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Academic Governance in the US: Implications of a “Commons” Perspective

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Introduction

Academic governance is again in the news in the US. In 2012 the President of the University of Virginia, a “world-class” US public research university, was summarily dismissed from her position by the university’s Board of Trustees (Rice 2012). But in response to overwhelming support from the university’s faculty, students, and alumni the Board abruptly altered its decision and rehired her. The incident led to extensive news reports about changes in university governance in the US. These stories highlighted the growing influence in academic governance of boards of control, of state governors, of accreditation agencies, and of private donors, as well as mounting public concern about the performance of US colleges and universities. Traditional academic governance is increasingly perceived to be cumbersome, inefficiently slow, and ineffective in addressing the strategic issues currently confronting US higher education (Kezar and Eckel 2004).

The concept of “governance” is subject to different definitions and interpretations, but in its broadest sense refers to governmentally determined laws, rules, and norms that assure the proper functioning of institutions and their acceptance by the public. With regard higher education governance includes the institutional framework designed to assure the public interest in the functioning of universities, what is often termed “external governance.” However, because of the complexities of university work, academic staffs in many countries have traditionally been granted substantial professional autonomy in institutional decision making. Therefore, with regard higher education, governance also includes the design of “internal

governance,” the processes by which the universities themselves coordinate and control academic activity to assure the public interest.

The nature of academic governance in US higher education will be reviewed and its possible implications or guidance for governance reforms in other countries will be explored.

The Evolution of External Academic Governance in the US

In comparative perspective the external governance of higher education in the US has been somewhat unique. Colleges and universities were first chartered among the North American colonies under the British Crown and subsequently by the initial US states independent of the federal government or national policy. The first national shaping of US higher education occurred in 1819 when the US Supreme Court ruled in *Dartmouth College v. Woodward* that the charter granted to Dartmouth College by the colony of New Hampshire was a contract and therefore the College was a private institution designed to benefit the public, not a public institution under public control (Rudolph 1990). The Dartmouth College Case was a landmark legal decision providing expression to the concept of the American corporation, but it also endorsed the American principle of academic organization in which ultimate control of a higher education institution rests with an external board rather than with the faculty. By encouraging the creation of “private” institutions along with the “public” colleges and universities then being founded, supported, and regulated by the developing US states, the Supreme Court decision helped create a nationally competitive market for higher education, characterized by institutions with active administrations.¹

Over time the external governance of US colleges and universities grew to include federal support for “land-grant universities,” which were committed to more practical and applied fields of study, as well as federal financing for the majority of academic research, and eventually extensive federal funding for student scholarships and loans (Dill 2010). The institutional eligibility for this student financial support was determined by a regional system of voluntary accreditation agencies, which itself has become increasingly shaped by federal regulation.

Given its federalist political framework, the US has always lacked a national ministry of education and centralized planning of higher education, therefore its external governance of higher education is among the most decentralized systems in the world, placing primacy on consumer sovereignty in a competitive market. As a consequence US internal academic governance has always been more institutionally focused than in countries where national disciplinary associations and/or national ministries play a more influential role in shaping university decisions (Musselin 2009). However, US federal regulatory policies on issues such as the environment, nondiscrimination, and immigration do affect academic institutions as do “nonlegal legal influences,” (Ehrenberg 2004) private sector forces that while neither statutory nor regulatory have equivalent impacts on institutional decisions. These influences include insurance carriers, accrediting bodies, and academic consortia.

There is also significant variation in external governance among the fifty states (Ehrenberg, 2004). The New York Board of Regents exerts regulatory influence over both publicly funded and to some extent over private institutions, but some states have a formal governing agency for publicly funded institutions, while many states have agencies to plan or coordinate publicly funded institutions, and a few provide constitutional autonomy to selected publicly supported institutions.

Much international attention (Rothblatt 2012) has traditionally been accorded the system of external governance developed in the US state of California, the so-called “master plan for higher education” adopted in 1960. Under this coherent system publicly-supported higher education was divided into three sectors. The University of California (UC) system was awarded the greatest autonomy, designated as the primary research institution, and given exclusive jurisdiction in public higher education for research doctoral degrees and for professional education in law, medicine, dentistry, and veterinary medicine. The California State University (CSU) system was focused on education through the master’s degree and research appropriate to instruction. The Community College system was to provide academic and vocational instruction through the first two years of undergraduate education, while UC and CSU institutional enrollments were designed to provide transfer opportunities into the upper division for community college graduates. The California system was not only better funded than other states, but state policies such as differentiated admissions pools for the three sectors were also unique among the fifty states. However, recent changes in California’s external governance have led to the view the system has serious limitations. There is now “little methodical state oversight and planning, ... the linkage between state budget decisions and policy goals is weak, ... [and] the individual segments of higher education are largely left to develop their own policies according to their own priorities, with little guidance from state policymakers” (Legislative Analyst’s Office 2009).

