

LEADERSHIP AND PROFESSIONALISM AS FUTURE CHALLENGE IN PUBLIC SECTOR UNIVERSITY MANAGEMENT

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—Abstract —

During the last decades public university's role and functions have increased – the university has to demonstrate not only successful results in studies and research, but also strive for international recognition and competitiveness. University is no longer a closed academic organization, and external stakeholders (entrepreneurs, industries, state institutions, etc.) are getting more and more persistent on asking – what are university performance results, what is university effectiveness - impact in society and national economy. Along with these issues public university governance and management has become a challenge in the Eastern European, including Baltic States' universities. The latest literature sources as well as European and other countries' experience demonstrate that one of the public university management challenges is the change from traditional bureaucratic management approach to the New Public Management which emphasizes management professionalism and leadership.

Key Words: *Public university management, professionalism, leadership*

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1. INTRODUCTION

Higher education in many OECD countries, including Latvia can still be viewed primarily as a part of the public sector. Government retains a strong interest in higher education and a complex range of objectives for universities. It is understandable that the government needs to regulate the sector and to adopt policies that promote national objectives.

The role of university has increased over the last decades, and alongside of reaching objectives of higher education studies and science, a university has to demonstrate considerable results also in social activities and international competition. Effective university performance and attainment of university goals can't be separated from effective university management. Thus, leadership and professionalism both at the level of university decision making bodies and at the level of university managers (executives) is becoming one of the main issues in university governance and management. Results of university performance – university efficiency and effectiveness are more and more dependent on well-considered, professional and active university management.

University governance as a special case of corporate governance has increasingly attracted scholarly attention over the last 15-20 years, as corporate and collegial forms of governance and management have diverged (Rytmeister et al, 2007) in old Europe, Australia and USA, but in the Baltic countries discussions regarding a change from a collegial governance form to a shared governance form of collegial and corporate forms have started only during the last years.

The purpose of the paper is to research issues concerning university management, particularly concentrating on leadership and professionalism, and how these issues influence university effectiveness (attainment of university goals). Research object: public universities in Latvia. Research subject: new governance processes and management approaches (professionalism and leadership) as a factor influencing university effectiveness. Research methods: analysis of literature (theoretical part), and survey (empirical part).

2. RESULTS AND DISCUSSION

2.1. Lack of leadership and professionalism in university management

In majority of public institution's leadership theories, the leadership has been defined as ability to influence and motivate employees for reaching joint goals. If management functions are to do planning, organizing and control, then leadership functions are to influence, motivate and make changes (Eliassen, 2008).

Management guru R. Daft has defined what is the difference between management and leadership – the management ensures stability, order and problem solving within the existing organizational structure and system, but the leadership implements organization's vision, creativity and change. If management ensures a good organization, then leadership ensures an excellent organization. (Management, 2010). Leadership is setting the vision and doing strategic planning, leading and governing are two sides of the same coin (Gallos, 2009).

The concepts of these authors can be applied to leadership in universities, too. As university reforms constituent for a change, universities, like other non-profit organizations need more leadership and need to strengthen their collaborative and generative dialogues (Bradshaw, 2009: 142).

English university researcher R. Brown has identified six factors (enablers) necessary to obtain in university management in order to reach university effectiveness, and leadership is one of them:

- Effective leadership and governing body dynamics
- Effective governance structures and processes
- Effective governing body membership
- Commitment to vision, organizational culture and values of university
- Effective performance monitoring and measurement
- Effective information and communication (Brown, 2011).

Regarding university management, many studies highlight the reinforcing leaders' capabilities, in particular managerial skills which are often the smallest comparative advantages of leaders with a strong academic background. Crucial aspects of the development of more powerful executives in higher education are the processes by which they are appointed and the qualities of the individuals concerned. As pressure mounts to make institutions more accountable, to develop better linkages with the wider society, and to raise external funds, their leaders need to be more than outstanding academics.

An underlying reason for this is that, despite an increased emphasis on general leadership skills and managerial competence, governing bodies largely continue to hold the view that universities have to be run by academics or those with academic backgrounds, because of the distinctiveness of universities as institutions. Thus, managerial expertise is seen as additional to a strong academic track record rather than the driving consideration in an appointment.

