

Efficiency, Effectiveness and Value for Money: Insights from Ireland and Other Countries

A USTREAM REPORT

By Thomas Estermann,
Veronika Kupriyanova and Michael Casey

OCTOBER 2018



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Acknowledgements

The analysis and recommendations presented in this report are based on input from the second [USTREAM Peer Learning Seminar: National and institutional approaches to delivering efficiency](#), held on 4th and 5th December 2017 in Dublin. They are also supported by findings from the other USTREAM project activities.

EUA is deeply grateful to all USTREAM project partners and Steering Committee members, particularly Michael Casey and Lewis Purser from the Irish Universities Association, who designed, co-organised and hosted the second USTREAM Peer Learning Seminar and provided their valuable feedback and insights into the issues discussed in this report. We would also like to thank Esa Hämäläinen, Director of Administration at the University of Helsinki and External Advisor to the Steering Committee, for his continued support and guidance on all USTREAM activities and events over the last two years.

We extend our thanks to the Irish speakers who shared their invaluable efficiency and effectiveness experience and lessons learned to support peer learning. We are particularly indebted to Ned Costello, former Chief Executive of the Irish Universities Association, and Professor Philip Nolan, President of Maynooth University, for their engaging and dedicated moderation of the discussion. The authors are most grateful to all the participants for their valuable input and insights.

Finally, EUA would like to acknowledge the financial support received from the European Union under the Erasmus+ Programme.

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Introduction

This report provides a summary of the input, discussions and findings from the [second USTREAM Peer Learning Seminar: National and institutional approaches to delivering efficiency](#), which took place on 4th and 5th December 2017 in Dublin. The seminar was jointly organised by the Irish Universities Association (IUA) and the European University Association (EUA) as part of the USTREAM project¹ to foster the exchange of good practices and strategies pursued by higher education institutions across Europe in order to address efficiency-driven policy priorities and tackle the related challenges, opportunities and pitfalls.

Both efficiency and effectiveness have topped the agenda in Ireland for nearly a decade, as reflected in multiple initiatives implemented in strategic, operational and academic contexts. Looking back at the original drivers and subsequent outcomes of the reform processes in Ireland, now is a good time to take stock and reflect upon the lessons learned from the efficiency-driven activities that have shaped the Irish higher education landscape.

This report provides an overview of a broad range of measures implemented by the Irish government and higher education institutions against the challenging background of a significantly reduced public higher education budget that coincided with substantial growth in student numbers. EUA analysis of current funding trends shows that many higher education systems in Europe face similar issues, which makes the Irish experience highly relevant and inspiring.

The report provides examples of government-led initiatives implemented in response to national policy objectives and university-led collaborative initiatives and partnerships pursued by the Irish higher education sector to jointly tackle common issues, reduce duplication, maximise value for money and achieve critical mass.

These initiatives span a broad range of university activities including teaching and learning, research and administrative systems. Special attention is paid to activities related to teaching and learning, as this area is often overlooked when assessing efficiency, and some interesting progress has been made meaning that new opportunities for sustainable efficiency gains can be further explored and exploited in this field by the higher education sector in Europe.

The Irish case study is complemented by several examples of good practice reported by Dublin peer learning seminar participants or as part of the USTREAM project. The report concludes with a few recommendations for institutions and policy makers.

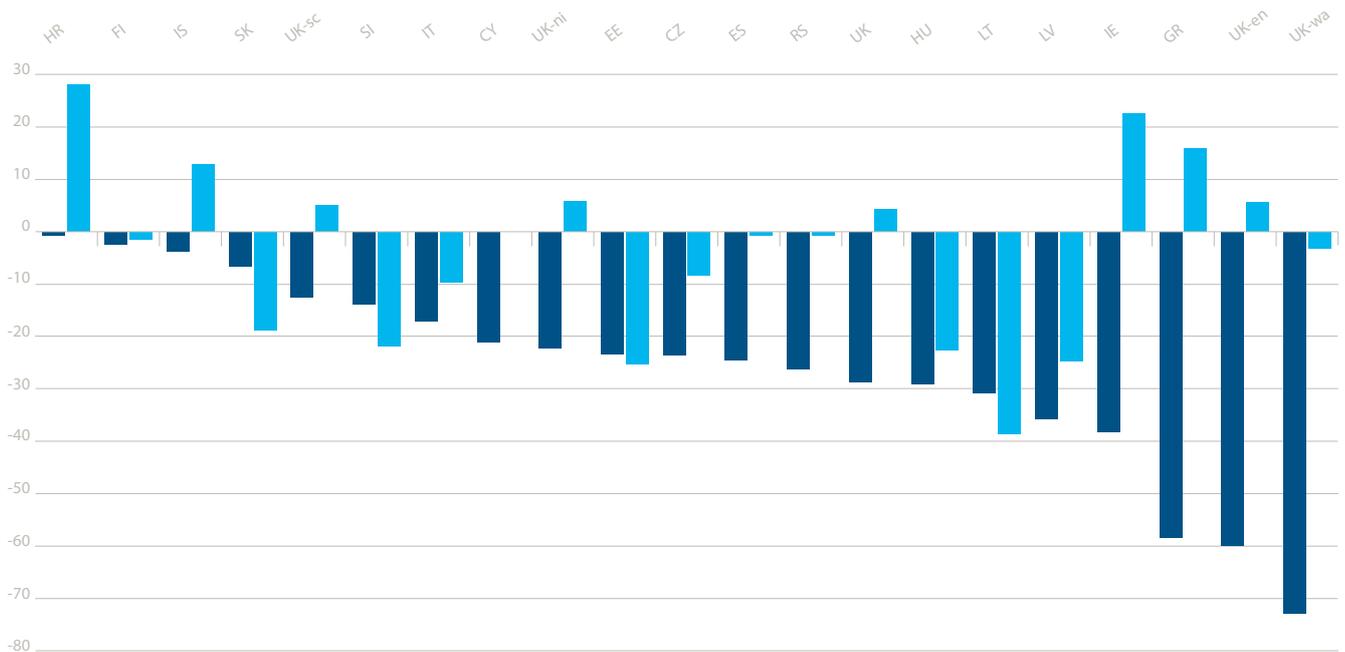
1 The [USTREAM project](#) (Universities for Strategic, Efficient and Autonomous Management) is a three-year project pursued by the European University Association, Universities UK, the Irish Universities Association and Central European University. This project has been supported by the European Commission. This publication reflects the views of the authors only, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