Similarly in a recent assessment of the external governance of higher education among the 50 states a noted expert in the field concluded:

... despite growing concerns about the public or societal purposes of higher education and the need for new approaches to policy leadership and related policies, the reality is that few states have the capacity to pursue a long-term agenda focused on public purposes. In blunt terms, there is “no one at home” when it comes to the responsibility to articulate and defend basic public purposes. State leaders are preoccupied with the fiscal crisis and short-term political agendas. Higher education leaders appear far more concerned about the future of their own institutions in turbulent fiscal and competitive times than about the need for policy leadership structures and policies essential to ensure that higher education responds to public priorities (McGuinness 2011: 164).

While there now appear to be few effective models of external governance to be derived from an analysis of US state policies, more insight may be gleaned from an examination of variation in the legal status accorded public universities across the states and its implication for regulatory control and academic performance (McGuinness 2011). For example, many states such as North Carolina historically treated their universities as agencies of state government, subject to similar procedural regulations governing personnel, finance, and facilities as other state-funded agencies. In contrast as noted some states such as Michigan awarded their public universities corporate autonomy, meaning that under the state constitution the publicly-supported University of Michigan was treated essentially as a private university, not only accorded “substantive” autonomy over academic standards, curriculum, and faculty appointments, but granted autonomy as well from state procedural controls over personnel, finance, and facilities.

A recent econometric analysis of the effects of this observed variation in US state regulation (Aghion et al 2010) suggests some important variables for the design of more efficient systems of external governance for research universities. The researchers sought to identify how US external governance of universities affected beneficial academic research output in advanced economies. Their analyses of the US states suggest that research universities are more productive when they have greater autonomy and face increased competition. Aghion et al (2010) note that while most US public research universities possess the previously described “substantive” autonomy, including the freedom to select students, set curriculum, and appoint professors, there is much greater variation across states in procedural autonomy as measured by a university’s freedom from centralized purchasing, from requirements that its budget be approved by the state, and from government controls over the hiring and pay of personnel (both faculty and staff) or the need to follow civil service pay rules.² In addition the degree of competition experienced by US public research universities varies, influenced by the presence in a state of competing private research universities as well as by the proportion of a university’s budget derived from competitively awarded federal research grants.

As economists Aghion et al (2010) understandably focused on university outputs influencing technical innovation, which contributes to economic development. Their output measures therefore included research publications as well as the university’s impact on the inventive capacity of a state as measured by the number of patents generated.³ As a consequence their conclusions about the relationship between external governance and the productivity of research universities generalize best to states or countries at the frontier of technology, i. e. those with highly developed economies. In this context Aghion et al (2010) argue the most efficient system of external governance is one which permits research universities to control the use of their budgets, to independently choose the compensation for their faculty, and to hire whichever academic staff they most prefer.⁴

In sum, based upon their analysis of external governance in the US, Aghion et al (2010) conclude “frontier research” is sufficiently complex that research universities can effectively pursue it only if accorded the discretion to direct resources and researchers towards the most promising paths. Furthermore universities will more efficiently manage their resources in the public interest if research rewards are allocated based upon merit-based competition.

Aghion et al’s (2010) analysis implies another possible advantage of the US external governance system -- the national framework policy for publicly funded academic research (Dill 2010). In most OECD countries the principal means for funding university research is the “dual funding” model featuring general university funds (GUF) awarded on a non-competitive basis to state institutions supplemented by peer-reviewed research grants awarded by discipline-oriented research councils (Dill and van Vught 2010). In contrast, the policy instrument adopted for most academic research funding in the United States is merit-based competition. Over two-thirds of the expenditures for research by US public and private universities is funded by federal grants provided by agencies such as the National Science Foundation, the National Institutes of Health, and the National Aeronautics and Space Administration, which are allocated on the basis of prospective peer review of competing research proposals. Furthermore these competitive federal grants are usually accompanied by overhead support to each institution, which provides additional funds that research universities can use as at their discretion to support research infrastructure and facilities.

Some additional characteristics of the US governance of academic research funding are worth noting (Dill 2010). While the National Science Foundation supports “disinterested” basic

research, it provides less than 15% of federal funding for academic research. The vast majority of federal funding supports “programmatically” research by federal agencies who believe the research will eventually have utility for the sponsor. In contrast the substantial GUF allocated to universities in other developed countries are used at the discretion of each institution to cover administrative, teaching, and research costs. Consequently, by design US federal academic research policy has involved the national government much more directly in defining the social purposes of academic research than have the national policies of other countries.

