The higher education business – can it cope with international challenges?

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**ABSTRACT**

The changes in the political and economic systems are all affecting the challenges of higher education. The higher education system in South Africa is challenged by government to respond to the demands for increased participation in education to respond to societal interests and needs as well as to promote co-operation and partnerships in governance. Management in higher education institutions appear to be concentrating on the structural changes needed while ignoring the challenges of the new century. This article addresses the major dilemmas or requirements of co-operation relating to education, which needs to look at the significant transfer of knowledge, and learning to communities. At the same time the global trends and challenges must be kept in mind. One of these challenges is the direction of science and technology. In discussing this, the different modes of research and knowledge production together with the economic, socio-cultural, environmental, ecological and demographic pressures are considered. Writers such as Whiston (1992), Gardner (1995) and Callan (1994) have indicated the challenges long ago. The time for walking is past. It is time to look at ways of co-operation and planning together. The actions around the issues of environmental awareness and the challenges of development can serve as an example.

These can be summarised as providing general and specialised knowledge, developing critical thinking and preparing students for mature, effective adult life.

Muller and Porter (1997) state that “fulfilling academic requirements implies the bottom line expectations of the institution, the student and the employer have been satisfied. Learning however is a much more complex process: it involves among other things the integration of interrelated experiences and conceptualisations, not to mention creative new applications.”

During the 1990s universities strived to reorganise themselves to be cost effective and client conscious and to provide excellence in teaching and research (Harrison & Brodeth 1999). Providers of higher education today inhabit a more competitive world. Strong market forces have caused higher education to become sensitive to market needs. Employers demand employable graduates who meet their needs. Students are termed clients or customers, and their admission centres on access instead of selection. The curriculum design has core subjects and electives or options from which students as customers can choose (Mok 1999).

It is essential for many higher education institutions to be more businesslike than they have been in the past. Their primary responsibility is the production, dissemination and presentation of knowledge. This is discharged through the activities of teaching, research and public service.

The challenges include coping with the patterns of massification in higher education. Gibbons (1998) refers to the ten shifts that have taken place with massification in industrialised countries. These are:

- diversification of functions, for example part time students and continuing education of mature professionals
- a changed social profile of student populations
- education for professions
- tensions between research and teaching
- decline of primary knowledge production reconfiguring
broadening of awareness of the need for accountability
• technology for teaching
• multiple sources of funding for higher education
• efficiency and bureaucratic subdivision of knowledge — the easily understood process of specialisation
• faculties having become organisational rather than intellectual centres, in which research teams are extremely important.

The use of communication and information technologies can and is being employed for the production and dissemination of applications and content. The communication and information revolution opens up new ways to deliver services and products. Traditionally, higher education increased knowledge. Gibbons (1998) calls this Mode 1. Teaching has moved from instructing students to teaching them how to learn to do things (complex abilities) and judgement. Research has changed. The five attributes Gibbons identifies for Mode 2 research are:

• knowledge produced in the context of application
• transdisciplinary research
• heterogeneity and organisational diversity
• enhanced social accountability
• a more broadly based system of quality control.

At the World Council on Higher Education (UNESCO 1998), two issues were raised: first, the use and impact of new information and computer technologies in higher education (accessibility, affordability, interactivity, networking, self-paced and space in dependence); second, partnerships among and beyond universities, including enterprises, businesses, services (mobility of students and faculty, availability, role and collaboration of different partners).

Governments and international organisations are called on to examine:

• the content and management of knowledge systems: meeting the needs of the society (quality, validation and accreditation)
• geopolitical dimensions: the gap between North and South in terms of accessibility to knowledge and information technologies (public or universal service, collaboration, co-development)
• adjustment and adaptation of traditional universities to the new context (faculty incentives, faculty training and evaluations, resources, institutional support, teaching roles and responsibilities)
• contribution of the new use of information and computer technology in higher education to the development of better people and societies (cultural diversity, environment, culture of peace)
• epistemological concerns: structure of knowledge creation, and accessibility.