1. Efficiency drivers in Ireland and beyond

Like many other higher education systems in Europe, the Irish higher education sector has witnessed significant change in the last decade. The financial crisis hit Ireland particularly hard and led to funding challenges at a time of significantly increasing student numbers driven by demographic growth. This resulted in a very challenging funding environment. Until recently, similar trends could also be observed in Croatia, Greece and Iceland, but the situation has been gradually improving in some of these countries in the last few years².

At present, Ireland is one of the countries in Europe where higher education can be qualified as a system “in danger” in view of its funding situation and student developments.

Figure 1. Higher education systems where public funding for universities decreased in 2008-2016



State funding for Irish higher education institutions decreased by 37% in real terms between 2008 and 2016. This decline was accompanied by a large increase in student numbers (26%) over the same period, which resulted in an approximately 20% reduction in funding per student and an increase in staff-student ratios from 16 to 20. In this context, a significant number of institutions found themselves running operational deficits and facing significant difficulties to finance infrastructure³.

According to the Expert Group the Irish Ministry for Education established to examine the future of higher education funding⁴, a further annual investment of EUR 1 billion per annum will be required to meet demographic demand and address issues arising from a sustained period of underinvestment by 2030.

² European University Association (2017). EUA Public Funding Observatory 2017. URL: www.eua.be/activities-services/projects/eua-online-tools/public-funding-observatory-tool.aspx

³ Higher Education System Performance Framework 2014-2016. URL: <http://hea.ie/assets/uploads/2017/06/DES-System-Performance-Framework.pdf>

⁴ Investing in National Ambition: A Strategy for Funding Higher Education. Report of the Expert Group on Future Funding of Higher Education. March 2016. URL: www.education.ie/en/Publications/Policy-Reports/Investing-in-National-Ambition-A-Strategy-for-Funding-Higher-Education.pdf

Figure 2. The Irish Higher Education System



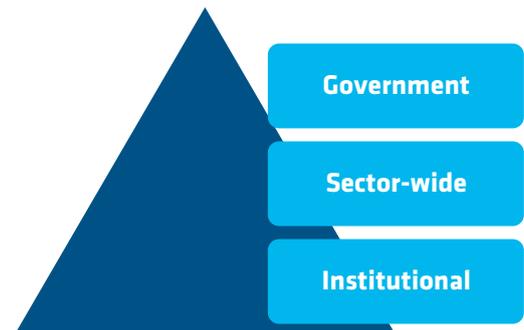
- 7 universities: 125,000 students
- 14 institutes of technology: 90,000 students
- Colleges of education & smaller institutions
- Private HE providers

Source: The Irish University Association

Against this background, the Irish higher education sector had to implement a wide range of efficiency measures if they were to have any hope of long-term financial sustainability. These measures broadly fall into three categories:

- Measures imposed by central government (for example, reductions in staff numbers, pay cuts, changes to working conditions);
- Sector-wide initiatives developed and led by universities or the Higher Education Authority (HEA)⁵ (for example, shared services, shared procurement, reconfiguration of the higher education system, cost saving initiatives);
- Institution specific initiatives (local initiatives developed and implemented by individual universities).

Figure 3. Levels of efficiency initiatives implemented in Ireland



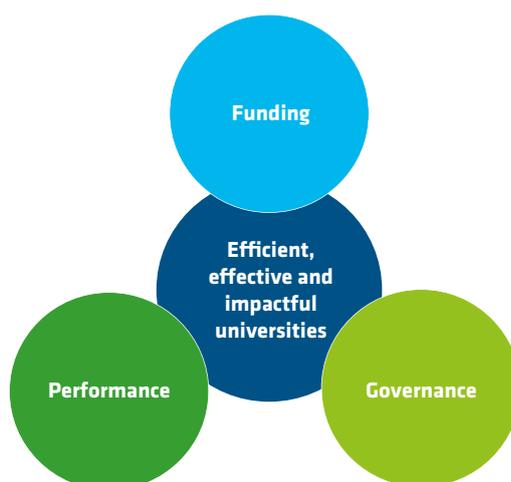
The next two chapters explore government initiatives to develop a framework that allows universities to be more efficient and effective in the challenging funding context and the higher education sector's response to the government's efficiency agenda – both at collaborative and individual levels.

⁵ The HEA leads the strategic development of the Irish higher education and research system. The HEA has a statutory responsibility, at central government level, for the effective governance and regulation of higher education institutions and the higher education system. URL: <http://hea.ie/about-us/overview/>

2. National framework for efficiency and effectiveness

Over the last decade, the Irish government has been trying to introduce a more coherent funding and governance system that strikes a balance between state control and institutional autonomy. This process has been guided by the **National Strategy for Higher Education to 2030** published in 2011⁶, which set out areas of responsibility and described short to medium term objectives. The reform process established a new performance framework system (2014) and a new governance framework (2016) (Fig. 4).

Figure 4. National framework for efficient and effective impactful universities



Source: Presentation by Andrew Brownlee, Higher Education Authority

The **governance framework** gave ‘good will’ governance a clearer foundation. It aimed at improving responsibilities and support accountability based on a shared understanding of roles⁷ by all higher education stakeholders, including the regulatory, funding and controlling bodies, institutions and employers (Fig. 5).

