



## Higher Education's response to the crisis

Report from the OECD Programme on Institutional Management in Higher Education (IMHE) international conference:

Higher Education at a Time of Crisis: Challenges and Opportunities, hosted by the Copenhagen Business School on 29-30 June

This roundtable with panellists from Australia, Belgium, Brazil, Ireland, and the US gave an overview of the diverse impact of the crisis in Higher Education in their respective countries and provided some preliminary reflections on how governments and institutions might best adapt and respond to new challenges.



**Tom Boland**, Chief Executive Officer of the Higher Education Authority (HEA), Ireland

***"A strategic shift should be made to move towards a system of Higher Education as opposed to stand alone institutions"***

Tom Boland stated that in Ireland 2009 is a standstill budget, so there are not yet perceivable changes. The initial response of HEIs has been to introduce part-time programmes for unemployed, a demand which has come from government. Boland suggests that a more regulatory approach to HEIs is necessary. Institutions must seek to increase efficiency, and to work as coherent whole by sharing services across institutions. Looking into the crystal ball, he speculates that there might be reduced undergraduate fees for 2010/11 in Ireland.



**Fiona Buffinton**, Group Manager of the Higher Education Group in the Australian Department of Education, Employment and Workplace Relations (DEEWR)

***"The investment should be made in early childhood, basic education"***

In Australia, 95% of institutions are publically funded. HEIs in Australia have already been looking into alternatives for some time having put into place a system of income contingent loans. However, the down side is that there is a lag effect because money back from loans only hit after 5 years.

Fiona Buffinton recommends that greater income support should be given to students in need.



**John Hudzik**, Vice President for Global Engagement and Strategic Projects at Michigan State University and Professor of Criminal Justice, US

***“We talk about and teach change but don’t do enough about it ourselves”***

It is difficult to generalise the situation of HEIs in the US as the public HE funding and policy is at State level, so there is no national policy. There is a big diversity of institutions. So far consequences of the crisis can be seen with evidence of trading down behaviours, a trend towards fewer years of study and from private to public. More faculty staff are deciding not to retire. The general tactics by institutions is of a short term nature, based on the hope that it is only a temporary problem. Hudzik suggests solutions such as increasing privatization, a reform of quality, and for smaller and more focused institutions in order to guarantee survival.



**Koen Debarckere**, Professor of Managerial Economics, Strategy and Innovation at the Katholieke Universiteit Leuven, Belgium.

***“The big fear is not budget cuts, but inflation”***

Koen Debarckere stated that there is a sense of urgency to keep up long term ambitions. HEIs will need to exercise cautious financial management for 2013. There needs to be a drastic rethinking of funding policies, and institutions should be more outcome driven. At the student level fees need to be revised otherwise there will be difficulties to pay back loans. Universities are traditionally education and research institutions; however, there is a new wave of innovation which needs to now be permeating throughout the universities, i.e. innovation in everything.



**Zaki Akel Sobrinho**, President of the Federal University of Paraná (UFPR) and Professor of Marketing at the Graduate Program in Business Administration, Brazil

***“The concern is for the fiscal year of 2010”***

Zaki Akel Sobrinho stated that Brazil has not been so hard hit by the crisis. The students in the middle class are ones the most squeezed. The first signs of the crisis have been the increase in enrolments.

**Hans Peter Møllgaard**, Professor, Head of Department of Economics, Copenhagen Business School, Denmark, who chaired the roundtable discussion concluded by asking how the needs of the third world will be addressed with the vast demand for HE in the future to come from outside the developed world. There are already a lot of exchanges taking place, but the challenge is how do you get students from the third world to return home to raise the education levels again back in their countries?

This roundtable made evident that even if it is still early days for Higher Education to give a clear and coherent response to crisis, it will enormously defy the individual and collective capacity to change and adapt.