The large proportion of Federal research funding allocated competitively has had some impact on the internal governance of universities (Dill 2010). Most US research universities have developed active research administrations focused on obtaining funds from government, industry, and foundations and these offices provide useful support and coordination for academic researchers. Similarly, and possibly more substantively, the competitive allocation of the majority of academic research funding in the US has led to the development of organized research units (ORU) within universities, which provide both disciplinary and interdisciplinary structures that can respond to social demands for relevant knowledge, and provide access to a much greater pool of resources for the research enterprise (Geiger 1990). The focus, flexibility, and adaptability of these ORUs are perceived to be one of the factors underpinning the research prowess of the American university (Geiger 1990). More recently with the adoption of the federal Bayh-Dole Act permitting universities to retain financial benefits earned from government-funded research, there has also been a rapid growth of entrepreneurial technology transfer offices designed to capitalize on this financial opportunity (Geiger and Sa 2009).

The federal governance of academic research has also created some weaknesses. Because the competitively allocated federal research funds tend to be concentrated in particular institutions and states, there has been an increased “earmarking” of funds to specific institutions by the US Congress, a political process which bypasses the traditional process of peer review and inefficiently allocates federal support (Dill 2010). In addition the proven relationship between university research and economic development has led a number of the states to make substantial investments in applied areas of academic research. But state governments lack the peer review institutions to act as honest brokers in evaluating fields of research, which instead are often defined by regional government bureaucrats with little academic input (Dill and van Vught 2010).

Finally, to date neither the US federal government nor the states have attempted to regulate the internal governance of colleges and universities. While most US colleges and universities possess an external board of trustees with formal legal authority over the institution, and states such as California require a student member on public university boards, the design of the internal governance of a college or university is determined primarily by each institution itself. The American Association of University Professors and the voluntary accreditation agencies have promoted some commonality in the design of internal governance arrangements across institutions. Unionization has also influenced the process of governance in a limited number of institutions. But US external governance has generally permitted colleges and universities the flexibility to adjust and reform their systems of internal governance as needed, rather than stipulating the design of these structures and processes through national or state regulations that may inhibit needed adaptation and improvement.

Within this decentralized framework of external governance US colleges and universities have evolved a distinctive system of internal or “shared” governance” (AAUP 1966). This involves a complex balance among the institutional boards of trustees, intended to represent the

broader public interest, college and university administrators, who help coordinate and develop each institution within the competitive national system, and “collegial” structures such as academic senates as well as academic departments designed to reflect the professional values and knowledge of faculty members. Over the last quarter of a century many countries have implemented mass systems of higher education and adopted external academic governance frameworks emphasizing greater reliance on market forces, the deregulation of universities, as well as increased “managerialism.” In this new environment, what is the most effective system of internal governance for universities? Here the experience of US colleges and universities with shared governance, if not the ideal model, may nonetheless offer some useful guidance.

The Evolution of Internal Academic Governance in the US

Because the development of institutions of higher education in America preceded the emergence of state and national governments as well as the established professions, the influence of academic staff in the internal governance of colleges and universities evolved more slowly than in the medieval universities of Europe (Rudolph 1990). The early American colleges were highly sectarian and hierarchical in structure; academic staffs were both junior and less influential. The President, drawn primarily from the clergy, and the institutional boards of control possessed significant influence, not only because of the strong religious orientation of the early colleges, but because in the absence of established governments each institution was highly dependent on its ability to raise funds in order to survive. This was also true for the “public” institutions founded by the newly formed US states. For example, the University of North Carolina, the first state sponsored institution to open in 1795 following the adoption of the US Constitution, was dependent financially upon donations of land from local farmers, lotteries, gifts and benefactions enticed by the University President, as well as student tuition (Powell 1992). The university did not receive a financial allocation from the North Carolina legislature until a hundred years after its founding. Given this history the famous 1968 book by Jencks and Riesman, *The Academic Revolution*, was not as might be surmised by the title about the student protests then roiling college campuses, but rather described the major shift in power in internal academic governance during the 20th century -- the increase in influence of the academic profession that transformed the character of many US institutions of higher education.