The **strategic performance framework** was introduced to support strategic dialogue between the HEA and individual institutions, in order to support their contribution to the general system objectives. The strategic performance framework was designed to promote a more responsive higher education system with greater accountability for public investment and to guide universities towards demonstrating value for money by delivering national policy objectives. To achieve this, universities have to sign institutional performance compacts, which are agreed with the HEA as part of the annual **strategic dialogue** process. This strategic dialogue aims to be a constructive process that supports capacity-building and informs policy decisions (for example, the extent to which national policy objectives are being met, and how the system can adapt if they are not). The HEA can adjust institutional funding based on the annual assessment of performance.

Proposed **reforms to the higher education funding allocation model** will further support the delivery of key national priorities. The reformed funding model is currently being implemented and aims to incentivise actions in key strategic areas and support increased accountability. The model is designed to complement and support the strategic performance framework so as to deliver national goals and combines basic funding with more performance-based funding tools. Key changes to the funding formula due to be implemented in phases over the coming years include:

6 Higher Education Authority (2011). National Strategy for Higher Education to 2030. Report of the Strategy Group. URL: <http://hea.ie/assets/uploads/2017/06/National-Strategy-for-Higher-Education-2030.pdf>

7 Based on the presentation made by [Andrew Brownlee, Head of System Funding, Higher Education Authority](#)

Figure 5. The governance framework for higher education in Ireland



Source: The Higher Education Authority (HEA)

- Increased funding for more costly STEM courses;
- Increased weighting to students from underrepresented groups;
- Greater incentives for lifelong, part-time and flexible learning opportunities;
- Improved alignment between higher education institution outputs and economic needs;
- The introduction of Performance and Innovation funds to reward institutions that excel in specific areas;
- Improved incentives for research and better channelling of research funding.⁸

The reformed funding model will also support the overall governance framework by introducing potential financial penalties for serious breaches of governance.

2.1. NATIONAL OBJECTIVES FOR EFFICIENCY AND EFFECTIVENESS

Public sector reform to improve efficiency and effectiveness was one of national priorities for the period 2014-2016. Key System Objective 7 “To increase accountability of autonomous institutions for public funding” incorporated high-level indicators and specific monitoring indicators, such as level of **efficiency gains** achieved through shared services, external service delivery models, property management and centralised procurement (Fig. 6).

8 Eurydice. National Reforms in Higher Education. Ireland Report. URL: https://eacea.ec.europa.eu/national-policies/eurydice/content/national-reforms-higher-education-31_mt

Figure 6. Efficiency indicators in 2014-2016

KEY SYSTEM OBJECTIVE 7			
To increase accountability of autonomous institutions for public funding and against national priorities.			
No.	High Level Indicators	Monitoring Indicators	Source
7.1	Level of funding overall into higher education system	Exchequer/non exchequer Research Core grant DES exp. per student	HEA/DES Other agencies HEI accounts
7.2	Trends in relative proportions of public expenditure on educational institutions and index of change for tertiary education		OECD Education at a Glance (B3.3)
7.3	Level of efficiency gained and savings achieved through implementation of reform initiatives in line with Government policy	Savings achieved through: <ul style="list-style-type: none"> • Shared services • External service delivery models • Property management • Centralised procurement 	HEIs/HEA
7.4	Level of utilisation of HEI facilities		HEA Space Survey
7.5	Relative unit costs	HEI/Sector/Graduate	HEI data Institutional profiles
7.6	International benchmark of Ireland 7.2	Position in EU/OECD/against averages	OECD Education at a glance (B2.2)

Essential Deliverables:

1. Establishment of appropriate structures chaired by DES to liaise with higher education sector in relation to public service reform agenda
2. Identification of baselines and development of data collection model to monitor and evaluate the rollout of the implementation of the public service reform agenda including shared services, external delivery, property management and centralised procurement
3. HEA space survey to be updated

Source: Higher Education System Performance Framework 2014-2016

Effectiveness indicators spread across several system quality and diversity objectives and, for example, included the development of regional clusters, higher education institutions cooperation programmes and shared modules.⁹

⁹ Higher Education System Performance Framework 2014-2016. URL: <http://hea.ie/assets/uploads/2017/06/DES-System-Performance-Framework.pdf>

The latest System Performance Framework covers the 2018-2020 period and further builds on efficiency and effectiveness. Key System Objective 6 embeds **operational excellence** as a key priority and establishes a range of specific monitoring indicators in this area (Table 1).¹⁰

Table 1. Efficiency indicators in 2018-2020

OBJECTIVE 6	
Demonstrates consistent improvement in governance, leadership and operational excellence	
Indicator type	Indicators
Institutional governance	<ul style="list-style-type: none"> • Annual governance statements • Compliance with procurement rules • Accounting timeliness: submission of draft annual account • Responsiveness: submission of annual governance statements, staff statistics, SRS (Student Record System) returns within HEA stipulated deadlines • Pay policy compliance: levels of unsanctioned payments • Staffing: staff numbers within the target set by the Delegated Sanction Agreement • Implementation of recommendations from rolling governance reviews
Level and sources of funding	<ul style="list-style-type: none"> • Public / private • Research • Core grant by institute • Spend per student • International benchmarks • Pay: institutional budget non-pay ratio • Competitive funding • Level of funding secured from Performance and Innovation funds
Relative Unit Costs	<ul style="list-style-type: none"> • Institution type • Discipline • Graduate
Level of efficiency gained and savings achieved through implementation of reform initiatives in line with government policy	<p>Savings achieved through:</p> <ul style="list-style-type: none"> • Shared services • Centralised procurement • External service delivery model
Impact of capital investment	<ul style="list-style-type: none"> • Student space ratios (measured by subject area) • Space utilisation • New student places generated • Investment in capital and equipment renewal as percentage of annual budget • Provision of new spaces for research, development and innovation activity
Cooperation with and implementation of restructuring	<ul style="list-style-type: none"> • Progress of Technological University projects • Reform of initial teacher education

¹⁰ Higher Education System Performance Framework 2018-2020. URL: www.education.ie/en/Publications/Education-Reports/higher-education-system-performance-framework-2018-2020.pdf

