AUSTRALIA'S TERTIARY SYSTEM – TIME TO LOOK AGAIN AT STRUCTURE

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INTRODUCTION

The world is undergoing a period of extraordinary change, which will only intensify. Australia and Australians need to be equipped to manage and prosper in what has been described as "a period of turbulence that is going to touch almost everyone."[1]

Social networking software is opening up a generation gap not seen since the arrival of rock 'n roll in the 1950s.[2]

We can glimpse a post-American age where the US does not so much decline, but other major forces rival it: China, India, perhaps Europe.[3]

Global warming will present challenges that require enormous understanding, leadership, education and innovation.

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[1] See Richard Hames, http://fiveliteracies.typepad.com/richard_hames/2008/03/the-ivory-tower.html

[2] See the fascinating series and website for Growing Up Online, PBS http://www.pbs.org/wgbh/pages/frontline/kidsonline/

[3] See, Fareed Zakaria, The Post-American World, WW Norton, 2008

Declining birth rates and longer life expectancy in liberal democracies will require massive re-thinking about immigration, lifelong learning and how to organise ourselves around knowledge, creativity and innovation if we are to survive as a high wage economy.

Technological advances in capturing, processing and transmitting information are changing our whole sense of place, country and the world.

Universities need to change - fast and fundamentally - if they are to help Australia navigate this turbulence, and thrive from it.

Universities over the ages have tended to <u>engage</u> with change rather than drive it.

Most epoch-making ideas and inventions in human history have occurred outside universities. They were created in the church, the courts, the professions, industry, the military, or just the mind of the solitary writer and thinker.

The second half of the 20th century was different, and it may have persuaded us that universities must <u>inevitably</u> be at the heart of things. In the post-War period, extraordinary advances came out of American and European universities, and Australian ones, but there is every possibility of the world returning to an earlier pattern where most major discovery and innovation occurs outside universities.

Despite the belief that we have a mass higher education system, there is a risk that much advanced learning will take place outside Australian universities and much advanced discovery will take place in industry, private think tanks and specialised research institutes.

My talk is all about structure, in one way or another.

- The structure of our thought about post-secondary learning.

- The structure of the sector.

- The structure of our qualifications and awards.

- The structure of how we go about academic work.

Structure is a relatively neglected topic in recent times.

There might even have been a tacit agreement between the outgoing generation of vice-chancellors, all of whom were post-Dawkins, to leave things be for a period and allow individual institutions to develop. I think the current impasse is reflected in the stalemate that is Universities Australia (previously AVCC), where nothing of fundamental importance can ever be decided because we operate on the pure Pareto principle; there must be no losers from any change, even if theoretically the losers could be compensated elsewhere.

A TERTIARY SECTOR

I commend the recent Discussion Paper produced by the panel reviewing Australian Higher Education.[4] I commend in particular pages 39 to 44 regarding the relationship between higher education and vocational education and training.

We need to reconceptualise post-secondary education and abandon *a priori* distinctions between "higher", "vocational" and "training".

Education Sectors and a Stratified World

The old sectors used to make a kind of sense in their social and political context.

There was a congruence between social structure and educational structure.

There were elites, professions, white collar workers, blue collar workers and manual labourers.

Elites went to university (even if they didn't always finish it), often to refine their skills at being elite.

Future professionals might or might not go to university depending on how various battles had been fought out within the economy, but professions tended in any event to have their own college, guild or apprenticeship system as part of the mix.

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[4] Review of Australian Higher Education, Discussion Paper, Commonwealth of Australia, June 2008

Others went to technical schools and colleges to learn trades.

Others did relatively unskilled work, having been prepared for the task: a social process described graphically 30 years ago by the sociologist Paul Willis in his book <u>Learning To Labour: How Working Class Kids Get Working Class Jobs</u>.[5]

That world has gone and won't be coming back. Elites these days tend to have to do at least something to preserve their eliteness. Professions are fragmenting, re-forming and losing their distinctiveness. Many so-called vocational occupations need high level theoretical understanding and general education.

Many university students flock to courses and subjects, or even just to individual teachers, if they offer skills training, work-based learning and practical tasks.

And some university graduates go on to TAFE Colleges to learn how to do something they want to do.

<u>Higher Education?</u>

What is actually "higher" about higher education?

Some of what we do is genuinely at the most abstract levels of thought, theory and creativity; and I defend that absolutely.

Some is just new to the student: i.e. disciplines not generally available in schools at year 11 and 12.

Some is what used to be done elsewhere, but has been credentialised within universities as a product of the professionalisation of many occupations in the post-War period.

Some of it is teaching how to do things, such as speak ancient languages, paint or perform: all of which is great for civilisation and the soul, but is neither higher nor lower.

The higher education sector, in truth, is a mix of higher, happier, harder and further education.

