Chapter 10

Institutional Autonomy in the Restructuring of University Governance

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Introduction

The context of higher education in the Asia-Pacific region is changing rapidly. With some exceptions, many higher education systems are expanding in response to increasing social demand for higher education. As higher education systems expand, they become more bureaucratic and regulated so as to ensure consistency of treatment in various areas pertaining to the management of these systems. These higher education systems also become more complex, comprising a wide variety of institutions with different missions, scattered in different geographical locations, and thus making it increasingly difficult to be managed centrally. Therefore, a more decentralized management may be needed to cope with the challenges of an expanding higher education system. Furthermore, governments are forced to seek diverse sources such as the private sector, community, philanthropic organizations, foreign students, and others to fund the expansion of their higher education systems.

This chapter is an analysis of the reforms in university governance and management that have been taking place in several selected countries in the region, focusing on the trade-off between institutional autonomy and public accountability; the policy mechanisms used by different governments
in granting autonomy to higher education institutions; and highlighting some of the common features of these reforms.

Changing Relationship between Universities and the State

The relationship between higher education institutions and the state revolves around the issues of autonomy and accountability. The state and higher education institutions are constantly engaged in redefining their mutual relationship, with the state demanding more accountability on the one hand and the higher education institutions insisting on more autonomy on the other hand (Neave and van Vught 1991). An emerging trend is an increase in institutional autonomy in return for more public accountability.

The ideal contract between society and universities is that universities should be responsive and responsible (Tierney 1998). Universities usually have multiple functions and multiple stakeholders, which include the state, parents, unions, businesses, and students. It is crucial that universities should listen to their multiple stakeholders. Universities are often called upon to contribute to the needs of a knowledge-based society by training students and researchers, doing relevant research, safeguarding equality of access, and maintaining the “purchase” price of education as low as possible. Universities are expected to operate efficiently with transparency, relevancy, and quality in teaching and research. They should also assume crucial responsibilities toward society. Traditionally, universities remain by far the best-placed institutions: (1) to secure and transmit the knowledge acquired by the cultural heritage of a society; (2) to create new knowledge; (3) to have the professional competence and the right status to analyze societal problems independently, scientifically, and critically; (4) to produce public intellectuals who are at the forefront of bringing about societal change. This is true even if universities face increasing competition from other types of higher learning institutions like corporate universities, industrial laboratories, and other non-university research sites. It is, therefore, not surprising that universities are among the oldest surviving institutions in Western societies, though universities are relatively new institutions in Asian societies.

The driving forces behind the continued interest in autonomy and accountability stem from several factors. In adopting neoliberal ideology, many governments are cutting back on their public and social expenditure, which has resulted in drastic budget cuts in government funding to