Self-reflection, sustainability and strategic direction	<ul style="list-style-type: none"> • Strategic dialogue and compacts • Outcomes and responses to self-assessment tools such as HEInnovate¹¹
Performance management	<ul style="list-style-type: none"> • Strategic dialogue and review of performance against compacts • Allocation of performance funding
Workload management	<ul style="list-style-type: none"> • National and international benchmarks
Gender equality	<ul style="list-style-type: none"> • Implementation of the HEA Expert Group report on Gender Equality • Implementation of the Gender Equality Taskforce Action Plan • Athena Swan accreditation¹²
Environmental sustainability	<ul style="list-style-type: none"> • Environmental sustainability policies and practices • Number of green flags awarded

2.2. RECONFIGURATION OF THE HIGHER EDUCATION SYSTEM

In Ireland, the reconfiguration of the higher education system has involved a series of inter-institutional mergers, research consolidation, strategic alliances and national and regional collaborations.

2.2.1. Creation of Technological Universities

The Irish National Strategy for Higher Education recommended sectorial consolidation to allow Institutes of Technology that met the necessary criteria to apply for Technological University (TU) status. **Technological Universities** focus on vocationally and professionally oriented science and technology programmes and will have a different mission and ethos to that of traditional universities. The mission is aligned to that of existing Institutes of Technology.

Four consortia with the aim of creating Technological Universities involving ten institutions have emerged. In July 2018 the first of these consortia - TU4Dublin (comprising the Dublin Institute of Technology, Institute of Technology Blanchardstown and Institute of Technology Tallaght) was successfully awarded TU status. This Technological University is due to launch in January 2019 and will be known as TU Dublin.

2.2.2. Development of regional clusters

In 2013, the HEA recommended extending existing collaborations into more stable and permanent arrangements in the form of **regional clusters**. This recommendation emphasised two priority objectives: shared, coordinated academic planning and a regionally coordinated approach to transfer and progression pathways.¹³

BOX 1. REGIONAL CLUSTERS IN IRELAND

The cluster configurations as envisaged in 2013 are:

- Dublin I (UCD, TCD, NCAD and Dun Laoghaire IADT);
- Dublin II (MEND cluster – DCU including teacher training colleges, MU, Athlone IT, Dundalk IT; and TU4Dublin);
- South (UCC, Cork IT, IT Tralee, Waterford IT and IT Carlow);
- Mid-West (UL, Mary Immaculate College and Limerick IT);
- West (NUI Galway, St. Angela’s College, Galway-Mayo IT, IT Sligo and Letterkenny IT).

¹¹ HEInnovate is a self-assessment tool for higher education institutions that wish to explore their innovative potential. It was developed jointly by the European Commission and the OECD. URL: <https://heinnovate.eu/en>

¹² Advance HE’s Athena SWAN Charter was established in 2005 to encourage and recognise commitment to advancing the careers of women in science, technology, engineering, maths and medicine (STEMM) employment in higher education and research. URL: www.ecu.ac.uk/equality-charters/athena-swan

¹³ Higher Education Authority (2013). Report to the Minister for Education and Skills on system reconfiguration, inter-institutional collaboration and system governance in Irish higher education. URL: <http://hea.ie/assets/uploads/2017/04/Report-to-the-Minister-2013.pdf>

These new, government-supported clusters achieved varied levels of success. Those that performed well tended to comprise institutions which shared needs and objectives, meaning that there was a strong underlying basis for collaboration and engagement.

2.2.3. Rationalisation of initial teacher training

In 2011, Ireland published a National Strategy in Literacy and Numeracy in response to a decline in Ireland’s OECD literacy and maths ranking in the 2009 Pisa study. This in turn led to an International Review of **Initial Teacher Education** Provision in Ireland. The review findings noted:

“We believe that in order to advance further in its national teacher education system, Ireland needs to invest more in the continuous improvement of the quality of teaching, the role of research in teacher education, and international cooperation in all of its teacher education institutions.

In each of these areas of development, size is a significant factor. Institutions with limited resources – both human and financial – more often than not find breakthroughs in transformation difficult. Therefore, having larger professional communities with more diverse knowledge and skills often unlocks creativity and innovation for further improvement”.

Ireland therefore selected mergers as the way to restructure its initial teacher-training sector to improve overall quality and enhance teaching and research as well as opportunities for other activities like internationalisation, continuing teacher education and professional development.

Figure 7. DCU merger results

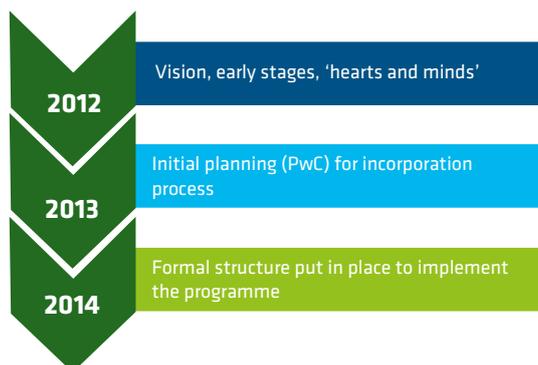
Pre-incorporation	Post-incorporation
4 institutions 1 DCU academic campus 5 DCU faculties 15 DCU schools ca. 12,000 students ca. 1,200 staff	1 institution 3 DCU academic campuses 5 DCU faculties 23 DCU schools ca. 16,000 students ca. 1,600 staff

Source: Daire Keogh, Dublin University

The reform aimed to scale up, ensure long-term sustainability and improve student experience, which required moving to a larger system. A total of 19 initial teacher-training providers were restructured and consolidated into six centres of excellence spread across the country.¹⁴

The reviewers specifically recommended that St Patrick’s College in Dublin be merged with the Church of Ireland College of Education, Dublin City University (DCU) and the Mater Dei Institute and this case study was closely examined in the report.