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[5] Saxon House, 1977

<u>New Knowledges</u>

New knowledges and configurations are emerging which call for new mixes.

Take new media, gaming and multi-media offerings. A course of study in this area could include:

- Globalisation and the rise of ICT

- Neurology and how the brain, eyes and hands work together

- Software programming skills

- Creative writing

- Product design.

Is it higher education? Is it vocational education? Is it training? Does it matter?

In the words of the English comedienne, Catherine Tate, which I can't get out of my head: "Am I bothered? Does my face look bothered?"

We need a sector, sub-systems and institutions that relate to new and emerging ways of thinking about knowledge creation, industries and global relations, and not one taken from old configurations of social class and power elites. This requires us to think "tertiary" holistically.

SCALE

Consciously or unconsciously universities are grappling with problems of scale. They are under pressure to teach a broad spread of disciplines. One reason is the very explosion of knowledge and the eroding boundaries between disciplines. Not to offer something feels like one isn't doing the job properly, because we know so many linkages are not being explored. The interconnectedness of knowledge drives our discontent at not being able to offer more.

And yet to expand our discipline base risks diluting our resources further and exposing us to risk in a difficult market for high quality academics.

We are under pressure to reach critical mass in many research areas, and to specialise in what we can be good at. But moving resources to those areas and away from others is problematic, slow and destabilising because of our governance and funding structures.

We are under pressure to reduce our administrative costs, but procurement possibilities, business processes and IT systems really require larger scale organisations than even now we tend to be.

At the same time, many universities have grown to such a size and operate over so many distant sites that they have real difficulty with collegial and organisational culture. Relatively flat structures are great, but they might be knackering us all.

In short, we are too small for some things, too large for others, too complex for current governance arrangements, and being for the most part public institutions we are less subject to the restructuring mechanisms of the market, which can reshape industries quite quickly in response to changes in the world.

TABOO TOPICS

But few people are talking about these things.

The Dawkins Reforms

John Dawkins did 20 years ago. I suspect he was ahead of his time in bringing the then universities, CAEs, teacher colleges and some technology institutes together, in anticipation of a world where different styles of education would need to be intermingled.

But his solution, which tended to be multi-campusness under unified governance, has turned out to be problematic. And for reasons one cannot quite pinpoint, and despite the diverse DNA in our ancestry, most universities find themselves at different stages of the same evolutionary pathway: heading for sameness not difference.

<u>We Have Too Many Universities</u>

I will stick my neck out. I don't think Australia can sustain 40 separate, stand-alone university institutions and expect us to be competitive in the emerging world. Our cost structures are such that the <u>sector</u> is inefficient, even if individual institutions are efficiently run. There is too much duplication. Resources are still locked in weak rather than strong areas.

Market forces, even if given much fuller scope, cannot sort it out at this stage. There are asymmetries, rigidities and local needs which make the consequences unacceptable at the moment.

And we can't expect individual vice-chancellors to conceptualise better arrangements and shoulder on their own the short and medium term consequences of change.

Equally, in my view, government (or even a single expert buffer body) can't be trusted to design a system that meets local needs, distributes disciplines and resources optimally, and shapes a sector fit for the challenges of the new world.

Nor can we wait for trial and error with hybrids of regulation and markets to do their work. The world will overtake us, and Australia will pass up a golden opportunity to be successful disproportionate to the size of our population and our position as the 14th largest economy in the world.

SYSTEMS

We need to look hard at the networks of universities, sometimes officially named "university systems", which operate in the US and some other countries. The best-known one is the University of California, as re-shaped by Clark Kerr in the 1950s, and as possibly being re-shaped again by people like Rory Hume.

The University of California might actually be a motivating myth. It might not be as we think it is, and it might not be the best model.

One could look at SUNY - the State University of New York - which has 64 constituent institutions of different shapes and sizes under the governance of a Board of Trustees.

Australia has toyed with these ideas in the past. It happened during this decade in South Australia, and Denise Bradley will know more about that investigation than me.

And some of the post-Dawkins multi-campus institutions were originally along the lines of federations, which didn't succeed in that form. UWS is said to be an example.

I won't comment on the Australian Catholic University, because as Machiavelli is reported to have said on his deathbed when asked by the Pope to renounce the devil and all his works, now is not the time to make enemies.

Some other examples of federations in the UK, such as The University of Wales and The University of London, are not very encouraging either.

Oxford and Cambridge obviously do work, in their own way, although the Vice-Chancellor of Cambridge is said to have remarked that she isn't exactly sure how.

But I doubt that anyone has approached the idea of creating a system university from the point of view of a fast-changing world economy, the rise of new super-

powers and the extraordinary reconfigurations of knowledge that are now under way.

To me, the point of a system university is to create a mechanism where the right balance can emerge between local autonomy, economies of scale and overall governance.

