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### Faculty Opinion on emerging Corporatization in Public Universities

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#### ABSTRACT

In order to independently and sustainably implement their functions in response to reduced financial support from government, public university management is embracing corporate culture, which has been traditionally associated with the private sector. Given the complexity of the university business environment, this paradigm shift may find itself at variance with increasing local democratisation and internationalisation of higher education. This paper discusses opinions on corporate culture in the management of public universities in the context of their quest for world-class status. A survey design was used to collect data based on 16 total quality management indicators between 2009 and 2010. From a design sample size of 100, a 45% response rate was received. Although these opinions are not based on empirical data, findings show that academic faculty lack the sense of belonging and feel generally marginalised when it comes to key decisions that directly affect them. As such they work for survival's sake and not out of passion. This work culture entrenches the notion of "brains in the drain", which inevitably undermines quality assurance in service delivery. This critical review paper argues for deliberate investment into symbiotic management systems as a way of reversing this trend.

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#### Introduction

##### Emerging Trends in Higher Education

Up to early 1990s, public Universities in Kenya were fully funded by government. Starting mid 1990s the government gave in to pressure from the International Monetary Fund (IMF) to reduce expenditure on education thus paving way to cost-sharing and corporatization of public Universities (Oanda *et al.*, 2008). Public universities are thus endeavouring to generate their own finances in order to remain operational in the emerging regional and global education market. This shift in the style of business management seems to have occurred when university managers may not have been ready, trained or equipped with business management skills necessary for managing Universities as corporate entities. However, while considerable success has been recorded particularly in the development of physical infrastructure, challenges in human resource management have periodically impacted the university system stability and productivity negatively. In November 2011, employees in public universities in Kenya went on strike in order to jump-start stalled negotiations on the collective bargaining agreement with government on better remuneration (<http://www.standardmedia.co.ke/>). Equitable sharing of income generated from self-sponsored (parallel) programs was a silent internal reason for others. The ultimate effect of this scenario on quality assurance is often reflected in the notion of brain in the drain, which is characterised by apathy and deliberate poor service delivery on the part of employees (Waswa and Katana, 2008).

Corporate management is a concept mostly associated with the business and private sector. Traditionally, the focus is on profit maximisation and not employee welfare. As a result sustainability of business practice tends to be undermined through such factors as high employee turn over. With increased demand for democratisation coupled with globalisation and

internationalisation of higher education, there is growing demand for good corporate management in universities. This approach in management recognises and taps into the wealth of diversity for the common good, which somehow seems to promote institutional stability in the long run. It is also widely acknowledged that project undertakings that involve most stakeholders in decision-making have higher rates of success than those, which do not (McClelland, 1998).

In order to remain relevant and competitive in the dynamic global knowledge market, public university management in Kenya needs to focus on emerging trends based on routine scenarios analyses. Jauch *et al.*, (2003) noted that the ensuing strategic management should drive decision-making and actions that determine whether an enterprise, organisation, or even government excels, survives or dies. By implication, it is possible to extinguish a thriving human institution or lift it to greater levels of performance.

In this paper, a university's business environment is adopted from the framework of the Inter-University Council of East Africa (IUCEA, 2010) and will be assumed to constitute the following key components: Students (main customers), Faculty and laboratory technicians (key academic service providers), non-academic personnel (general support staff), top management (key policy makers), parents, Government (main donor), surrounding local communities (immediate external mirrors of university impact), and other external actors like industry and international linkages. IUCEA aptly acknowledges the complexity of such a system and hence the effort needed in pursuit of quality assurance. Although an ideal environmental analysis should address all the above, this pilot study focused on the general trends in the quality of corporate management from perspectives of academic staff. It is hoped that this assessment will add to the pool of building blocks necessary for

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transforming Kenyan and regional Anglo-phone universities into viable world-class corporate entities.