Vice President Gore of America addressed the United Nations in October 1998. He proposed five new challenges in a “Declaration of Interdependence”: The challenges to the world community are:

• Improve access to technology so that everyone on the planet is within walking distance of basic telecommunication services by the year 2005.
• Bridge language barriers by developing technologies with real-time digital translation so anyone on the planet can talk to anyone else.
• Create a global knowledge network of people working to improve education, health care and agricultural resources, and to ensure sustainable development and public safety.
• Ensure that communications technology protects the free flow of ideas and supports democracy and free speech.
• Create networks that allow every micro entrepreneur in the world to advertise, market and sell products directly to the world market.

In Arusha President Benjamin Mkapa challenged universities to improve education, and appealed to African universities to strive to improve the quality of their output; essential if they are to continue maintaining the current share of the local and international labour market (Kilivata & Mapunda 1999). This appeal was made at the opening ceremony of the conference for Rectors, Vice Chancellors and Principals of African universities. The need to take into account the rapid global developments and world-wide trends that will affect the future of higher education in Africa was stressed. President Mkapa challenged delegates to “strive to increase efficiency and the effective use of the limited physical, human and financial resources”.

South Africa has undergone tremendous changes in the political and socio-cultural fields. As part of this the higher education system has been re-examined. The White Paper on Higher Education Transformation and the Higher Education Act, No 101 of 1997, have set transformation challenges:

• Increasing participation. Successful policy must overcome a historically determined pattern of fragmentation, inequality and inefficiency by increasing access for disadvantaged groups, and developing new curricula and flexible models of learning and teaching (including innovative modes of delivery).
• Responding to societal interests and needs. In order to meet the challenges of a globalising, and technologically orientated, economy and to address the needs of a developing society the higher education system and its institutions must be restructured to deliver the requisite research and knowledge, as well as produce high level human resource capacity.
• Promoting co-operation and partnerships in governance. The relationship between higher education and the state, civil society and among
institutions themselves must be reconceptualised. More importantly, the governance arrangements and practices within institutions must reflect and strengthen the values and principles of our fledgling democracy, and also create an environment and culture that affirms diversity, promotes reconciliation and respect for human life, and protects the dignity of individuals from racial and sexual harassment.

There appear to be many guidelines and stipulations on governance and the structures required. Most institutions seem to be concentrating on transforming councils and setting up transformation forums. These are structural issues.

The Department of Education has required three year rolling plans to be submitted. Some institutions have based these on their mission statements and strategies in the first round. The plans for 1999 had to answer specific questions and present certain tables and statistics. It remains to be seen if higher education institutions as a whole have changed to accommodate the global challenges they are facing.

According to Ramphale (1996) “the challenges facing South Africa, as it enters the 21st century, are primarily centered on the need to produce high levels of skilled human resources to drive a modern competitive economy, which equitably offers opportunities to all citizens to realise their full potential and to exercise their citizenship rights. Universities have a special role to play in meeting these challenges”.

THE MANAGEMENT OF HIGHER EDUCATION

All of the above indicates that a shift is needed from traditional higher education goals. According to Gibbons (1998) the implications for higher education are a move from:

- knowledge only to application of knowledge
- basic liberal to professional education
- single discipline focus to differentiation
- inner directed to outer directed focus (periphery)
- institutional autonomy to accountability
- self sufficiency or isolation to partnerships
- research and development (R&D) only to entrepreneurial ventures
- narrow specialisations to diversification
- sole providers to “brokers” of education
- teaching school leavers to life long learning
- standard evaluation to expanded quality assurance
- government dependency to business and multiple sources of funding.

The management of higher education institutions also needs to keep in mind that the world is in a communication and information revolution, complemented by an explosive growth in knowledge.

Knowledge is crucial to societal and economic development. Technology cuts across all areas of economic, social, cultural and political activity and affects social institution perceptions and thought processes. These forces of change are global communication, virtual classrooms, telecourses, corporate classrooms, a highly competitive global economy, increased competition for state funding, competition from private institutions and student demands. Applying the reasoning of Gibbons (1998), the successful higher education institution does the following:

- promotes learning
- lends itself to commercialisation and wealth creation
- is guided by synergy and cross fertilisation
- promotes sharing of expertise and facilities
- is socially and environmentally sensitive
- is publicly accountable
- strives for improved global comparability
- accommodates differentiation and diversification
- regards flexibility and fast response time as success factors.

Effective strategic planning requires an understanding of the elements of the society an institution serves. In business management this would be regarded as serving customer needs for the 21st century. Organisational structures and resource bases are needed to support the delivery of relevant new programmes.

