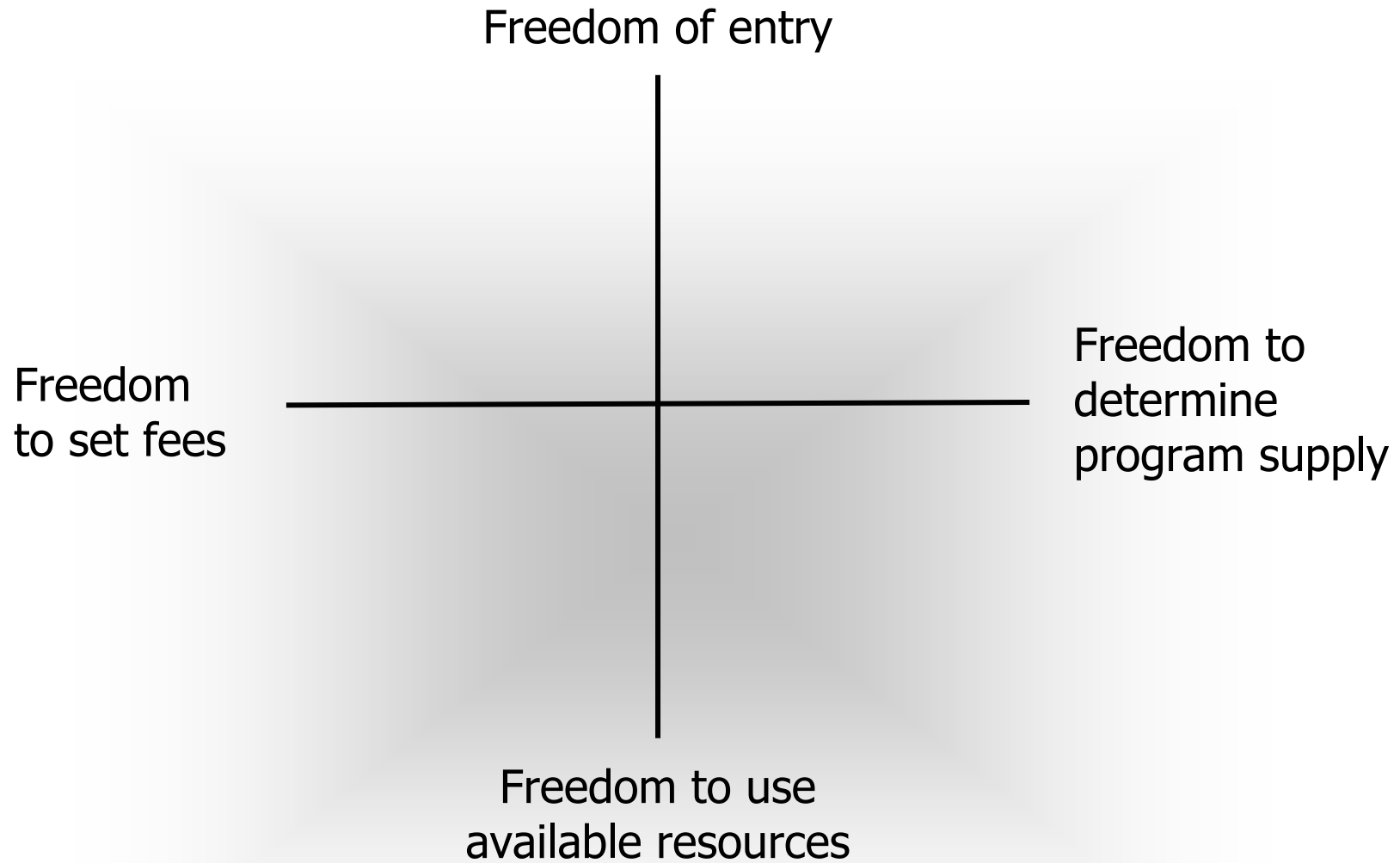
Quality of services

Competition where possible, regulation where necessary