Figure 8. DCU merger stages



14 Based on the presentation made by [Daire Keogh, Deputy President, Dublin City University](#).

Following St Patrick's decision to join DCU, other teaching colleges expressed interest in joining the merger, having recognised consolidation benefits such as the strength in numbers, the ease of providing student support for a critical mass and the establishment of the first university teaching faculty in Ireland.

Lessons learned from uniting teacher training providers on the basis of the DCU experience emphasise the importance of:

- **Context:** A dedicated structure was implemented to allow denominational education to take place in a secular university and ensure complete respect of the involved institutional cultures and environments.
- **Objectives:** While efficiency was a merger process objective, the main focus was placed on broader goals like delivering better outcomes and improving quality of teaching and learning.
- **Investment:** The merger required proper investment and was supported by both state funding and DCU's own cash reserves.

BOX 2. LESSONS FROM THE DCU MERGER

Do

- Understand and address culture
- Have a clear and ambitious vision and collective buy-in by leadership of all incorporating institutions
- Communicate this vision and keep returning to it
- Develop and constantly review a plan with early deliverables
- Celebrate the milestones and achievements along the way

Don't

- Neglect communications
- Ignore change management – listen to the concerns of staff and students
- Allow silos to be built up or reinforced
- Delay – set timelines and stick to them
- Underestimate the resources required to deliver

Source: Presentation by Daire Keogh, DCU

EUA's previous research on university mergers shows that such consolidation activities are often associated with expected economic gains due to enhanced bargaining positions with public authorities, economies of scale in services provision and streamlining opportunities arising from the enlarged infrastructural stock. Yet economic gains are difficult to calculate and accurately predict and the transition and implementation costs can be higher than expected. They should therefore not be the primary driver for undertaking any kind of concentration in the higher education sector.¹⁵

15 Enora Bennetot Pruvot, Thomas Estermann and Peter Mason (2015). DEFINE Thematic Report: University Mergers in Europe. European University Association. URL: www.eua.eu/resources/publications/363:define-thematic-report-university-mergers-in-europe.html

BOX 3. MERGERS IN LITHUANIA

To optimise the country's higher education landscape, the Lithuanian government launched a reform to reduce the number of public universities in 2017. Following parliamentary approval, the reconfigured system will include three comprehensive universities and several specialist technology, health sciences and arts universities in Vilnius and Kaunas.

In Kaunas, five universities will be consolidated into two: Vytautas Magnus University (VMU), Aleksandras Stulginskis University (ASU) and Lithuanian University of Educational Sciences (LEU) will merge into one institution. The Lithuanian Sport University (LSU) is expected to become part of the Lithuanian University of Health Sciences (LSMU).

In Vilnius, Mykolas Romeris University will merge with Vilnius Gediminas Technical University and Šiauliai University with Vilnius University.

Klaipėda University will remain a comprehensive regional university with a maritime profile.

Source: Lithuanian University Rectors' Conference

2.3. NATIONAL FRAMEWORK FOR SHARED PROCUREMENT

Both the government and the higher education sector recognise that shared procurement is one of the areas where significant efficiency gains can be achieved¹⁶. Universities in Ireland have a strong tradition and track record of working together on procurement, initially via a network of university procurement professionals and more recently through the Education Procurement Service (EPS), a formal procurement consortium.

Following on from an extensive public service reform programme in 2013, the government introduced a model in which public procurement is implemented through a centralised body – the **Office of Government Procurement** (OGP), and better governance structures. Similar centralised procurement bodies exist in other countries, for example, Austria (Box 4).

BOX 4. AUSTRIAN FEDERAL PROCUREMENT AGENCY (BBG)

In 2001, the Austrian Federal Government founded the Federal Procurement Agency («Bundesbeschaffung GmbH», BBG) under the Federal Procurement Agency Act (BBGmbH-Gesetz). It was designed to provide central procurement services to federal agencies and to negotiate and provide framework contracts to public agencies.

The central aim was to reduce public procurement costs by standardising and bundling needs. This non-profit organisation offers free and mandatory services to federal agencies. Other public organisations (for example, universities, hospitals, state-owned organisations) can use BBG's contracts and services for a fee. Delivery and payment are performed directly by the supplier and requesting public body.

BBG bundles requirements to obtain better prices and terms from suppliers and standardises public purchasing so as to reduce processing costs and legal risks. It applies e-procurement solutions to ensure the consistency of framework contracts and enhance the auditability of the procurement process. In 2017, BBG reported procurement of EUR 1.43 billion in goods and services and 18% savings (EUR 310 million).

Source: The Austrian Federal Procurement Agency. URL: www.bbg.gv.at/english/about-the-fpa

16 Based on the presentation made by [Paul Quinn, CEO of the Office of Government Procurement](#).

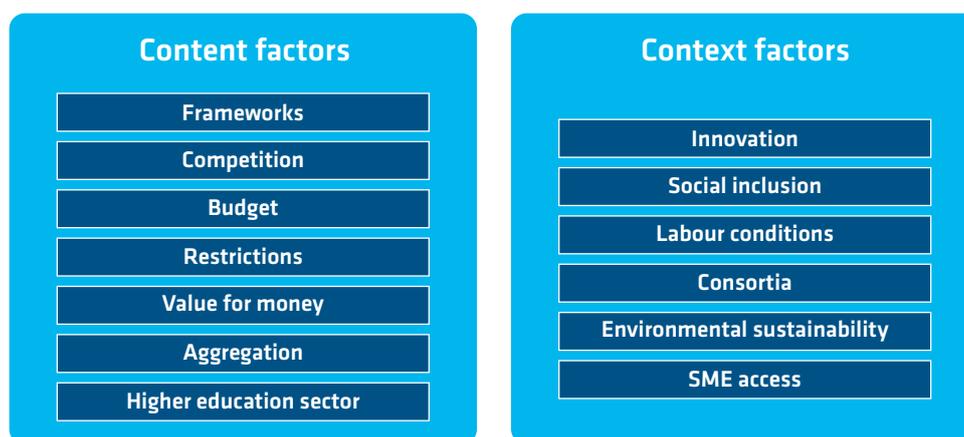
In Ireland, the procurement reform involved a more dynamic approach that goes beyond cost savings and enhances both efficiency and effectiveness based on five priorities:

- **Category management** (“Teams built around what they are buying rather than who they are serving”);
- **Centralised approach** (“Centralised buying with established offices/teams coordinating procurement”);
- **Holistic approach to policy and operations** (“A single, integrated procurement function responsible for policy, sourcing and category management of common categories and support operations”);¹⁷
- **Professionalisation** of the purchasing service;
- **Improved use of systems** and data.