### University Ranking and World Class Status

Although there is no standard definition of a world class university (also called elite or flagship university), academic and research indicators are often used to provide the reputational status of such universities (Levin *et al.*, 2006). The role of research universities in training high-level innovative professionals (scientists and researchers) needed for national development seems to be a key indicator (Salmi, 2009). This explains the increasingly quest of university managers and their political governments for their top universities to operate at the cutting edge of intellectual and scientific development. In this paper a world-class university shall be assumed to possess among others the following key characteristics:

- It is known for engaging in critical inquiry covering every conceivable field of human endeavour and powered by a culture of academic freedom, association and expression.
- It attracts and retains competent and internationally reputed professors, who are widely cited and known for important discoveries and inventions, their fame attracting talented researchers and students from across the world.
- Its graduates complete their studies in time, can think independently and scientifically, have an understanding of history and culture, can create discourses on social and political issues, and are capable of coherent expression in speech and writing.
- Government respects it and taps into its wealth of expertise for national development.
- Society holds it in high esteem and depends on it for socio-economic, political role modelling and ecological development.
- Its quality assurance culture is not just in name. It can be measured and verified.

Although financial resources are necessary for creating such universities, it is widely acknowledged that rarely do large projects or organisations supported by good ideas, vigour and enthusiasm get stopped due to a shortage of cash (Dessler, 2005). Though important, money seems to be secondary to good human relations, hence good human resources management (HRM). Cole (2002) noted that human resources management also implies seeing employees as investments to be nurtured as well as costs to be controlled. If the later goes beyond certain limits, resistance and consequent system malfunction often emerges. Naturally when people know that they are appreciated, the element of controlling them as business costs becomes insignificant. According to the Peratec Executive Briefing (1994), total quality success is hinged upon the application of such concepts as: recognising customer needs, seeking never ending improvements, controlling processes, and making the fullest use of people through visible and genuine commitment of chief executives to leadership and teamwork.

Strategic management equally depends on ethics (Velasquez, 1992). Ethical decisions however tend to be morality-based. Since societies' accepted standards of behaviour differ widely, ethical decisions could be controversial and often at variance with legislation and policy guidelines. For instance based on personal ethical values, a strategic manager could "do the right thing" (going against institutional policy) and not "do things the right way" (sticking to institutional policy). Regrettably, most conventional managers find it difficult to "do the right thing" and would rather do things the right way even when the system gets hurt.

Currently all Universities in Kenya are vigorously pursuing the International Organization of Standards (ISO) (<http://www.iso.org/iso/about.htm>) certification as a proof of their quality management systems. While this has its advantages from corporate-political governance perspective, ISO certification is not normally used as a criteria in existing university ranking systems. It has limitations in its tendency to merely look at the adequacy of procedural and management processes and not the actual practice on the ground with respect to core university functions, namely teaching, research and community outreach. The status of these universities can be found in the official web page of the Commission for Higher Education (<http://www.che.or.ke/status.html>).

Although other varying ranking systems for universities exist, scientometrics criteria, which emphasize faculty engagement in research, publications and the citation of faculty in refereed journals remains the most popular globally (Reuters, 2010). According to the Ranking Web of World Universities (2011), poor web performance (measured in terms of volume and quality of their electronic publications) should be a cause of concern about universities' web policies ([http://www.webometrics.info/about\\_rank.html/](http://www.webometrics.info/about_rank.html/)) Unfortunately, for most universities in Kenya, the web policy may not be the problem. Lack of academic and research output is often the problem because faculty members use much of their time teaching and hardly engage in meaningful research.

Therefore, despite being ISO certified, most universities in Kenya, general rank very poorly within the scientometrics scales. This raises questions on quality of research in particular and whether African universities should be evaluated solely on quality of teaching, which is emerging as the single most important function in response to corporate survivability. By focusing on financial independency, corporate practices in public universities are increasingly leaning towards massification in enrolment as this translates into more income. The implication of this shift on the quality of the products as they join the job market cannot be overemphasised (Oanda *et al.*, 2008). Further, it is yet to be seen whether corporatization of public university management will address innovation gaps for national development.

