The OECD Thematic Review of Tertiary Education

Tertiary Education for the Knowledge Society

The main policy directions

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International Conference
White Paper and Beyond: Tertiary Education Reform in the Czech Republic
Prague, 16-17 October 2009

Outline of Presentation

Part 1: Key features of the *OECD Thematic Review of Tertiary Education*

Part 2: Focus on policy recommendations across a range of areas addressed in the report

- **Governance**
- **Funding**
- Quality assurance
- **Equity**
- Academic career
- Links to the labour market
- Internationalisation
- **Policy Design and Implementation**

Key features of the *OECD Thematic Review of Tertiary Education*

The OECD project's contribution

Objective

Recommend policies that ensure that capabilities of tertiary education contribute to countries' economic and social goals

A collaborative, cross-national process to:

- Synthesise research-based evidence on the impact of tertiary education policies and disseminate this knowledge among participating countries

- Identify innovative and successful policy initiatives and practices

- Facilitate exchanges of lessons and experiences among countries

- Identify policy options and the conditions under which they are successfully implemented

Key features of Review

- ## A broad range of areas covered
    - Governance
    - Funding
    - Quality assurance
    - Equity
    - Role in research and innovation
    - Academic career
    - Links with the labour market
    - Internationalisation
    - Policy development and implementation

- ## 24 participating countries (14 of which hosted a country review visit, including the Czech Republic)

- ## A wide range of outputs

- ## *Tertiary Education for the Knowledge Society* (Final synthesis report)
    Brings together the evidence collected and materials produced through the OECD Review and presents the key findings and policy messages

Steering tertiary education: setting the right course

Policy priorities

Strategy

Develop a coherent strategic vision for tertiary education:

- – Devise a statement of strategic aims for tertiary education
  Coherent vision in harmony with national social and economic objectives

- – Draw on a comprehensive advisory body to establish strategic aims for tertiary education
  National Council or Forum of Tertiary Education to assist with the integration of strategic leadership, policy planning and co-ordination among the main actors

Policy priorities

Steering

Establish sound instruments for steering tertiary education:

– Ensure that the capabilities of Ministries/Agencies keep pace with changing responsibilities
From administration to policy steering and performance evaluation

– Develop steering instruments to establish a balance between institutional autonomy and public accountability
Instruments for steering that achieve accountability and link institutional performance to national purposes while also permitting a wide scope for institutional autonomy

– Use student choice as a means by which to improve quality and efficiency

Policy priorities

Structure, diversification and coherence

Ensure the coherence of the tertiary education system within extensive diversification:

- Grasp the benefits of wider and more flexible diversification among tertiary institutions

- In systems with vocationally-oriented sectors, ensure that mechanisms exist to discourage academic drift

- Avoid the fragmentation of the tertiary education system

Policy priorities

System linkages

Build system linkages:

– Ensure appropriate co-ordination between secondary and tertiary education systems

– Review whether the tertiary education system is contributing effectively lifelong learning

– Build linkages between different types of tertiary education institutions
Flexible learning paths and validation of previous learning experiences

– Foster the engagement of institutions with surrounding regions and communities
Part of mission statement; engagement of regional stakeholders

Policy priorities

Alignment of institutions to national strategy

Strengthen the ability of institutions to align with the national tertiary education strategy:

- – Ensure the outward focus of institutions
- – Require institutions to establish strategic plans
  Basis for general accountability; to be published; intrinsic value

- – Examine how best to widen the scope of institutional autonomy

- – Create a national policy framework that gives institutions the means to effectively manage their wider responsibilities
  External representation in institutions' governing bodies

Matching funding strategies with national priorities

Strategic Approach

Develop a funding strategy that facilitates the contribution of the tertiary education system to society and the economy:

– Making funding approach consistent with the goals of the tertiary education system

Goals might include expansion, excellence, relevance, equity, social mobility, institutional capacity.

– Ensure that the funding approach embraces a number of desirable features:

- Transparent, flexible, predictable, fair;
- Ensures public accountability;
- Permits freedom to innovate;
- Sensitive to institutional autonomy; demand-driven;
- Recognises the missions and profiles of individual institutions;
- In some circumstances, is open to private institutions.

– Articulate a long-term strategy

Policy priorities

The principle of cost-sharing

Use cost-sharing between the State and students as the principle to shape the funding of tertiary education:

- Provide public subsidies for tertiary education, regardless of sector of provision

- Charge tuition fees to students, especially if limited public funding either:
  - rations the number of students;
  - jeopardizes levels of spending per student; or
  - restricts financial support for disadvantaged groups.