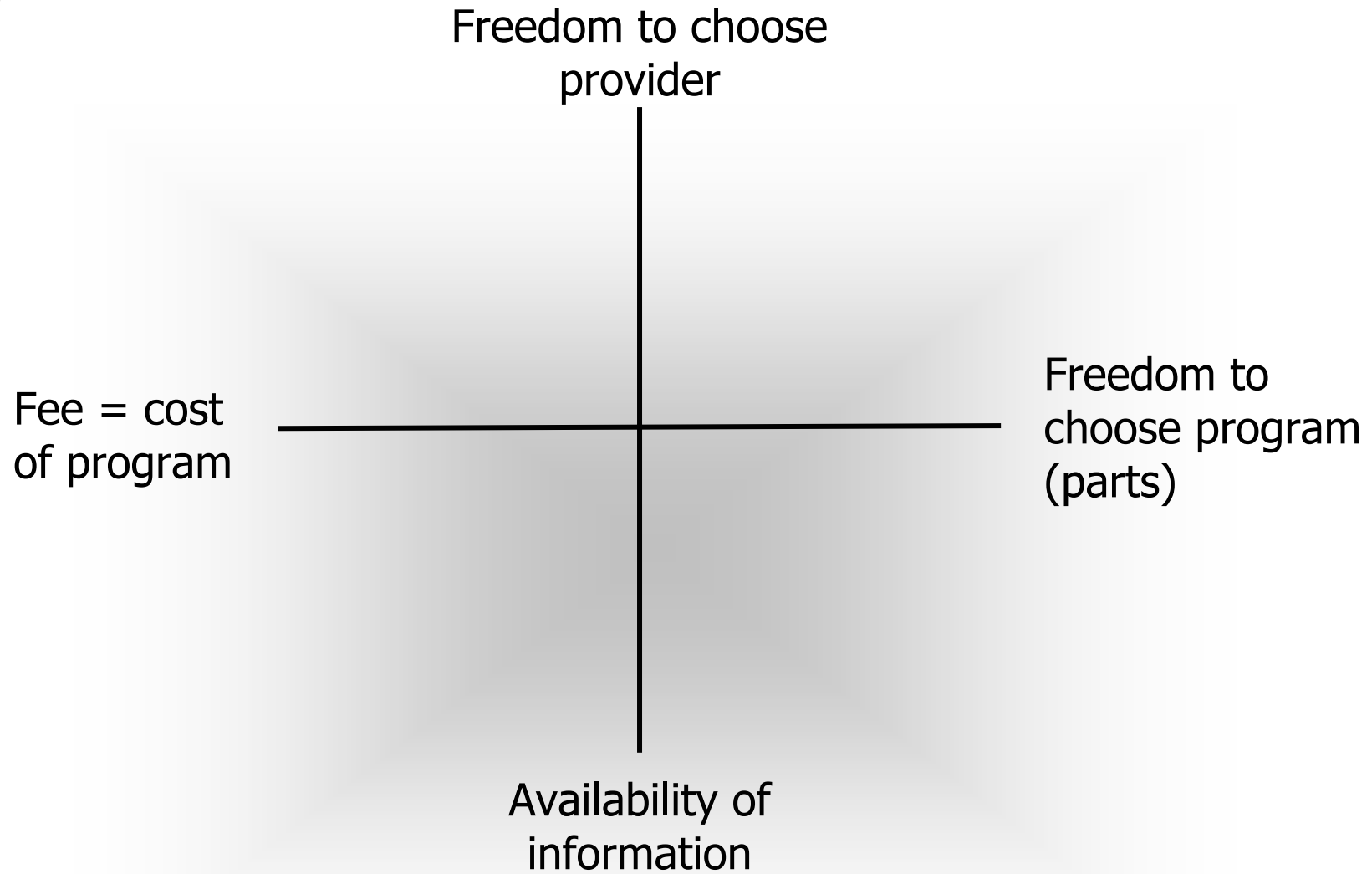
Extent of market mechanisms determines level of competition, but also need for cooperation



