On the edge: securing a sustainable future for higher education
Challenges for policymakers and institutions

An international conference organised by the Higher Education Funding Council for England (HEFCE) and the OECD Programme on Institutional Management in Higher Education (IMHE)

Château de la Muette, Paris, France
8 and 9 January 2004

As higher education has grown, and other pressures have constrained State funding, the financial sustainability of universities and other institutions of higher education has become an issue for policy makers, and for those who govern and manage these institutions.

IMHE and HEFCE have jointly sponsored an international study of financial governance and management in which eight countries have participated\(^1\). Their systems of higher education differ significantly, for example in terms of the proportion of State funding; the autonomy of institutions; and the place of market forces in higher education. However, they experience some common policy and management challenges, and they have a shared interest in securing the financial sustainability of their institutions, as a means to deliver national policy goals cost-effectively.

The challenge for governments is to ensure that increasingly autonomous, and market-driven, institutions respond to public interest agendas, at national and regional levels, while also taking a greater responsibility for their own financial sustainability. The challenge for institutions is to manage a more complex portfolio of aims and funding, while differentiating themselves in an increasingly competitive environment and protecting their ability to sustain the delivery of academic benefits over the long term.

The study has generated a set of national studies which describe the constitutional, legal, and administrative environment for higher education financial governance and management in each country, and describe the policy instruments, methods and tools that each country uses to satisfy its requirements.

An international synthesis report will analyse the strengths and weaknesses of the national approaches, and how each country creates conditions for institutions to remain financially viable while meeting policy interests. The report will examine the conditions for the financial sustainability of institutions. It will focus on the big messages, which are relevant in most national and institutional contexts. It will suggest that a new form of partnership needs to develop between institutions and the State. Policy makers need to create a framework which supports increasingly autonomous universities in taking a more strategic view of their role. Institutions need to learn strategic governance and financial management skills based on best practice. The report will include examples from the national reports and a series of policy and management challenges which policy makers and institutions can use to check their response to these issues.

This important international report will be presented for the first time and discussed at a conference at OECD in Paris on 8 and 9 January 2004. Participants will have the opportunity to question national report authors and debate the key conclusions of the report. Account will be taken of their conclusions in drafting the final report for publication.

The provisional conference programme is attached. For further information see [www.oecd.org/edu/higher](http://www.oecd.org/edu/higher) or contact [imhe@oecd.org](mailto:imhe@oecd.org) Ministries of Education, funding bodies and institutions are invited to reserve places at the conference. A charge will be made to cover catering and organisational costs.

\(^1\) Australia, Germany, Ireland, Japan, Netherlands, Sweden, United Kingdom (England), USA (focusing on Kentucky and North Dakota)
PROVISIONAL PROGRAMME

Thursday 8 January
09.30 - 10.00  Welcoming remarks
Berglind Ásgeirsdóttir Deputy Secretary-General, OECD
Sir Howard Newby Chief Executive, HEFCE
10.00 - 10.30  Presentation of “On the edge” by
Jim Port JM Consulting
10.30 - 11.00  Questions and discussion moderated by
Lars Ekholm Secretary-General, Nordic University Association (NUS)
11.00 - 11.30  Coffee break
11.30 - 13.00  Open Forum with
Bill Burmester Department for Education, Science and Training, Australia
Steve Egan HEFCE, United Kingdom
Lena Eriksson Ministry of Education and Science, Sweden
Hans-Ulrich Küpper Bavarian State Institute for Higher Education Research and Planning, Germany
Gerrit de Jager Association of Universities of Professional Higher Education, Netherlands
Aims McGuinness National Centre for Higher Education Management Systems, USA
Fujio Ohmori Ministry of Education, Japan
Don Thornhill Higher Education Authority, Ireland
13.00 - 14.15  Buffet Lunch
14.15 - 16.00  Group Discussions The messages for Governments
16.00 - 16.30  Coffee break
16.30 - 17.30  Report-back and conclusions on the messages for governments
Chaired by Ian Lewis, HEFCE Directorate for Finance and Corporate Resources
Evening  Dinner (optional)

Friday 9 January
09.00 - 10.45  Group Discussions The messages for institutions
10.45 - 11.15  Coffee break
11.15 - 12.15  Report-back and conclusions on the messages for institutions
Chaired by Richard Yelland OECD Directorate for Education
12.15 - 13.00  What next? Responses to the project’s findings and project evaluation
Chaired by Sir Howard Newby Chief Executive, HEFCE
13.00 - 14.00  Buffet Lunch