Middlehurst and Elton (1992) identify three different higher education institutional leadership functions: educational, academic and administrative. In practice these functions merge into each other. Educational leadership is an activity typically carried out on an external stage. It contributes to national and international policy debates on issues of broad educational concern. Academic leadership is concerned with establishing and promoting the academic direction of an institution. The third function is administrative leadership, which is more directly concerned with the wellbeing of the whole institution.

Kotter (1990) notes that management is about coping with complexity while leadership is about change. The functions of management are to order and control, mainly to make an organisation efficient and effective within agreed objectives. Management can exercise these functions in the support of change. It is the task of leadership to clarify the direction of change and to make the members of the organisation willing even enthusiastic partners in the change process. Middlehurst and Elton (1992) make the following distinctions: management controls, leadership guides and entices, administration serves. To elaborate on how administration serves, the task of administration is to implement policy within a framework of established rules and procedures.

It is important to separate leadership roles from those
of management, since the longer term focus of leadership may be lost under the pressures of management. Leadership is seen as important at times of rapid change.

The research of Middlehurst (1992) shows that it is essential to build internal commitment of staff towards positive collective action in the face of external pressures or internal crises and at all times offer new insights and visions.

The new technological, economic and social realities of higher education, administration and education demand dramatic change for the new millennium. Otherwise the survival of many institutions and the continuing quality of higher education will suffer.

Reallocation of resources will be required. The question arises, Can higher education management squeeze more out of the system? New ideas and innovative approaches need to be considered for more efficient operations. Business process reengineering and continuous improvement methods are required.

Gunn (1995) makes clear the distinction between second and third wave management in higher education. Second wave management was developed in the industrial age. It is associated with an authority structure referred to as a political system, bureaucratic methodology, hierarchical organisations and situations ethic. This generates less group loyalty, lower performance goals, greater conflict, less cooperation and less favourable feelings. Third wave management has evolved in the information age, in which universal accountability can be achieved with computer technology. Third wave management includes an authority structure described as a management system, systems methodology, human scale organisations and moral absolutes. According to Gunn (1995) this is what is required in higher education institutions to achieve high output through the pedagogical processes. The idea is to create a high trust environment by promoting competence and integrity. He refers to Theory Z, “all for one and one for all”.

There is a greater need for teamwork and team management, according to Stott and Walker (1995). The perceived need is for transformational leadership and for structures that emphasise commitment rather than control. Kinlan (1992) suggests that teamwork results in improved organisational outcomes, including “external customer satisfaction, reputation, competitiveness, market share”, and being profitable. Ingram (1999) also sees teamwork as a force for organisational improvement.

The management of higher education occurs within a system. The following system principles should be considered, according to Gunn (1995):

- Synergism principle: emphasises co-ordination, instead of subordination, through egalitarian relationships in a goal orientated management system.
- Redundancy principle: emphasises integration, instead of alienation, through the free flow of timely, relevant, accurate information in the work of the cybernetic authority structure.
- Symbiosis principle: emphasises co-operation, instead of rivalry, with computer based communication and control systems designed to provide true competition.
- Equifinality principle: emphasises diversity in outputs, instead of uniform performance, through compensatory efforts to achieve similar levels of productivity with other entities.
- Holism principle: emphasises a total perspective, instead of tunnel vision, in decision making with the interrelated, hierarchical format of a systems approach.

CUSTOMER OR OUTPUT REQUIREMENTS

Society wants higher education to provide access, qualifications and skills to compete in global work. Research should advance science and develop technologies that improve the nation’s health and contribute to the strength of the economy. Society requires that higher education prepare students to work and compete in the global economy of the 21st century.

In 1992 the Secretary’s Commission on Achieving Necessary Skills in the USA (SCANS) called on the entire American educational system, from preschool to graduates, to attend to the responsibilities required of workers, parents and citizens. The list was divided into foundation skills and competencies. They include basic skills, thinking skills and personal qualities. The competencies required are that graduates can use resources and information, have interpersonal skills, understand systems and use technology.

Nabi and Bagley (1999) researched graduates’ perceptions of transferable personal skills for career preparation in the UK. The specific skills measured were personal, communication (teambuilding, time management, task priorities) and problem solving (attributes assessing information, decision, judgement and information technology skills). They even suggested that higher education institutions should run optional modules to achieve these skills.