It can put the decision-making at the right altitude, so that decision-making is neither captured by purely local agendas nor so remote from the detail as to be ill-informed.

<u>What It Might Look Like</u>

Imagine two or three universities, probably each with more than one campus, joining with one or more TAFE Colleges or other vocational institutions, and perhaps a specialist college or community college, and adopting a new system name, whilst retaining their existing institutional name, or some version of it. (Years 11 and 12 of some high schools might also come into the mix at some point.)

The member institutions might retain their current governing or advisory bodies, with changes to membership and function, but there would be a Board of Trustees, Governors or Regents over them.

The Trustees would start to make decisions about what should be taught where, which research specialisms should be encouraged where and how mobility around the system might be promoted.

The Trustees would be under the fiduciary duty to act in the best interests of the system overall and would be independent from government.

The university at the top level would have huge procurement power. Over time it would move to common administrative systems and platforms to warrant investment in them on a scale which is rarely efficient now.

Imagine also that the member institutions have reasonably defined and discrete missions, according to whether they do diplomas, associate degrees, bachelors degrees, postgraduate coursework or doctoral research. There need not be a

complete internal stratification. An institution might only do up to associate degrees in one area but be doctoral in another.

Whilst local communities might feel they are losing some control over "their" tertiary institutions, they are also gaining the scale and reach which is offered by distance learning technologies, staff movement, student movement and greater capacity for applied research of local relevance.

Reputationally, some systems might want to push their system name as the brand; others might wish to push the constituents' names.

I don't know whether global rankings really have set rules about which is the eligible institution, but if one reduced the number of top level university names from 40 to 20 or 30, this would tend to push up Australia's prominence in them, because rankings tend to rely on aggregate measures rather than per capita ones.

The flow of funding would be crucial.

Sufficient funding must be directed to or come through the system to enable the Trustees to effect real change; to invest in things which no single institution could do, to re-allocate teaching and research specialisms sensibly, and so on. But I can see that some direct funding to constituent institutions might provide local reassurance and some checks and balances, at least at the outset.

EARLY STEPS

The underlying logic of the university system idea might be discernible in some initiatives in recent years.

The university groupings, such as the Group of Eight or the ATN, can be seen as a desire for scale and influence whilst protecting institutional autonomy. There is some real mobility and collaboration within these groupings now.

I could see why groupings might still continue in a newly configured sector but the real action with groupings to me is global not local. System universities

could be substantial players in emerging global networks, and would have the grunt actually to participate effectively within them.

The hub and spokes idea we have heard about in the last couple of years is arguably also a version of this thinking, allowing strong areas (which have become strong often through decades of public investment) to sponsor counterparts which haven't had that investment.

I could also still see the place for this idea, but a university system which had at least one strong, research-active university in it could auspice a more attractive design: the design of the network - a collection of multiple hubs and spokes.

I imagine that university systems would have a definable geographical area rather than purport to be Australia-wide, but the catchment would quite possibly go across state borders and lend itself to Commonwealth rather than State Government jurisdiction. You would have no argument from me, nor I suspect half the vice-chancellors, in such a move.

OTHER STRUCTURAL CHANGE

I have spent most my time arguing that we need to change the way we think about the sector and its internal structure if we are to be effective in a globalising world which puts a premium on the investment required for discovery, creativity and innovation rather than class distinctions and historical antecedents.

Other structures need attention too, which I will merely outline here.

Our qualifications structure is in need of review. The new Australian Qualifications Framework Council is to be chaired by John Dawkins, and I suspect some change is on the way.

I think Simon Marginson is probably right that at some point we need to confront the idea of the four year bachelors degree. This is the model in the US and China, and now Hong Kong. I can see the merit of sorting out advanced diplomas and associate degrees into two year courses which can readily become the first half of a bachelors qualification. An architecture of 2+2 (for bachelors),

+1 (for masters), or +3 for doctorate - i.e. a 2-4-5-7 model - makes sense. Furthermore, it can be offered within university systems in an articulated way.

Our industrial structure also requires attention, organised as it is around the distinction between continuing academics and sessional teachers, in the context of an ageing workforce that is not reproducing itself. We need to look at more creative uses of adjuncts, shared appointments and exchange schemes, to tap into that class of well-qualified people with creative, innovative, inquiring minds who wish to discover, integrate and transmit learning, but are increasingly happy to do so in a government, corporation, private think tank or research institute setting, and where the pay is better.

CONCLUDING COMMENTS

I have barely mentioned funding. It is of course crucial, and too great a proportion is currently expected from Australian students, in my view. But I cannot see Government agreeing to significant injections of operating funds unless the sector is redesigned and universities have constructively played their part in the process. Nor can I see enthusiasm for funding increases unless we look outwards and show we are helping Australia to be successful in a rapidly changing world.

Approx 3000 words