The government tasked the OGP with not only implementing policy, but also delivering considerable savings, where both content and context factors had to be considered for the successful implementation of public procurement (Fig. 9). However, the Irish experience shows that several issues challenged the achievement of this ambitious target:

- The challenge of working across government departments and bodies;
- Achieving the expected level of savings - cost savings through shared services were lower than anticipated, with longer payback periods for the public sector;
- The complexity of managing public procurement in compliance with EU directives.¹⁸

Figure 9. Procurement factors



Source: Paul Quinn, Government Procurement Office

The OGP model establishes ‘sectoral hubs’ allowing certain commodities and strategically important services to lead on public sector wide procurement. In 2014 the **Education Procurement Service** (EPS) was given a mandate to act as the ‘Education Sector Hub’. The EPS centrally purchases laboratory equipment, diagnostics and research equipment, library goods, services, and agriculture and veterinary supplies on behalf of the OGP. It also represents education and training sector needs to the OGP.

Transition to the full OGP model needs time, while the full suite of frameworks covering all goods and services are built up and put in place. At present, all universities in Ireland use OGP or EPS frameworks in a range of areas, especially ICT and energy. At the end of 2015, the EPS had contributed to achieving public sector procurement savings estimated as having a value of EUR 160 million.

17 Irish Management Institute. Case study on the Office of Government Procurement (OGP). July 2017. URL: www.per.gov.ie/wp-content/uploads/OGP-FINAL-26-Sep-2017.pdf

18 Ibid.

3. Sector-level activities in efficiency and effectiveness

Since the financial crisis, the Irish public sector and Irish universities were forced to deliver more with less. This led to a particular focus on efficiency and effectiveness. Universities had to apply a wide range of **immediate efficiency and cost saving measures**. Some of these were imposed externally by central government, while universities themselves implemented others either collaboratively or individually. For example, such measures included changes to travel and subsistence arrangements, energy efficiency, restrictions on overtime or the use of casual staff. National staffing agreements were restructured into public service agreements, resulting in an enhanced voluntary redundancy scheme for non-permanent staff, revised academic contracts and wage reductions among other things.¹⁹

While these measures helped achieve some short-term gains, they also produced long-lasting side effects. They have particularly exposed the tension between efficiency and effectiveness, raising concerns about the quality and competitiveness of institutions reflected in their ability to retain highly qualified staff and to pursue innovation.

Nevertheless, the sector's response to these challenges has been flexible and resilient – universities have made considerable efforts to continue delivering quality education and research to an expanding number of students and range of stakeholders. The sector has also sought to “enhance and develop new ways of working and organising itself, and it is actively engaged in a significant programme of reform”.²⁰

3.1. EFFICIENCY IN OPERATIONAL MATTERS: SHARED SERVICES AND COLLABORATION

One of the most impactful activities Irish universities have pursued to achieve both efficiency and effectiveness was **collaboration**, which has scaled-up particularly in the challenging operating environment of the last decade.

The university sector in Ireland has a long tradition of collaborative operations. Universities and senior staff networked informally, discussing common issues, sharing information and experiences with colleagues for many years. In 1997, this collaboration was formalised to some extent with the establishment of the **Irish Universities Association** (IUA) (then known as the Conference of the Heads of Irish Universities).²¹

The IUA is the forum where universities work to develop and influence policy and planning at national level. It is also where they share experience and disseminate good practice across the sector through a network of standing committees and working groups. The IUA runs a wide range of sectoral projects to reduce duplication and costs.

The sector has a strong track record on collaborative procurement in a wide range of areas as well as a long history of developing shared services. Such openness to collaboration and such a track record of successful delivery proved invaluable during the economic crisis and helped the sector respond to its severe financial challenges more nimbly and effectively than might otherwise have been the case.

The universities' most recent activities in these fields are guided by the government's Education and Training Sector Shared Services Plan 2017-2020, which outlines the following priorities for shared services in the higher education sector:

- **Transactional shared services** (finance, payroll and pension services);
- **Shared service operations** development (management and governance, ICT infrastructure and solutions);
- **Shared procurement** development (procurement through OGP and EPS);
- **Centres of Excellence** (shared facilities or institutional networks that provide leadership, best practices, research, support or training in a focus area, for example, technology, business concept, legal support, quality assurance or a broad area of study);

¹⁹ Based on the [presentation made by Ned Costello, former CEO, Irish Universities Association](#).

²⁰ Discussion Paper for Stakeholder Consultation. Optimising Resources in Irish Higher Education (2015). Expert Group on Future Funding for Higher Education. URL: www.education.ie/en/The-Education-System/Higher-Education/Higher-Education-Optimising-Resources-in-Irish-Higher-Education-Discussion-Paper-2-.pdf

²¹ URL: www.iua.ie

- **Alternative models of service delivery** (for example, public private partnership arrangements for higher education infrastructure design, construction and maintenance; education and training courses).²²

Several examples of Irish universities sharing services in these fields are described below.

3.1.1. ICT and e-infrastructure shared services

HEAnet is Ireland's National Education and Research Network. Originally a university initiative to provide national and international network services for the sector, HEAnet was established as a limited company, owned and managed by its members, in 1997.