### Methodology

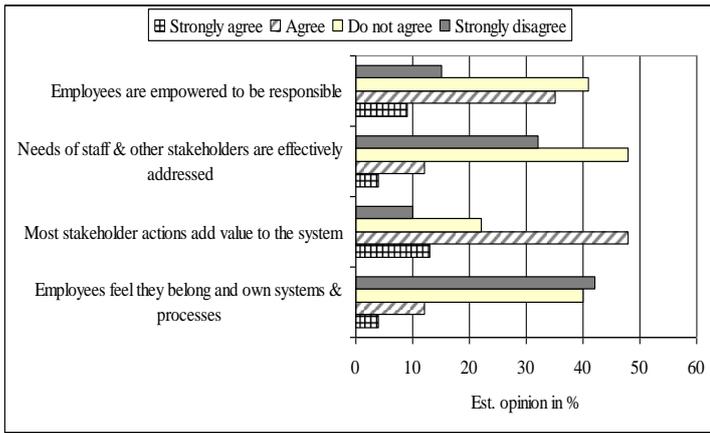
This study applied a survey design to capture general opinions on selected quality management indicators items under examination. The target population comprised academic staff from public universities given their core role in quality assurance. A questionnaire survey consisting of 16 indicators of total quality management (TQM) was availed to respondent on-line to be completed in confidence on a scale of 1, 2, 3 and 4 indicating whether they strongly agreed, agreed, disagreed or strongly disagreed respectively (Table 1). From a target sample of 100, a 45% response rate was registered. Being a pilot study meant to provide general trends and based on the sensitivity of the subject then, this sample size was considered adequate. Data were subjected to descriptive statistical analysis and presented in standard formats. By its nature, no empirical analysis was used. Opinions however often play critical roles in change management.

### Results and Discussion

#### Responses to Total Quality Management Items

At least 60% of the respondents agreed with the notion that most stakeholder actions add value to the system (Figure 1). This implies that respondents' sense of professional purpose and propensity to do well is there. However this attitude could be

strengthened through various human resource management initiatives.



**Figure 1: Respondents' opinion on belong and services provision**

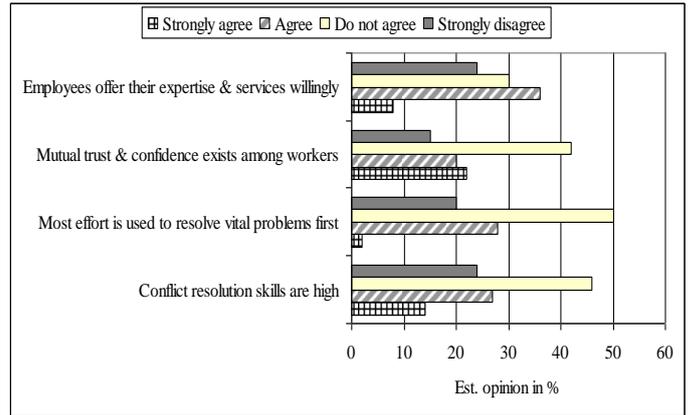
About 58% of the respondents generally agreed that staff were not empowered to be pro-active in decision-making. This scenario translates into a “wait and see and or do nothing” attitude, even when value-adding interventions from staff are available. Further, the skills of staff remain locked up and not available for system improvement. This may explain why majority of the respondents (80%) did not have a sense of belonging and ownership to the university system. Such attitudes would not allow stakeholders to spontaneously go the extra mile to add value to the system. The challenge to corporate management is how to inject passion for work among employees, without losing the managerial chain of command.

Generally over 80% of the respondents expressed dissatisfaction about their needs and those of other customers being met. From a scenarios analysis perspective, the future of the relevance of the Universities in this age of competition would be undermined, particularly due to the negative image the universities stand to acquire. These needs tend to revolve mostly around welfare, which suggests that more needs to be done with respect to labour relations. Whether university managers will be willing to take advantage of the window of opportunity opened from the promulgation of the 2010 National Constitution (Republic of Kenya, 2010) remains an open question.