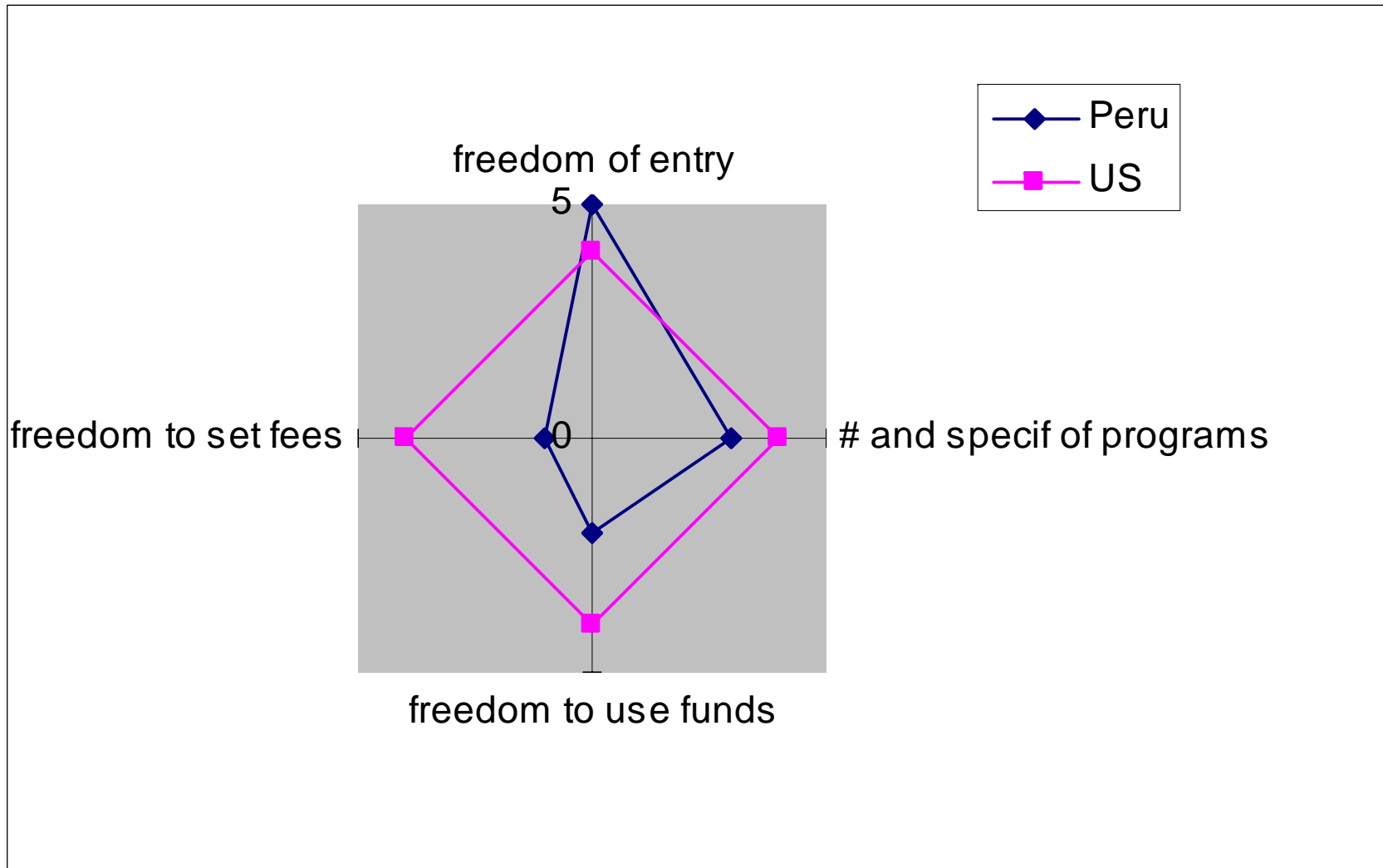
Market conditions: producer sovereignty



Market conditions: consumer sovereignty



Example



From competition to cooperation

Competitive strategies can include cooperation

- become larger and viable institutions or faculties
- form a monopoly
- offer diversity of opportunities for students (and researchers)
- create mass and excellence
- stand international competition
- build a stronger profile
- ...



Forms of Cooperation

Specific
cooperation

Consortia

Federation

Merger



Forms of Cooperation: Specific cooperation

Small scale cooperation

- faculty based or unit based
- often bilateral and fully voluntary
- joint study programmes, joint degrees / double degrees
- devision of (specialised) labour in delivering particular programmes

Research consortia

- international competitive power
- create focus and mass

Advantages: flexibility

Disadvantages: no regulations and central facilities



Forms of Cooperation: Strategic alliances / consortia

C

lose cooperation agreements

- partnerships: formal organisation with budget, and staff
- function centered: lobbying, profile building
- create easy transition/exchange opportunities for students and researchers
- create a wider range of study paths

I

nternational consortia / partnerships

- international profile and opportunities (ECIU, EUA, IAU, ...)
- international partner institutions: double and joint degrees



Forms of Cooperation: Federation

Each institution remains autonomous (Oxford, Cambridge)

- own degrees, own budget
- own faculty and staff arrangements

Managerial cooperation:

- some central facilities and administrative processes

Institutional profile and students' opportunities

- mutual student exchange
- programme diversity at low costs

Problems

- academic freedom
- minimum standards in terms of quality & financial viability (internal reallocation?)
- harmonisation of fees (otherwise confusing to students)



Forms of Cooperation: Mergers (full integration)

System reforms: macro efficiency

- Australia, Netherlands and Norway

Objectives of mergers

- increase efficiency and effectiveness in period of student growth
- create viable institutions and programmes
- widen student access and equity
- diversify programme offerings to cater for student diversity