- Countries with little tradition of fees should launch a public debate on the consequences of an heavy reliance on public money for funding tertiary education

- Consider tuition fee stabilisation policies to ensure cost containment and moderation

- Allow institutions to differentiate tuition fees across courses

Policy priorities

Institutional Funding

Institutional funding for instruction should be formula-driven, relate to both input and output indicators and include strategically targeted components:

- Block grants should rely on transparent formulas based on a balanced array of input and output indicators

- Performance-based funding mechanisms should be carefully implemented

- A possible model is a contractual relationship between institutions and the State

- Institutional funding to include targeted development programmes

- Institutional funding to be adjusted to the particular mission of the institution

- Institutions to be autonomous in the use of their block grants

- Funding to offer some stability for long-term development

- Sources of institutional funding to be diversified

- Complementary streams for the funding of capital infrastructure

Policy priorities

Institutional cost effectiveness

Improving cost-effectiveness – possible responses:

- – More funding on the basis of graduation rates

- – Reduction of public subsidies for students who remain too long in the system
- – Conversion of loans into grants if students graduate within nominal time

- – The elimination of low enrolment and/or duplicated programmes with possible redeployment of academics across education programmes
- – Rationalizing faculty to respond to student contractions
- – Increasing use of shared facilities
- – Increasing student mobility between institutions

Policy priorities

Student Support

Back the overall funding approach with a comprehensive student support system:

- – Aim for a universal student support system with two major components:
  - A loan system with income-contingent repayments;
  - A means-tested grants scheme.

- – Grants scheme to be based on assessed need

- – Loans system to be universal with income-contingent repayments and means-tested subsidies

- – Student aid entitlements to cover living costs

- – Students who attend private institutions should benefit, under the same conditions, from the student support system

- – Creation of an agency to manage the student support system

Assuring and improving quality

Policy priorities

Design of the QA framework

Build consensus on clear goals and expectations of the QA system

– Expectations from QA aligned to overall tertiary education strategy

– Reconcile different perceptions of quality to build national commitment to QA

– Distinguish accountability and improvement to build consensus

Ensure that QA serves both improvement and accountability purposes

– Find the right balance between them

– Revisit this balance periodically → move to audit once baseline standards are met

Combine internal and external quality assurance mechanisms

– Most effective to address the different purposes of QA

– Specific mechanisms according to traditions and stage of QA development

Build capacity and secure legitimacy

– QA agency: independent from Ministry, trust of TEIs

– Involve academic community in external teams

Policy priorities

Strengthen internal evaluation

Develop a strong quality culture in the system
- Make internal QA systems mandatory, incentives (*e.g.* publish quality-related info)
- Builds-up over time

Put more stress on internal QA mechanisms
- Less costly and more effective than periodic and comprehensive external reviews
- Role of QA agency: technical assistance, promote dialogue and best-practice

Ensure that internal accountability is guided by some key principles
- Avoid burdensome processes
- Delegate responsibility for QA to those able to effect changes
- Support peer observation but separate it from probation/promotion processes

Undertake the external validation of internal QA systems
- *E.g.* involve external examiners

Improve external evaluation

Commit the external QA to an advisory role as the system gains maturity…

– Role of QA agency: to evolve towards advice and consulting, benchmarking indicators, research, dissemination of best-practice

… but retain strong external components in certain contexts

– *E.g.* early stages of development, large expansion, large private sector

Implement adequate follow-up procedures and view QA as a continuous process

– Necessary condition to have an impact. Consequences must be clear

– Concentrate improvement efforts on institutions most in need

Allow for selected assessments to be initiated by an external QA agency

– Flexibility for *ad-hoc* evaluations, *e.g.* in case of problem, specific topic

Avoid direct links between results and public funding decisions

– Prefer *ex-ante* links with funding (*e.g.* to be eligible for funding) to *ex-post* links

– Limit financial rewards to better assist low-performing institutions

Achieving Equity

Policy priorities

○ Assess extent and origin of equity issues:

       Systematic collection of data.

○ Making tertiary education more equitable requires policy to intervene much earlier

○ Career guidance and counselling services at the school level are instrumental in improving equity of access

○ Provide opportunities for tertiary education study from any track in upper secondary school

○ Strengthen the integration of planning, policy and analysis between secondary and tertiary education systems

○ Diversify the supply of tertiary education to accommodate a more diverse set of learners

Policy priorities

⭕ Consider alternative types of provision to account for the cultural diversity of the population

      Development of institutions with diverse cultural foundations

⭕ Improve the access to tertiary education in remote areas by expanding distance learning and regional learning centres

⭕ Diversify criteria for admission and give a say to institutions in entrance procedures

⭕ Consider positive discrimination policies for particular groups whose prior educational disadvantage is well identified

⭕ Consider alternative ways of acquiring eligibility for tertiary education

Policy priorities

○ Improve transfers between different types of institutions within tertiary education

○ Provide incentives for tertiary education institutions to widen participation and provide extra support for students from disadvantaged backgrounds

Special financial incentive for institutions to attract less represented groups; positive discrimination; studies progression support (e.g. tutoring services); adapting the learning environment to account for the diversity of the student body.