In this context, higher education is moving towards a new system of governance, where the power of markets and the power of the state combine in new ways. Government is generally withdrawing from direct management of institutions, yet at the same time introducing new forms of control and influence, based largely on holding institutions accountable for performance via powerful enforcement mechanisms including funding and quality recognition.

With the reform of institutional governance structures, the role of the executive head has also changed. The head of a higher education institution has to balance various responsibilities of the organisation and is held primarily accountable for all activities. Academic competences continue to be the main qualifications for the post of executive head, largely because of the unique purposes and services of higher education institutions. Meanwhile, leadership, skills and managerial expertise are now considered additional assets in a executive head, since academic competence alone does not guarantee that the person is also a good leader, diplomat or strategist (Higher Education Management, 2008).

Many authors comment on the problem of having university governors (board members and university executives) without sufficient expert knowledge (Bennett, 2002; Brown, 2011). Higher education officials, leaders, experts and

researchers have expressed concern about the lack of professional management experience on the part of academic experts in senior-level positions in light of the ‘New Public Management’ movement that has accompanied institutional autonomy of universities. There are many arguments in support of self-governance by academic experts as the most qualified stakeholders to make decisions on the orientation of the institution and safeguard the traditional values of higher education against potentially detrimental effects of globalisation and massification. However, academic expertise and a vested interest in the mission and standards of higher education do not necessarily imply competence for handling the diverse demands facing higher education (Higher Education Governance, 2008).

There are various different responses throughout Europe to the need for increased professional management competencies in universities. Higher education management has been a field of study in European higher education institutions (Germany, Spain, the Netherlands, Austria, the United Kingdom, Norway and others) since 1999, although most study programmes began only in 2002 or later.

F. Nazem from the Islamic Azad University in Iran has stated that universities are social systems – centres of knowledge and information and thinking base for leading societies. The very important issue is nominating and appointing qualified leaders and managers who can efficiently manage the higher education institutes. He identifies that one of the qualifications that the university managers should possess is high creative problem solving skills (Nazem F., 2009:329).

Based on theoretical sources on leadership and professionalism, the author has identified and summarized university internal (institutional level) and external (state level) governance processes which are of special importance in university governance during the last decades: strategic planning, maximal concentration and usage of resources, optimization of structure, diversification of funding, improved personnel management and improved inner quality assurance. These governance processes can be successfully implemented only by management approaches which incorporate leadership and professionalism (especially under conditions of rapidly changing external environment).

2.2. Empirical research on management problems in universities in Latvia

The author has made an empirical research as part of doctoral thesis „Governance processes as a factor influencing university effectiveness” in Spring, 2012. Quantitative approach – a survey were made in six public universities of Latvia – Daugavpils University, Latvia University of Agriculture, University of Latvia, Liepaja University, Riga Stradins University and Riga Technical University. The purpose of survey – to explore governance processes and management approaches in universities and their compliance with modern management principles (New Public Management). The total number of respondents were 209 different level managers of universities.

The data has been acquired and analysed in three groups on a scale 1 to 10: 1st group responses of 1,2,3,4 - „fully disagree, disagree, rather disagree”, 2nd group responses of 5,6 – „don’t have a clear opinion on the issue”, „lack information or knowledge on the issue”, 3rd group responses of 7,8,9,10 – „rather agree, agree, fully agree”.

Although more than 60% of respondents were of opinion that university executives support governance and management innovations, they have managerial competence, they undertake decision making responsibilities, and assess university performance results, relatively high percent (11%-29% of responses) didn’t agree to these statements. For example, 29% of respondents didn’t agree with the statement that „university executives support innovations and modernization of university management” (see tab. 2.1).