- increase government control

Voluntary mergers

- Become bigger player, create more study opportunities
- Create managerial / administrative efficiency
- University plus non-university (easier transitions for students)

Competition!



Mergers: effects

(Australia, Netherlands, Norway)

Advantages of mergers

- More competent administration
- Improved professional leadership
- Improved institutional visibility (profile and status)
- Stronger political influence
- Higher efficiency: only in the long run (facilities at central level)
- More autonomy, central steering capacity, mass, focus & innovative power
- Better study transitions for students (bridging courses)
- Better risk management

Disadvantages of mergers

- Cultural conflicts between staff and departments
- Reduced identity & social cohesion / less influence of staff and students
- Larger gap between management and shop floor
- Bureaucratisation
- Less institutional choice for students (monopolies)
- In the beginning focus on management rather than teaching and research
- number of locations and class scale remain similar



Internationalisation: A specific case

Competition

- new student markets
- fee paying students (offshore education)
- international reputation
- internationalisation at home (profiling)
- branch campuses
- research partners to apply for international funds

Cooperation

- international partners for student exchange or joint teaching efforts
building trust & commitment
- international profiling / branding (DAAD, BC, ...)



Conclusion

Competition and cooperation are closely connected

- many forms of competition
- many forms of cooperation
- cooperation often required for competition
- beware that both can distract you from core business

Advantages and disadvantages of both

- set your own goals and instruments

A framework does not cover all in depth examples



The logo for 'cheps' features the lowercase letters 'cheps' in a red, sans-serif font. Each letter is contained within a vertical white bar. These bars are set against a background of three curved, overlapping bands that create a sense of depth and movement, with a halftone dot pattern.

University of Twente

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Thank you for your attention !



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