Within US higher education the joint Statement on Government of Colleges and Universities issued in 1966 by the American Association of University Professors, the American Council on Education and the Association of Governing Boards has served as the standard reference for the ideal model of “shared governance.” The document articulates three spheres of decision making. The faculty has primary responsibility for subject matter, curriculum, methods of instruction, research, faculty status, and aspects of student life clearly related to the education process. The governing board and administration have primary responsibility for finances, including maintaining the endowment and obtaining needed capital and operating funds. Shared responsibility exists in the strategic issues of framing long-range plans, budgeting (the allocation of financial resources), determining both short and long range priorities, and presidential selection. However, one of the most consistent insights from research on US academic governance is the hierarchical differentiation of “shared” governance in the American system of higher education (Dill and Helm 1988). That is, the distribution of authority among the board of trustees, administration, as well as members of the faculty varies by type of college and university.

Boards of Trustees

In the US boards of trustees or governing boards, composed primarily of lay representatives, possess fiduciary responsibility for academic institutions. While all private institutions possess such boards, governing boards have also become the primary form of control in the public sector, with boards elected or appointed for a state, a system of academic institutions within a state, or for individual institutions.⁵ Typically the boards delegate most of their authority to the college or university president and administration, becoming involved only in major policy decisions.

The size, composition, and selection of boards of trustees vary across institutions in both the private and public sector (Kaplan 2004). Boards of trustees of private institutions are twice as large on average as those of public institutions and 90% of private sector trustees are selected by the board itself, although religious bodies significantly influence board member selection in private liberal arts colleges. In over 90% of public sector institutions, board members are selected and confirmed by the governor or state bodies. While students and faculty members from an institution rarely serve as voting members of governing boards in the private sector, they sit on the board in over 50% of public sector institutions, but most of these seats are reserved for representatives from the student governing association. In contrast, institutional presidents are active board members in over 61% of private institutions, particularly large universities, but rarely participate as voting members of boards in the public sector.

Lay member boards of trustees are often perceived as a unique strength of the US higher education system (Hermalin 2004), helping to buffer institutions from political forces and to assure the pursuit of social outcomes in the public interest among these nonprofit, charitable organizations. However, recently reported actions by trustees in both public and private institutions, exemplified by the University of Virginia case noted at the outset, suggest an emerging trend of activist trustees motivated by a more commercial set of values (Bastedo 2006). A new factor in the US market for higher education is the rapid growth of for-profit institutions competing with nonprofit colleges and universities in the provision of academic degrees as well as continuing education and services for adults (Pusser and Turner 2004). In addition the mix of financial support for traditional US higher education institutions is changing. The proportion of financial resources in public institutions derived from state support is declining and the proportion of revenues for both public and private nonprofit institutions derived from tuition and sales of services is increasingly converging with those of for-profit institutions. Furthermore, while the lay membership of US academic boards of trustees have historically been much less likely to serve on other corporate boards, so-called “board interlocks” have grown substantially among higher education board members in recent decades. The future impacts of these changes in financial resources and board membership are unclear, but could affect the provision of higher education services with public benefits.

A proposed policy response to this issue in the public sector is merit selection of trustees in which a nonpartisan or equally partisan commission screens candidates for the governing boards of a state's colleges and universities to determine their merit and qualities for service (Bastedo 2006). While merit selection has potential as a governance approach to assuring trustee independence, ironically one of the first such commissions established in 2002 for public higher education was the Virginia Commission on Higher Education Board Appointments, the state which recently suffered national embarrassment over the action of public university trustees.

The Dynamics of Internal Governance

In an insightful assessment of US colleges and universities based upon a Carnegie Foundation survey and interviews conducted in the 1980s Clark (1987) introduced the useful concept of “authority environments” – the general understandings and ground rules shaping the distribution of authority within academic organizations. Clark noted that the authority environment of major US research universities was characterized by collegial control of major academic decision making, faculty criteria for key administrative appointments such as dean, provost and president, and a process of department-based, bottom-up governance. At the other end of the hierarchy the community college authority environment was characterized by more bureaucratic decision making on curriculum and faculty hiring, by more centralized procedures reflecting the administration of lower (K-12) education, and by contractual obligations often detailed in collective bargaining agreements. Clark concluded that as one moves up the status hierarchy of institutions one encounters more professional control and as one moves down the hierarchy, one discovers more administrative dominance, even autocracy.