○ Encourage institutions to be more responsive to the needs of adult learners

Policy priorities

OECD

Give institutions ample autonomy over the management of human resources, to include:

- Faculty and staff to be formal employees of tertiary education institutions
- Institutions with broad discretion over the setting of academic salaries
- Institutions with the freedom to create academic positions in agreement with the strategy defined by their governing authority
- Institutions to determine the range of career structures which better reflect the distinct roles academics play within them
- Institutions to be given the responsibility to design promotion systems, assessment systems and professional development strategies

Manage the academic career in a flexible manner

- Flexibility on the roles and workloads of academics within institutions
- Career structures should reflect the diversity of roles and missions of institutions
- Within broad direction provided by institutional leadership, academics to assume responsibility for shaping their role and profile
- Flexibility with types of employment contracts
- Debate the merit of long career ladders

Strengthening ties with the labour market

Policy priorities

○ Co-ordinate Labour Market and Education Policy:

    ↳ Better integration between these two policy domains – integration of education, training, and employment, through the institution of cabinet-level committee for human capital;

    ↳ More attention to be devoted to labour market concerns (e.g. provision of lifelong learning opportunities; flexible study options).

○ Improve data and analysis about graduate labour market outcomes

    ↳ Lack of data on LM outcomes impairs student adaptation to labour market signals; the capacity of authorities to adapt resource allocation to labour market needs; and the ability of institutions to respond to LM needs.

    ↳ Better data and analysis equally necessary in systems that rely upon central allocation of study places.

○ Increase the capacity of institutions to respond to demand:

    ↳ Funding methodologies must create incentives for institutions to respond to enrolment demand, including the reallocation of resources within the institution.

Policy priorities

○ Enhance provision with a labour market orientation

 ⇨ Engagement with employers and professional organisations.

 ⇨ Creation of vocationally-oriented institutions.

 ⇨ Provision of short-cycle programmes.

 ⇨ Avoid 'academic drift'.

 ⇨ Strengthen partnerships between institutions and the business sector: internships for students, dedicated liaison offices in institutions.

○ Strengthen career services at secondary and tertiary educational levels

○ Involve labour market perspectives and actors in policy development and institutional governance

 - In the formulation of national tertiary education policies through advisory bodies;

 - Widen their participation in the bodies responsible for the strategic governance of tertiary education institutions.

○ Encourage TEIs to play a greater role in lifelong learning

○ Explore the potential of a National Qualifications Framework

Shaping internationalisation strategies in the national context

Policy priorities

Overall strategy and steering of internationalisation policy

Develop a national strategy and comprehensive policy framework for internationalisation

– Build on country-specific advantages/constraints → resist replication

Improve national policy coordination

– Inter-governmental committee to maximise synergies among policies
  → Immigration, S&T, Labour, Foreign Affairs

Encourage institutions to become proactive actors of internationalisation

– Framework conditions to make TEIs more responsive to internat. envt
  → int strategy in annual negotiations, remove blockages, incentives

Promote sustainable strategies of internationalisation

– Diversify activities, partners, distribution of internat. students within system

Create structures to assist TEIs in their internationalisation strategies

Policy design and implementation

Policy priorities

Development of TE policy reforms

Establish ad-hoc independent committees to initiate tertiary education reforms and involve stakeholders

Allow for bottom-up policy initiatives to be developed into proposals by independent committees

Recognise the different views of stakeholders through iterative policy development

Develop an evidence basis to inform policy making

Widen consultation within government to ensure coherence across policies to support national tertiary goals

Widen consultation with those outside government to ensure that voices other than those of "producers" are heard

Policy priorities

Search for consensus or compromise over TE policy reforms

Use pilots and policy experimentation when needed

Favour incremental reforms over comprehensive overhauls unless there is wide public support for change

Avoid reforms with concentrated costs and diffused benefits

Identify potentials losers from tertiary education reform and build in compensatory mechanisms

Create conditions for the successful implementation of reforms

Improve communication on the benefits of reforms and the costs of inaction

Implementing tertiary education reform successfully

Implement the full package of policy proposals

Support effective policy implementation

Thank you

Final Report

Tertiary Education for the Knowledge Society
Published as an official OECD publication in September 2008
(available from www.oecd.org/edu/tertiary/review/synthesisreport)

For further information and other documentation:

www.oecd.org/edu/tertiary/review

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