STRATEGIES FOR MANAGING RESOURCES IN A DECLINING RESOURCE SITUATION

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ABSTRACT

Medium- and long-term strategies for deploying resources in Higher Education are discussed in the context of avoiding any reduction in the quality and quantity of educational provision, and, at the same time, meeting appropriate financial criteria. The paper emphasises the need to maximise the use of existing staff through redeployment, retraining and staff development. New appointments should be strictly controlled through part-time and fixed-term contracts. Staffing levels may be reduced through early retirement and redundancy, although in some situations, the sharing, movement or exchange of staff between institutions may be an alternative possibility. Non-staff costs are analysed in relation to teaching, administration, accommodation and ancillary activities. The principal of “good house-keeping” is advocated in relation to these costs, with a clear recognition of those costs which relate to academic standards and legal obligations.

Introduction

This article is concerned with the management of the academic, technical and administrative staffing and other resources in institutions of higher education. The educational manager's task is to ensure that the available resources are deployed in such a way as to achieve the best outcome for the student population - the institution's clients.

In the 1960s and early 1970s, resource management was largely about the provision of appropriate staffing levels to meet a substantial growth in student numbers. It was a period of expansion backed in the main by adequate resources. However, in the late 1970s and early 1980s, the scene has altered dramatically: demographic changes and the decline in the age participation rate has already or will soon cause a decline in the number of students entering higher education. Public expenditure cuts require that budgets are determined in terms of what the Government believes the nation can afford rather than being derived from estimated needs to support the teaching function. Changes in the pattern of
student demand for the courses on offer and the market demand for graduates of different backgrounds have both resulted in rapid and unpredictable redistributions of student numbers among courses. It is within this framework of educational change that quinquennial planning has given way to annual planning and the latter to crisis management within a cash-limit year. If the quality of higher education is not to be irreparably damaged, then educational managers must find new medium- and long-term strategies for managing resources in the new situation.

Managers of educational institutions also work within a socio-economic environment, constrained by an increasingly complex framework of legal, social and economic rules. This environment requires the manager to have the appropriate skills to match the resources available to the changing educational demand for them. This article is concerned with strategies which may be considered to achieve such a match.

The authors' viewpoint is that of a small college with room for only marginal expansion of student numbers in the day time. The demand by students for courses is changing. The college is funded by the Scottish Education Department under three budget headings:

i Academic staff costs (about a half of total budget).
ii Administrative and technical staff costs (about a quarter of total budget).
iii Non-staff costs (about a quarter of total budget).

Some virement is possible between these heads, with the approval of the Scottish Education Department. A major aim is to avoid any reduction in the quality and quantity of educational provision assuming, at the best, level funding to the college.

In this situation, the educational objective is to devise ways of deploying the financial resources available to meet changing educational needs. The financial objective is to "balance the books," preferably within each of the three budget heads. Balancing the books, however, does not necessarily mean that the overall educational objective has been achieved. It is possible, for example, to have the correct number of staff in post in financial terms, but to have the deployment of these staff unrelated to educational needs. The achievement of the educational and financial objectives together is the manager's aim.

Short-Term Tactics

Although most of this article is concerned with medium- and long-term strategies, brief mention is made here of short-term tactics which allow special