BOX 5. IRISH RESEARCH E-LIBRARY

The Irish Research e-Library is an electronic research library established by universities in 2008. It procures and provides access to online research publications, journals, databases, indexes, e-books, etc.

Source: www.irel.ie

Over time, the company's range of services expanded to include effectively applying ICT to share resources and exploit economies of scale. Recent developments include software licence procurement, the development of video conferencing, video streaming and related multimedia services, complete integration of University and IoT network services, Edugate, the Irish Education Identity Federation,²³ provision of 24/7 service and monitoring, 100Mbps post-primary broadband roll-out, and the Edustorage cloud storage service.

HEAnet's service delivery approach was evaluated as the optimum strategy for providing ICT and e-infrastructure services to the education and research sector in Ireland. Further consolidation of shared services in the field of ICT has been achieved with the establishment of EduCampus,²⁴ supporting the delivery of shared services while providing investment for upgrading ICT systems across the IoT sector.

BOX 6. WALES HIGHER EDUCATION LIBRARIES FORUM

In 2016, eleven institutions of the Wales Higher Education Libraries Forum (WHELFL) launched a common library management system (LMS) and discovery interface, Ex Libris's Alma and Primo applications. The initiative was supported by a Joint Information Systems Committee (Jisc) feasibility study, which anticipated benefits from pursuing the procurement, implementation and operation of a single LMS.

WHELFL achieved lower supplier costs by ca. £76,000 in 2015/16 and £150,000 in 2016/17, compared to the estimated purchasing costs. Core subscription costs are also expected to drop from operating as a consortium. By sharing one procurement office, cost savings of ca. £55,000 were achieved through procuring as a consortium, compared to predicted costs.

Source: [Cambridge Econometrics](#) (2017), Evaluating the benefits of the WHELFL consortial approach to a library management system (LMS).

²² Department of Education and Skills (2017). Education and Training Sector Shared Services Plan 2017-2020. URL: www.education.ie/en/The-Department/Public-Service-Reform/Education-and-Training-Sector-Shared-Services-Plan-2017-2020.pdf

²³ URL: www.edugate.ie

²⁴ EduCampus, formerly known as An Chéim, is a subsidiary company of HEANet, and acts as a shared services ICT provider to the IoT sector. Its current portfolio includes HR/payroll and financial management solutions, student information systems, student credentials solution and library management system.

3.1.2. Knowledge transfer

Since 2013, the sector has successfully shared **research commercialisation** resources and expertise through Knowledge Transfer Ireland (KTI).²⁵

“Knowledge Transfer is the means through which industry can access and share skills, knowledge, intellectual property, technologies and other resources with universities, institutes of technology and other publicly funded research institutes.”

Alison Campbell, Director, Knowledge Transfer Ireland

KTI is Ireland’s benchmark for business-research partnerships and commercialisation with the research base. KTI was formed to ensure the commercialisation of intellectual property from publicly funded research, maximise economic and societal benefits and returns, make engagement with publicly funded research attractive to industry, and provide an innovation ecosystem that creates economic and societal benefits for Ireland.

The launch of the central KTI office resulted in considerable efficiency gains. For example, it encouraged collaboration between technology transfer offices, simplified and accelerated knowledge transfer through central resources, and provided a single platform for industry and state agencies as well as expert support for stakeholders.

Figure 10. Responsibilities of Knowledge Transfer Ireland



Source: Alison Campbell, Director, Knowledge Transfer Ireland

3.1.3. Finance system leading higher education practice development

Irish universities actively collaborate to promote peer learning and develop leading practice and common standards in their finance systems. University Finance Directors developed a comprehensive plan under the Education and Training Sector Shared Services Plan, which includes:

- A review of leading practice across the full range of finance sub-activities;
- Workshops to share leading practice;
- Piloting procurement to pay initiatives for marketplace portals, e-invoicing and invoice capturing technologies;
- A review of all planned finance system/process developments across universities.

Such collaboration has resulted in the development of a **Full Economic Cost** (FEC) model allocating all costs to the primary activities of the university. This process was driven by universities via the IUA and supported through the HEA.

²⁵ Based on the [presentation made by Alison Campbell, Director, Knowledge Transfer Ireland.](#)

BOX 7. BRITISH UNIVERSITIES FINANCE DIRECTORS GROUP

The British Universities Finance Directors Group (BUFDG) represents higher education finance staff in the UK. Its members include the Directors of Finance and Chief Financial Officers of almost all UK higher education institutions. Its work supports over 6,000 higher education employees in over 170 universities.

BUFDG works closely with other sector representations and organisations to provide, analyse and disseminate information, advice and support across the higher education finance sector and help institutions enhance their finance capabilities.

Source: www.bufdg.ac.uk/

The FEC model has been embedded at universities in Ireland and is consistently applied across the seven Irish universities. Its application has promoted the effective planning and management of university activities based on a greater cost awareness and transparency. It also benefits teaching, research and students by identifying funding requirements and has placed Irish universities on par with top international universities with equivalent systems. The model is continually improved to address any issues that emerge.²⁶

BOX 8. NORWEGIAN TDI COST ACCOUNTING MODEL

The TDI full costing methodology is a Norwegian model designed to ensure that full costs of all externally funded research project activities are properly identified. It is based on the idea that the Time spent by academic staff is the primary driver of both Direct and Indirect costs (TDI). It was developed by the higher education sector for Norwegian Research Council grant applications. The TDI model is mandatory for all higher education institutions engaged in externally funded research in Norway and promotes:

- More accurate financing of actual research project costs
- Improved resource management
- Better oversight of research project resources
- Simplified project finance monitoring

Source: European University Association (2018). Accepting University Accounting Practices under Horizon Europe. A Compendium of National and Institutional Cases.