About 54% of respondents agreed with the notion that most workers did not offer their services willingly. In terms of conflict management, majority of the respondents (60%) were of the view that conflict resolution skills were rather poor (Figure 2). These two scenarios are a frequent recipe for such events “moon lighting” (faculty using their official time to offer their services other entities rather than their employer), industrial actions and student riots. Such eventualities tend to be countered through authoritarian means with consequent negative impacts on overall system stability and performance. In a progressive University, strategic management would endeavour to predict looming conflicts and pre-empt them amicably. Regrettably about 70% of the respondents felt that insufficient effort is dedicated to resolving vital problems quickly. The ensuing crisis management often results into net losses to the system. Being able to predict stress in the system and amicably pre-empt it would be indicative of a people-centred corporate management regime.

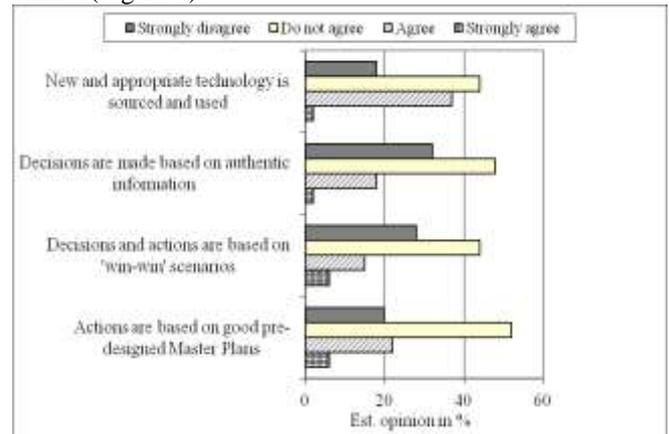
In addition, over 50% of the respondents did not believe that mutual trust and confidence exists among university workers. Such an environment breeds fear, suspicion and undermines teamwork spirit. The benefits that would be accrued

from latent synergistic partnerships inherent in the components of the universities' systems are effectively lost. The challenge in corporate management would be how to lubricate relationships within and between human components of the university system.



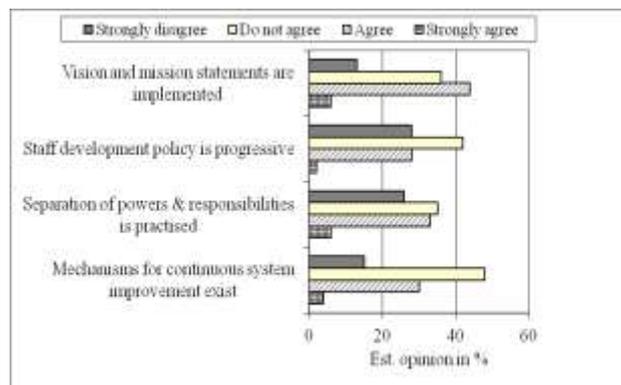
**Figure 2: Respondents views on general conflict management**

It was also worrying when about 70% of the respondents thought that decisions and actions were not based on ‘win-win’ scenarios. This implied existence of a sense of mistrust, antagonism and marginalisation among stakeholders, which tends to breed apathy and low productivity. To be expected under such circumstance are heavy net losses to the system in the event of an extreme event like industrial actions. Although few universities have made tremendous improvements in physical infrastructure, about 60% of the respondents felt that universities are lagging behind in the acquisition and utilization of appropriate and state of the art technology within these facilities (Figure 3).



**Figure 3: Opinion on information and decision-making**

About 70% of the respondents were generally dissatisfied with existing staff development policy, particularly promotion criteria (Figure 4). Most respondents thought it was open to manipulation depending on the target candidate. In addition, about one third generally agreed that separation of powers and responsibilities was practiced. The rest had a generally opposing view. Further, only one third of the respondents felt that mechanisms were in place for continuous system improvement. These observations suggest the need to invest more in pro-active approaches to change management. A key challenge to progressive corporate management would be the institutionalization of multi-direction performance evaluations, where managers evaluate their workers and vice versa. Voluntary initiatives in this regard would particularly be useful tools in pursuit of total quality management.

