

Table 3.1 Extent of autonomy experienced by universities¹

	Institutions are free to:							
	1	2	3	4	5	6	7	8
	Own their buildings and equipment	Borrow funds	Spend budgets to achieve their objectives	Set academic structure/course content	Employ and dismiss academic staff ²	Set salaries ²	Decide size of student enrolment ³	Decide level of tuition fees
Mexico	●	▸	●	●	●	▸	●	●
Netherlands	●	●	●	▸	●	●	●	▸
Poland	●	●	●	●	●	▸	●	▸
Australia	●	▸	●	●	●	●	▸	▸
Ireland	●	▸	●	●	●	▸	●	▸
United Kingdom	●	▸	●	●	●	●	▸	▸
Denmark	▸	●	●	▸	●	▸	●	▸
Sweden	▸	▸	●	●	●	●	▸	
Norway	▸		●	●	●	▸	●	
Finland	▸		●	▸	●	●	▸	
Austria	▸		●	●	●	●		
Korea (national – public)			▸	▸		▸	●	
Turkey				▸	▸		▸	
Japan (national – public)				▸	▸			

Legend: Aspects in which institutions:

- have autonomy
- have autonomy in some respects (see the Appendix for details).

1. Data in Table 3.1 are based on responses to a 2003 survey of university governance by members of the OECD's Institutional Management in Higher Education (IMHE) programme. Participation in the survey was voluntary, responses were not received from institutions in all OECD countries, and the IMHE members do not necessarily represent the full range of higher education institutions in the countries concerned. Institutional responses were cross-checked for consistency against each other, and published sources and national experts were consulted in preparing the table. However, the table shows a simplified picture, and countries vary in many detailed respects, as described in the Appendix. Countries are ranked in order of the number of areas in which universities reported autonomy, and alphabetically where the number is the same.

2. "Employ and dismiss academic staff" (column 5) and "Set salaries" (column 6) include cases where any legal requirements for minimum qualifications and minimum salaries have to be met.

3. "Decide size of student enrolment" (column 7) includes cases where some departments or study fields have limits on the number of students able to enrol.

Table 3.2 New methods for allocating recurrent funding to universities: country examples

Country	When implemented	Main features
Australia	1988 (and progressively modified since)	<ul style="list-style-type: none"> • Commonwealth (federal) government funding (around 60% of total revenue in 2001) has two main components: (i) a general operating grant largely based on a specified number of student places in the context of an educational profile of the institution concerned; and (ii) funds for research and research training allocated primarily on a competitive basis. • Resources are allocated in the context of a rolling triennium which ensures that institutions have a secure level of funding on which to base their planning for at least three years.
Czech Republic	1992 (and progressively modified since)	<ul style="list-style-type: none"> • The major part of funding for teaching activities (about 78% in 2002) is based on inputs (the number of students multiplied by the cost of relevant studies). Around 10% is provided on a competitive basis whereby institutions are invited to submit projects in response to state priorities. The government aims to increase the competitive component to 30% over the next few years. • Government funding for research has two main components: around 30% (research directly connected to teaching) is based on a formula taking into account: (i) the funds raised by the institution for research and development; (ii) the ratio of professors and associate professors to the total academic staff; and (iii) the ratio of graduates from doctoral and master's programmes to the total number of students in the institution. • The other 70% of research funding is provided through a competitive bidding process.
Netherlands	2000	<ul style="list-style-type: none"> • Universities are funded on the "performance funding model". Thus 50% of the total teaching budget in 2000 was based on the number of degrees awarded in 1999; 13% was based on the number of first year enrolments; and the remainder was a fixed allocation per university. Universities receive separate funding for research programmes. • Universities of professional education (HBOs: <i>Hoger Beroepsonderwijs</i>) are allocated teaching funds by a formula taking into account programme characteristics and teaching output (enrolment and completion rates). • The government has foreshadowed plans to merge these two systems from 2005.
Norway	2002	<p>Grants to institutions now consist of three main components:</p> <ul style="list-style-type: none"> • a basic component (on average approximately 60% of the total allocation in 2002) associated with unit cost; • an education component (approximately 25%) based on results: the number of completed student credits, the number of graduates (scheduled to begin in 2005), and the number of international exchange students (incoming and outgoing); and • a research element (approximately 15%) dependent on performance and quality criteria including: (i) ability to attract external funding; (ii) number and qualifications of academic staff; (iii) number of postgraduate students; (iv) regional and professional policy priorities; and (v) total student numbers.
Switzerland	2000	<p>University funding, which was based on teachers' salaries, student enrolments and cantons' financial capacity, now takes account of the services provided by universities:</p> <ul style="list-style-type: none"> • 70% of basic funding is allocated according to the number of students enrolled for the legal duration of studies, weighted by academic disciplines; and • 30% is distributed as matching funds to the contributions that each university obtains from third parties (<i>e.g.</i> the Swiss National Science Foundation and the Commission for Technology and Innovation).