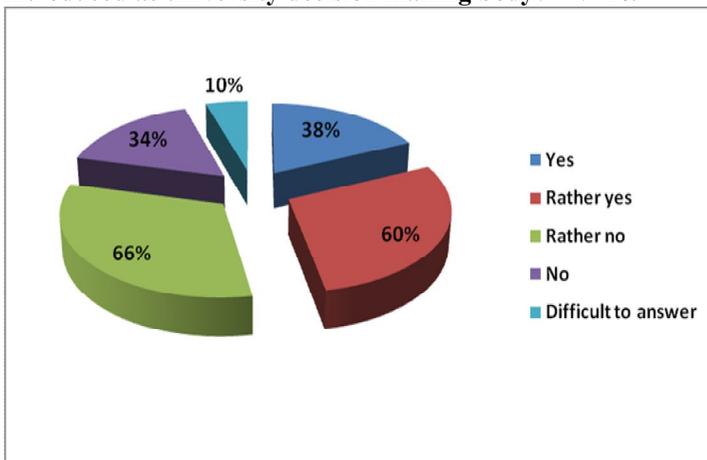
Table -2.1.: Division of responses (percentage) for the statements in question „Do you agree with the following statement...” (scale 1-10; n=209)

No	Statement	Assessment (%), responses 1 to 4	Assessment (%), responses 5 to 6	Assessment (%), responses 7 to 10
1.	University executives support innovations and modernization of university management	29	14	57
2.	University executives obtain sufficient managerial competence	23,1	14,5	62,6
3.	University executives undertake responsibility on decision making	21,6	14	64,5
4.	University executives assess university performance results	11,6	20,8	67,7

Source: author’s empirical research in universities, 2012

In regard to the issue concerning „introduction of a board with external stakeholders as the main university decision making body” (Fig.1.), respondents opinion almost proportionally were divided into two parts - 48% respondents were of opinion that a board with external stakeholders should not be introduced in university governance, but 47% respondents were of opinion that a board with external stakeholders have to be introduced as the main university decision making body. The data showed that respondents’ agreement or disagreement of the statement was unconvincing (responses of „don’t have a clear opinion on the issue”). That is connected with the fact that university representatives in Latvia don’t have much information or experience of good practice how similar university boards operate in Europe and other countries. Also, university representatives are not clear on who will be these external representatives and from which sectors of national economy. (see Fig.2.1.).

Fig.2.1.- Responses „ Do you think that a board with external stakeholders have to be introduced as university decision making body?” *n=209*



Source: author’s empirical research in universities, 2012

Respondents supporting introduction of a board with external stakeholders as the main university decision making body were of opinion (in prioritized order) that (1.) university will have a better connection with industry and businesses (80% of respondents); (2.) university performance results will be in closer correlation with labour market demands (75% of respondents); (3.) inner preconceptions and stereotypes in university management will be diminished (69% of respondents);

(4.) university governance and management will become more professional (62% of respondents).

Respondents who didn't support the introduction of a board with external stakeholders as the main university decision making body were of opinion (in prioritized order) that (1.) it is enough of external stakeholders' representation at the university counsellors' convents (advisory body) (77% of respondents); (2.) external stakeholders don't have sufficient knowledge in university management specifics, thus, they will not be competent in university governance and management (69% of respondents); (3.) higher decision making functions are successfully implemented by the university senate (66% of respondents). At the same time 24% of respondents were of opinion that a university senate isn't the best and appropriate university decision making body (the majority of senate members are representative from academic personnel – they may not have management skills and they may be interested in taking decision for definite university groups and not for a university as an institution in total.) 49% of respondents were of opinion that external representatives in a university board don't threaten university autonomy.

3. CONCLUSIONS

Governance and management problems exist in universities in Latvia, and many of these problems will become more critical if universities will continue to demonstrate strong resistance to reforms.

University board with external stakeholders is widely popular in European and other countries' universities, but both foreign authors and Latvian university representatives do not have a common opinion about advantages and disadvantages of this corporative or integrated form of university governance. On the one hand, a board could be a good solution to professionalization of university governance and university links with national economy and society in general, but on the other hand, university governance can be subjected to political or business interests.

One of the reasons why university governance and management reforms are not happening is university executives and senior managers' insufficient knowledge and experience in changing governance structures and processes and improving managerial approaches.

New governance processes (New Public Management theory) can be implemented only by applying modern managerial approaches – management leadership and competence, ability to learn and adopt innovative management skills.

The survey showed that university leaders (executives) in general have to improve their managerial competence.

University governance and management indirectly influences university effectiveness – impact of university performance results in society and national economy.

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