Clark also noted some important variations in this US hierarchy. For example, the significant authority awarded faculty members in institutional decision making in the most selective and prestigious liberal arts colleges. However, Clark underscored the special environment and governance patterns of these institutions. In the competitive US market system, the attractiveness of the best liberal arts colleges is dependent upon their academic reputation, which is generally influenced by the quality of their academic staff. Consequently the competitive circumstances of these primarily private institutions provide an incentive for the board of trustees and administration to offer greater independence and self-determination to the faculty. Also within these small institutions academic departments are of limited size and influence. Therefore the size, educational character, and physical proximity of staff in these residential colleges lends itself to a structure of collective decision making by the academic staff via academic senates or college faculty meetings as well as much greater involvement by the faculty in the strategic issues confronting these institutions. Finally, because these institutions offer primarily the bachelor’s degree and do not provide research doctoral programs, the faculty members have a stronger bond with bachelors and/or liberal arts education than is feasible in large US research universities, therefore collective collegial decision making is likely more achievable than in a complex multiversity. Consequently the collegial authority environment of US liberal arts colleges may be a more informative model for the internal governance of university schools, colleges, or faculties in other countries.

Overall Clark’s (1987) analysis of the internal governance of US colleges and universities suggests the most useful insights to be gleaned from the American experience with “shared governance” are derived not from the research or literature on US academic governance generally, but from the specific structures and processes of the leading public and private research universities that are the strongholds of academic professionalism. From this perspective, several points are worth emphasizing.

First academic departments in US universities are a significant source of professional control. As Clark noted, there is always a tension between personal authority, for example the significant influence traditionally granted individual professors in European university systems, and collegial or collective academic authority. The US academic department is a powerful mechanism not only for protecting the professional control of academic work, but also for

providing a means of constraining excessive personal authority. Academic departments in the best universities do generally acknowledge the importance of faculty seniority and experience by requiring the chair of a department to be a senior or full professor and similarly by assigning to full professors responsibility for appointment or promotion to full professor as well as for the award of academic tenure. But in most arts and science departments the department chair is considered a “first among equals” and has a limited, renewable appointment. Over time the chair is rotated out of office and other members of the department collegium “take their turn” in the leadership role. Moreover on most other departmental matters, such as the nature of the curriculum, course assignments, junior faculty and staff appointments, and the assignment of space, voting is often by “one person, one vote,” which includes junior members of the academic staff, and therefore acts as a collegial brake on the personal authority of senior professors.

Other processes characteristic of the best US universities offer additional examples of collegial control. For example as at many other research universities faculty promotion and tenure recommendation approved by a department at the University of North Carolina at Chapel Hill must be carefully reviewed and approved by a committee of senior professors composed of the “best and the brightest” drawn from across the university who act as an advisory committee to the University Chancellor. In addition the decision to appoint a faculty member as department chair is made by the relevant academic dean only after personally and privately consulting with each tenure-line faculty member in the pertinent department regarding her/his views on possible candidates. In a concluding reflection on the collegial value of the US department structure Clark (1987: 155) observed: “National systems that do not have [academic departments] seem to evolve toward [them] to tame the more narrow inclinations of individual specialists and to bring collegial principles to the fore.”

Clark (1987) argued that in addition to departmental influence, faculty members in the most prestigious US universities rely primarily on individual bargaining and the power of faculty senates to support faculty authority in academic governance. But Clark noted, despite the liberal views of many faculty members in the leading public and private universities toward unionization and collective bargaining in American society, their strong orientation toward professional self-determination means these research universities are the least likely to ever support a unionized faculty. Clark also reported variation in authority environments across departments even within major research universities. For example departments in schools or faculties engaged in applied professional practice with access to substantial monies such as medicine, dentistry, and business experience diminished collegial authority and increased managerialism in the form of stronger department chairs and more non-academic administrators. Nonetheless Clark suggests the leading US research universities are characterized by a widely shared understanding of faculty rights and privileges. As a consequence Clark observed greater variation in authority environments across types of institutions than within research universities.

However, Clark’s (1987) national study is based upon data collected in the early 1980s. Much contemporary US literature argues that in the new more competitive environment for higher education the academic tradition of shared governance rarely functions effectively in practice, slows necessary decision making, and impedes needed university reorganization and strategic change (Kezar and Eckel 2004). Two more recent and systematic national studies of US academic governance (Kaplan 2004; Finkelstein, Ming, and Cummings 2010), which were both designed to replicate earlier national surveys of US college and university governance, provide intriguing and controverting evidence to these popular generalizations.

Kaplan's (2004) academic governance survey in 2001, which replicated an AAUP survey in 1970, discovered the same institutions now reported striking increases in faculty control over decision making in the traditional areas of faculty authority. As in Clark's (1987) analysis this authority included the content of the curriculum, teaching loads, and selection of the department chairperson, as well as degree offerings and requirements, the appointment, promotion and tenuring of full-time academic staff, and the determination of the arrangements of shared governance itself.⁶ Again, similar to Clark's (1987) research, Kaplan discovered that faculty members played a much less influential role in the strategic issues of setting the budget, size of disciplines, salary scales, and construction planning.⁷ In direct contrast to currently expressed views, Kaplan's survey responses, which included faculty representatives and administrators from each institution, provided little evidence to support the contention that shared governance posed widespread problems to effective academic management. Furthermore, reports of encroachments on the tradition of shared governance or the unresponsiveness of the process represented a clear minority of cases.