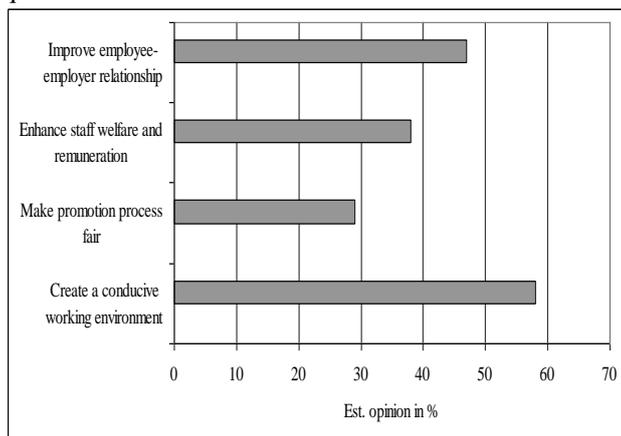


**Figure 4: Respondents' views on strategic management aspects**

Despite these varied opinions on corporate management, about half of the respondents generally agreed that the vision and mission statements of the institutions were being implemented. This would imply that the rate of progress towards world class status would be unprecedented were academic staff to be spontaneous participants in decision-making and their subsequent implementation. The proceeding section summarises this management dilemma based on the final open-ended question that addressed the options on the way forward.

#### Opinions on the Way Forward

Four critical areas for urgent re-orientation and implementation in pursuit of quality assurance and hence world-class status were identified. Over 55% of the respondents affirmed the need to create an enabling working environment (Figure 5). In particular, respondents wish to see more investment in adequacy and quality of learning infrastructure and technology in tandem with massification of student enrolment. For effective learning to occur, the challenge to corporate management would be to try and keep manageable staff to student, and student to equipment ratios, despite their unique business environments.



**Figure 5: Staff opinions on way forward towards quality management**

Next in importance was investment in better employer-employee relationships, with key areas of concern being the need to tolerate and accept divergent opinions or positive criticisms as part of organisational learning entry points. On the contrary a culture of fear tends to undermine people's basic rights of association, assembly and exchange of ideas. Further, respondents pointed out the need for improved communication and more democratic decision-making with their employers based on mutual trust and respect. Such free environment promotes intellectual engagement and creativity, which are essential in the quest for quality assurance.

Fair remuneration and recognition of performance were identified as key concern in staff welfare policies. Finally, the promotion criteria were thought to be unfair and not consistent as goal posts are often changed during the interviewing process. This was likened to management crossing bridges and immediately destroying them, thus leaving deserving colleagues stranded on the other side of the river. Respondents also felt that appointments to top university management should have the input of academic staff, while all top administrative positions should be professionalized to avoid wasting academic talent in administrative positions they are not trained for.

#### Conclusions and Recommendations

Strategic corporate management will continue to play an increasing role in quality service delivery within public universities in Kenya. Although academic faculty are a key asset in this process top management generally tends to marginalize them through subtle top-down approaches. Essentially academic members think that corporate management in public universities is still under-developed. The much needed boost towards world-class status is hinged upon deliberate efforts to invest in a people-centred management system build on the tenets of mutual trust, mutual respect and professional symbiosis for the common good.

Public university managers were thought to be generally risk and change averse. They tend to stick to policy and legal expediences, often at the expense of the common good in the system. A critical challenge and yet opportunity in strategic corporate management would be to invest in adaptive management in-line with the dynamic nature of the higher education environment. In particular the courage to "do the right thing" contrary to being bogged down in policy expediences could trigger critical positive amendment for posterity. Continuous improvement in the total university system also calls for institutionalising both vertical and horizontal evaluations, where students evaluate academic staff on behalf of management, while faculty members likewise evaluate management practices. The dividends from continuous organisational learning cannot be overemphasised.

Public universities should re-think the relevance of ISO certification as indicator of quality assurance. While ISO is critical in private sector, public universities should invest corporate culture in bolstering research and publication, which remain cardinal tools in university quality rankings internationally.

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