The underlying emphasis is that graduates will be able to sort through information, make choices and bring leadership to solve political, economic and social dilemmas.

Society also has needs which higher education should meet. Society needs higher education as an
agent of social change, a critic of society and a teacher of values. This entails rigorous academic teaching, vision, acceptance of diversity and an adaptive professional workforce.

COLLABORATION AND PARTNERSHIPS

The demands placed on higher education are increasing, yet resources are limited. The answer is to cooperate with others in collaborative projects and partnerships.

Collaboration is a process intended to avoid or resolve disputes by creating opportunities for interested parties, often with distinct points of view, to build consensus and work co-operatively towards problem solving. It offers the opportunity to make more efficient use of limited human and financial resources and direct attention to developing and implementing solutions as opposed to identifying problems.

Partnership is aimed at strengthening the weaker partner. In this aim lies the idea of solidarity. It entails an understanding that attempts at achieving a more equal world are also in the stronger party’s long term interest.

Regional co-operation must build partnerships, networks of institutions and processes in order to pool information, knowledge and capabilities to solve issues of common concern.

As indicated by Whiston (1993) it is necessary to overcome logistical, political, economic and ethical barriers. He mentions six levels of co-operation required for science and technology policies to address global issues:

- agreement on the range of tasks to be addressed
- a universally perceived need to actually address whole tasks
- allocation of sufficient intellectual, human and economic resources to undertake the tasks
- universal access to the necessary knowledge and expertise derived from either the R&D programmes undertaken or the presently existing knowledge or technological procedures
- encouragement, on a sufficient scale, of educational and training programmes in order to absorb, utilise and further develop and diffuse S&T programmes at whatever level and in whatever areas are appropriate to the tasks in hand
- formulation and development of market conditions, in a universal, global setting, which permit continuing free exchange of information, development potential and liberalisation of all members of society.

Cole, Fortes and Klinger (1998) feel strongly that “the main barriers to international collaboration are the lack of coherent and consistent policies and plans to promote and support such activities”.

As the author of this article, I suggest that higher education institutions can consider the following actions for collaboration:

- Utilise the pool of talented people, social scientists, humanists, area specialists, policy analysts for interdisciplinary programmes.
- Assist with capacity building.
- Provide structures and leadership, integrate strengths, use collaborative research programmes.
- Create forums for local, regional and global exchanges including inter-campus consortia and scholar exchanges.
- Co-operate to provide facilities where new technologies can be used for cutting edge research.
- Co-operate to improve instructional techniques relevant for the new millennium.
- Co-operate in providing students with the skills needed to cope with the challenges of globalisation.
- Create new knowledge and technologies.
- Consider world issues that need to be addressed, such as international relations, trade, the environment, technology, health care, human rights and urban and rural poverty.

CONCLUSION

There is a daunting prospect for the new century, which stems from advanced global telecommunications, population growth, new international institutions with new insights into the relationships between human society and the utilisation of the earth’s nature capital. The changes in political and economic systems, together with the increasing clout of non-governmental and multinational corporations, are all affecting the challenges facing regions and higher education.

According to the research of Cameron and Smart (1998), poor performance may result from loss of innovation, centralisation of power, short term crisis mentality, resistance to change, politicised interest groups, loss of trust, increasing conflict, restricted communication (where only good news is passed upwards), lack of teamwork and making scapegoats of leaders.

Mann (1998) believes, “The bottom line paradigm will eventually be replaced by a paradigm of business balance, where the purpose of every commercial activity will fill the needs of all the participants without harming others. Instead of business as a wealth creator we should think of it as a benefits creator. This is true of higher education and partner ships for co-operation.” Callan (1994), speaking of higher education in California, states that “we have
the intellectual capacity, we have creativity, energy and commitment”.

Higher education management needs to change its thinking. This requires visionary leadership. Higher education is an industry, and institutions must be run like a business. As in any successful business, there is a need to focus on a few important tasks and do them very well.

“As with all organisations, the quality of leadership may be more crucial in effecting successful change than other important factors, such as adequate resources” (Harrison & Brodeth 1999).

Collaboration and partnerships can strengthen institutions. Higher education needs enlightened leaders with the humility to evaluate their own leadership, the desire to bring about change, and the tenacity to venture on a sustained journey.

REFERENCES