Source: IMHE and HEFCE (forthcoming); OECD (2003b); Norwegian Ministry of Education and Research (2003); Benes and Sebková (2002).

Table 3.3 New models of institutional governance: country examples

Country	Year	Main governing body	What changed?
United Kingdom	1988	<p>In the “new” universities (mainly former polytechnics) the main governing body is a <i>Board of Governors</i> which generally comprises about 25 members, the majority of whom are external; there is also generally an <i>Academic Board</i> which comprises academic staff only.</p> <p>In the “old” universities the main governing body is generally a <i>Council</i> of 25-60 members, the majority of whom are external, and a <i>Senate</i> comprising academic staff only.</p>	<p>Established a small Executive Board, half of whom must be from outside the university with experience in industrial, commercial or employment matters.</p> <p>Strengthened the power of the Chief Executive.</p> <p>Subordinated the Academic Board to the Board of Governors in all aspects and to the Chief Executive in some respects.</p> <p>Although the “old” universities were not affected by the 1988 Education Reform Act, the report of the National Committee of Enquiry into Higher Education in 1997 made recommendations about governance which have, in the main, been adopted by them.</p>
Netherlands	1997	<p><i>Supervisory Board</i>, 5 external members appointed by Ministers.</p> <p><i>Executive Board</i>, 3 internal members including the Rector.</p> <p><i>University Council</i>, academic, administrative staff, plus students; mainly advisory function.</p>	<p>Replaced joint decision-making by Administrative Board and Academic Council.</p> <p>Introduced Supervisory Board, which supervises and appoints members of the Executive Board. The Executive Board is accountable for governance and administration to the Supervisory Board.</p> <p>University and Faculty Councils became largely advisory bodies for students and employees.</p> <p>Executive strengthened relative to University and Faculty Councils; Dean’s power increased within faculty.</p> <p>Abolition of the previously powerful Disciplinary Research Groups.</p>
Austria	2002	<p><i>University Council</i>, 5-9 external members, nominated by the Ministry and the University Senate.</p> <p><i>Rectorate</i>, the Rector and up to 4 Vice-Rectors.</p> <p><i>Senate</i>, academic, administrative staff, students; majority of members are professors.</p>	<p>Introduced the University Council which will appoint the Rector, and decide on the organisational plan, budget, and employment structure.</p> <p>The Rector takes on a senior management function, supported by a team of Vice-Rectors.</p> <p>The Senate was retained, but lost much of its power, and is to focus mainly on academic programmes.</p>
Japan	2004	<p><i>Administrative Council</i> with internal and external members.</p> <p><i>Academic Council</i>, comprising the university President, heads of faculty, academics, others appointed by the President.</p>	<p>Administrative Council created to decide on main financial, personnel and organisational issues.</p> <p>Academic Councils created to decide curriculum, appointment of academic staff.</p> <p>Executive Board created comprising the university President and several Vice-Presidents. Overall the university President gains considerable powers.</p>

Source: IMHE and HEFCE (forthcoming); Austria (2002).

Table 3.4 Appointment of leaders of higher education institutions

	Process for election or appointment	Government has to approve?	Typically appointed for how many years?	Renewable position?
<i>Countries where leaders are usually ELECTED by:</i>				
Finland	Academic staff and heads of separate institutes	No	5	Yes
France	Board or Council	No	5	No
Japan (national)	Academic staff	Yes	4	Varies
Korea (national)	All full-time faculty members	Yes	4	Varies
Switzerland	Senate or ad hoc committee	Yes, mostly	5	Yes
Turkey	All full-time faculty members	Yes	4	Yes
<i>Countries where leaders are usually APPOINTED by:</i>				
Australia	University Council (majority usually external)	No	5-7	Yes
Ireland	Governing Body (approximately 50% external)	No	10	No
Netherlands	Supervisory Board: 5 external members appointed by Minister	No	4	Yes
Sweden	Government, on recommendation of mainly external Governing Board, which first consults students and employers	Yes	6	Yes, for two periods of 3 years
United Kingdom	Governing Body, of which the majority are external members	No	7	Yes
United States (public)	State government-appointed Regents or Coordinating Boards on the recommendation of Search Committee	No	Varies	Varies
<i>Countries where reforms have been implemented in 2003:</i>				
Austria	Formerly elected by University Assembly comprising professors (25%), assistant professors (25%), other staff (25%), and students (25%) from the candidates proposed by Senate From 2003, appointed by University Council made up of external members, from a shortlist of three candidates nominated by Senate	No	4	Yes
Denmark	Until July 2003, elected by: academic staff (50%); other staff (25%); and students (25%) From July 2003, appointed by a Board with a majority of external members	No	4	Yes
Norway	Formerly elected by academic and other staff, with some role for students From 2003, an Executive Board with strengthened external representation may propose to the Minister that it appoints the Rector	No	3-4	Yes

Source: Survey of university governance among member institutions of the OECD's Institutional Management in Higher Education (IMHE) programme, conducted by IMHE in 2003. Note 1 to Table 3.1 outlines the scope and limitations of the survey.