Kaplan's research also reaffirmed the hierarchical nature of academic authority in the US identified by Clark (1987) and other researchers. Institutional mission is a primary determiner of internal governance structures with US public and private Research I universities exhibiting greater influence of faculty authority. These universities were also much more likely than other higher education institutions to have a president or chancellor who was formally a tenured faculty member and to have merit-based salary systems. Kaplan also reported higher levels of faculty participation in the academic governance of private liberal arts colleges and, similar to Clark (1987), attributed this to the closer relations among faculty members on such campuses as well as to their plenary style of academic decision making.

The most recent national survey of academic governance in the US, conducted as part of the 2007-08 international Changing Academic Profession Survey (CAP) (Finkelstein, Ming, and Cummings 2010), also was designed to replicate an earlier 1992 survey by the Carnegie Foundation for the Advancement of Teaching. The CAP survey reported similar areas of faculty influence and authority as earlier US studies, emphasizing that faculty influence at the department level is perceived to be as strong as any of the surveyed countries. The survey noted between 1992 and 2007 faculty bodies in the US were perceived to have retained their primary influence on selecting new faculty, to have gained primary influence on making promotion and tenure decisions, and to have improved their degree of influence on approving new academic programs, although still less influential on this issue than central administrators and external stakeholders. There were modest reported gains in faculty personal influence at the level of the institution, faculty and school, and more significant gains at the department level. The CAP survey noted an apparent muting of differences in faculty authority by institutional type compared to earlier US studies and did not discover the same degree of significant influence of faculty in the research university sector as did Clark (1987) and Kaplan (2004).

Both the Kaplan (2004) and CAP surveys (Finkelstein, Ming, and Cummings 2010) attempted to examine over time changes in the influence of the participants in shared governance, particularly boards of trustees, presidents, deans, department chairs, and faculty bodies. Kaplan reported an increase in the relative influence of deans. The more recent CAP study similarly reported increased influence compared to other constituencies for deans and department chairs. However, by linking deans and department chairs as "middle management" in the survey measures the CAP study may have biased results toward more managerial

influence. As Clark (1987) noted department chairs in the US research university sector may be better understood as representing faculty and collegial authority.

While both the Kaplan and CAP surveys suggest, in contrast to contemporary accounts of increased “managerialism” in US higher education, some continuity of faculty authority and influence in academic governance, the focus of these surveys on the views of full-time, likely tenure-line faculty members may neglect some significant underlying trends. McPherson and Schapiro (1999), for example, stress academic tenure not only protects academic freedom, but influences the allocation of authority within colleges and universities. Independent, tenured faculty members act as a constraint on the discretion of administrators over critical academic decisions and encourage the use of persuasion rather than negative sanctions to influence faculty behavior. In addition, they argue, tenure provides conditions that contribute to academic efficiency, particularly in the university sector. For example tenure enables faculty members to provide truly independent evaluations of student performance, of faculty members being considered for promotion or tenure, and of research. Also because the relevant time horizon for a “pay-off” from academic decisions such as investments in the sciences may be quite long, the judgments of tenured faculty members may be more optimal than those of administrators. Finally faculty members may be less aggressive in hiring academic staff more talented than themselves if those new hires are competitors for their own jobs. McPherson and Schapiro (1999) therefore conclude universities in which a significant fraction of the faculty has tenure will provide a considerable faculty voice on critical academic decisions.

From this perspective recent trends in US academic staffing may pose future challenges for internal academic governance. Between 1995 and 2007 the percentage of tenured faculty members at all public and private not for profit academic institutions in the US declined significantly as colleges and universities increased their proportion of part-time faculty and full-time non-tenure track faculty (Ehrenberg 2012). In addition Finkelstein, Ming, and Cummings (2010) discovered that in contrast to the survey of 1992 the currently reported institutional loyalty of more “cosmopolitan” faculty members (i.e., those more engaged in research, publication, and consulting) had diminished and these faculty members indicated they were less likely than other academic staff to give time to institutional governance activities.

Finally, the CAP survey (Finkelstein and Cummings 2012) noted despite reported lower influence on some decisions than the faculty of selected other countries, US faculty indicated much higher levels of perceived influence at the department, faculty and school, as well as institutional level than any faculty surveyed. How does one explain the apparent discrepancy in US internal academic governance between the reported low influence on certain strategic issues and the reported high levels of influence at the department, school/college, and national level indicated in the CAP study? Kaplan (2006), reflecting on the results of his national survey of US academic governance, noted successful performance appeared to be related more to shared goals and values among faculty members, administrators, and even board members within certain institutions.

Critiquing the collected academic research on academic governance in the US, Kaplan (2006) suggested it has too often reflected a political perspective, which assumes that the “hard” institutions of rules, procedures, and decision structures play a critical role in shaping the collective policies that are made in academic governance. Instead Kaplan (2006), reflecting the earlier arguments by Clark (1987), suggests academic governance is best understood by focusing on the “soft” institutions by which universities communicate the attitudes and norms about how governance decisions ought to be made. Supporting this view the CAP study (Finkelstein and

Cummings 2012) indicated US faculty are the least likely to report that a lack of faculty involvement is “a real problem here” and are also among the most likely to report they are kept informed about developments at their institution. The authors consequently suggest the importance in the US of faculty influence through “normative constraints” on senior executive actions. Similarly the Tierney and Minor (2003) study indicated three –fourths of the faculty members and nine of ten administrators surveyed in the US rated the levels of communication and trust between faculty members and administrators as “sufficient” to permit shared governance. Faculty members in their survey also claimed a substantial degree of “informal authority” on many strategic issues in which they reported limited formal authority.

With regard academic governance Gumpert (2000) nicely captures this point regarding the relationship between academic values and university decision making. Gumpert argues changing societal expectations have encouraged universities to grow and take on additional functions, thus increasing their internal differentiation, fragmentation, and structural complexity. As a consequence the major challenge to successful academic governance is the increasing chasm between the common or collective good of the university and the individual faculty member’s self-interest. In the new more competitive environment of higher education Gumpert suggests the integration necessary for strategic academic decision making requires developing more effective mechanisms for coordinating academic work and for promulgating the shared beliefs essential to achieving university purpose.

A “Commons” Perspective on Internal Academic Governance

The evolution of universities worldwide into more independent corporate entities in a globally competitive market with rapidly changing technology that affects their core activities appears to be diminishing the effectiveness of the existing rules in use for internal academic governance. This will require thoughtful adaptation and redesign of the collegial mechanisms by which universities control instruction, research, and public service. How is this best conceptualized?

In her Nobel Prize lecture, the collective action theorist Elinor Ostrom (2010) argued that market forces and the rules of the state are not the most effective institutional arrangements for governing, managing, and providing complex public goods such as academic knowledge. Instead, she has articulated a “commons perspective” outlining design principles permitting participants providing shared resources such as academic knowledge to voluntarily achieve needed coordination and integration. These basic principles include the self-organization of governance arrangements, the importance of face-to-face communication among peers for increasing trust and reciprocity, and the active collective monitoring of valid measures of performance.

For external academic governance a “commons” perspective (Ostrom 2005) would emphasize the importance of confirming the professional autonomy and responsibility of faculty members to govern universities⁸, thereby strengthening incentives and faculty commitment to invest time and effort in the collective actions required to address the contemporary challenges for assuring effective academic performance within universities. For internal governance “commons” design principles would encourage collective actions for developing more valid and reliable information faculty members can use in bettering core activities, for enhancing the

ability of faculty to learn new means of improving professional activities from one another, and for focusing institutional efforts on the development of more effective governance processes.

Policymakers and the public understandably may question whether internal academic governance processes promoting increased faculty discussion and contact will contribute significantly to addressing the current problems facing higher education. But from a commons perspective collegial communication that is “horizontal” with respected peers, largely verbal and face-to-face, and which focuses on the exchange of information about means of improving core professional tasks is the most effective means of producing substantial increases in needed cooperation and coordination over time (Ostrom 2005). And this is particularly the case in colleges and universities where maintaining the professorial autonomy and independence supporting academic freedom is in the public interest.

Conclusion

Worldwide the environment of higher education institutions is undergoing rapid transformation. In this new context national policy responses have been significantly influenced by the tenets of the New Public Management, which emphasizes reification of markets, deregulation, competitive allocation processes, and performance measurement systems (Feller 2009). In the US, which has long possessed a competitive market for higher education services, these influences in policy have been reflected in decreased funding for public higher education, on state experiments with the deregulation of publicly supported institutions, and in better consumer information for student applicants to higher education as well as increased emphasis on measures of university contributions to patents, licenses, and business “spin-offs” (Feller 2009). As in other countries there is a concern these policies are altering internal academic governance from a process of professional-collegial control to one of administrative – bureaucratic control thereby affecting what higher education institutions produce and how they produce it. In this more competitive and complex environment how can mechanisms for coordinating academic work and promulgating the shared beliefs essential to achieving public purposes best be designed?

Reflecting on his scholarship in higher education Burton Clark (2008) argued that to understand university change we need to be able to “reason inductively from the experience of on-the-ground practitioners”:

Only secondarily do we glance at broad frameworks developed in the study of business and public administration – resource dependency, path dependence, isomorphism, management by objectives, total quality management. These borrowed approaches never get to the point of how decisions are collectively fashioned in complex universities, each loaded with unique features in an extended portfolio of missions and programs, general and specific, that need rebalancing from year to year (Clark 2008: 542).

Clark’s thoughtful warning is especially pertinent to recent scholarship and research on academic governance in the US. Much of this research has been formed and/or shaped by theories and models derived from the study of organizations other than universities (Kezar and Eckel 2004). Therefore insights into the unique characteristics and decision-making processes of universities may be lost or insufficiently observed. For

example the most recent practice-oriented review of the US academic governance literature (Mortimer and Sathre 2007) adopts a political model and the rules of advocacy as its framework. But the basic premise underlying the distinctive organization of universities is that the complexity and uncertainty of university curricula, research, and academic work require core academic decisions be determined by the professional expertise of the academic staff (McPherson and Schapiro 1999).

As suggested this collegial academic tradition appears more compatible with Ostrom's (2005) "commons" perspective for addressing issues of coordination and collective action. A commons perspective is most applicable in circumstances where more effective cooperation and integration among independent individuals is critical to performance, clearly and increasingly the case in university instruction, research, and service. It is also most appropriate when organizations are self-organizing communities, when the organization's members share common values, when the organization possesses a "nested" structure with multiple levels of rule-making (i.e., governance), and when the organization itself is of a size to facilitate active participation of its members. All of these are characteristics of most institutions of higher education in the US as well as universities around the world. In addition the governance of US colleges and universities has traditionally assigned the *collective* faculty primary responsibility for the quality of academic degree offerings, the content of the curriculum, the evaluation of teaching and research, as well as for the rules and norms governing instruction, research, and public service (Kaplan, 2004; Tierney and Minor, 2003).

Indeed Ostrom (Ostrom and Hess 2007) concluded universities may best be understood as humanly constructed, self-organizing, "knowledge commons." How these knowledge commons can best be governed by their professional members remains, as it has for several centuries, an enduring question.

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¹ The meaning of the words "public" and "private" with regard universities is quite different in Europe and the US (Aghion et al 2010). European private universities are often directly funded and regulated by public authorities. American private universities are not similarly funded or regulated. Indeed, even some American public universities, such as the University of Michigan discussed below, are more independent of government control than some European private universities.

² A national survey of academic governance in the US, which examined differences in state regulation of higher education, reported only 35% of public sector higher education governing boards independently set tuition and fees and 48% of the faculty members in public institutions are employees of the state or commonwealth and therefore subject to state personnel policies (Kaplan 2006).

³ Heller (2004) provides a review of earlier studies of the effects of institutional administrative flexibility on educational outcomes among public universities in the US states, the results of which are ambiguous in part because of the reliance on proxies of outcomes rather than the type of direct measures used in the Aghion et al (2010) study.

⁴ Faculty mobility in the US has been substantially aided by the Teachers Insurance and Annuity Association (TIAA) (<https://www.tiaa-cref.org/public/index.html>) established by the Carnegie Foundation in 1918 as a way to provide transportable pension benefits to university faculty. The TIAA system provides a private system of pensions subscribed to by all the major research universities and colleges in the US, which facilitates the mobility of faculty members among private and public institutions as well as across the 50 states.

⁵ Kaplan (2004) reported 19% of public institution presidents dealt most often with a statewide board, 46% with a system board, and 36% with a campus-based board.

⁶ A national survey by Tierney and Minor (2003) reported a similar pattern of faculty influence, but clarified that faculty influence was perceived as “formal” and “substantial” in the areas of undergraduate curriculum, tenure and promotion standards, and standards for evaluating teaching, as well as “substantial” in the area of evaluation of the quality of academic programs.

⁷ Similarly reported in Tierney and Minor (2003).

⁸ As an example the Ministers who initiated the Bologna process for strengthening higher education in the European Union argued early on (Conference of Ministers Responsible for Higher Education 2003):

... consistent with the principle of institutional autonomy, the primary responsibility for quality assurance in higher education lies with each institution itself and this provides the basis for real accountability of the academic system within the national quality framework.