3.1.4. HR efficiency related initiatives

In Ireland, the higher education sector has worked to develop a common framework for **academic workload allocation** (AWA) models, which has been applied at nearly all universities as part of the Croke Park public sector agreement.²⁷ AWA models promote efficient and sustainable resource use through improved opportunities for cost management and frontline management of academic staff. They also provide stakeholders with evidence that the academic workload is operated at maximum efficiency.²⁸

²⁶ Thomas Estermann and Valentina Lisi (2018). Accepting University Accounting Practices under Horizon Europe. A Compendium of National and Institutional Cases. European University Association, URL: <https://eua.eu/resources/publications/750:accepting-university-accounting-practices-under-horizon-europe-a-compendium-of-national-and-institutional-cases.html>

²⁷ The Public Service or “Croke Park” Agreement is a commitment by public servants and their managers to work together to change the way in which public service does its business so that both its cost and employee numbers can fall significantly, while continuing to meet need and improve service user experience. URL: www.per.gov.ie/en/croke-park-agreement

²⁸ Higher Education Authority (2014). Review of workload allocation models in Irish Higher Education Institutions URL: <http://hea.ie/assets/uploads/2017/06/Review-Of-Workload-Allocation-Models-in-Irish-Higher-Education-Institutions.pdf>

Workload management is designed to foster an institutional environment that supports the fair and transparent allocation of the workload along with staff investment and development. AWA models provide an important management information tool:

- Enabling appropriate internal and external reporting on academic activities and the overall academic staff workload;
- Facilitating equal workload distribution;
- Providing a formal mechanism for interactions between staff and managers.

Irish universities delegate workload management. Individual academic units develop models that use the best approaches, weightings and metrics for their disciplines. Academic staff provide information about their academic activities and this information is then used to agree their workload for the following year, as part of a consultation between the individual concerned and the head of the academic unit.

Irish universities are also exploring **sharing HR/payroll services** as part of a Ministry of Education initiative. A 2014-2015 high-level feasibility study established that a transactional shared services solution was optimal for higher education sector HR/payroll processing. The same study therefore also recommended co-locating higher education payroll-processing services.²⁹ The sector is currently working on the detailed analysis and design required to ensure the operating model will meet its needs.

3.2. Efficiency and effectiveness in academic matters

Irish higher education institutions work actively together to increase educational efficiency and effectiveness. This has been crucial in the light of significant changes to both student enrolments and funding.

BOX 9. NAWI GRAZ

In 2004, the Technical University of Graz and the University of Graz established a strategic partnership for natural sciences (NAWI Graz). As part of this collaboration, the partners developed six joint Bachelor's and 15 Master's (including seven English-language) programmes in Bioscience, Chemistry, Earth, Space and Environmental Sciences, Mathematics and Physics, that enrolled around 5,500 students. NAWI Graz curricula are developed by an inter-university committee and approved by the senates of both universities. The universities agree how to divide teaching for each programme between them. NAWI Graz students are enrolled at the university of their choice and automatically co-enrolled at the partner university. They receive training at both universities and can choose supervisors from either university.

Source: www.nawigraz.at

In line with national higher education access priorities, the sector has pursued a series of recent, successful initiatives, such as the introduction of central applications and admissions processes for student access, a national survey of student engagement, and the joint enhancement of teaching and learning practices through the systematic and systemic exchange of best practices and shared support schemes.

As many higher education systems are actively seeking innovative approaches to research-led teaching and learning, programme design, student assessment and a quality assurance system to foster efficiency in the academic context, the experiences described in this section provide strong evidence and new ideas for more effective and efficient management of teaching and learning processes.

It reviews reform efforts to improve student admission schemes in Ireland. While this measure is based on the use of shared services and infrastructure and, therefore, has a strong operational dimension, it is still considered

²⁹ Department of Education and Skills (2017). Education and Training Sector Shared Services Plan 2017-2020. URL: www.education.ie/en/The-Department/Public-Service-Reform/Education-and-Training-Sector-Shared-Services-Plan-2017-2020.pdf

an academic issue considering the strong impact on teaching and learning and strong connection to related national priorities.

3.2.1. Student application and admission services

Irish higher education institutions have successfully applied and extended the shared service approach to application services for both undergraduate and postgraduate students through the [Central Applications Office](#).³⁰

Created as a private company in 1976, the CAO is responsible for overseeing and processing all Irish and EU **undergraduate applications** to Irish higher education institutions. Its primary mission is to centrally process applications in a fair, transparent and efficient manner. There are now 45 higher education institutions in the CAO system, which caters to 77,000 applicants for 1,380 courses.

The CAO is entirely financed by application fees and does not rely on state support. Higher education institutions retain full control over their admission policies and decisions, while delegating certain routine assessment functions to the CAO. This system is based on the transparent, equal treatment of applicants and participating higher education institutions and has resulted in considerable economies and efficiencies in filling course places (Fig. 11).

A similar, shared system, the Postgraduate Applications Centre, has been implemented to support graduate applications to Irish higher education institutions in some disciplines.³¹

3.2.2. Access schemes

One of Ireland's national higher education priorities is an excellent and accessible higher education system open to a wide range of potential students throughout their lives.³² In order to respond to this priority in the most efficient and effective way, Irish higher education institutions have worked together to develop and roll out the reform and extension of third-level **access schemes for students from disadvantaged socio-economic backgrounds and for students with a disability**.

The initiative was supported by government funding and managed by the IUA. It aimed to improve on previous schemes, foster effectiveness and impact, and increase administrative and delivery efficiencies for both students and institutions.

The Higher Education Access Route (HEAR) for school leavers from disadvantaged socio-economic backgrounds was extended from 305 to all 730 secondary schools in Ireland, while the Disability Access Route to Education (DARE) is now based on transparent assessment criteria and has a streamlined and student-friendly application process.

The full integration of both these schemes into the online CAO application process was a key reform element. A dedicated website³³ was developed to provide full details of the schemes and assist student applications, and full communications campaigns have been rolled out in schools to reach target groups.

30 Based on the [presentation made by Lewis Purser, Director Academic Affairs, Irish Universities Association](#).

31 Postgraduate Applications Center (PAC), URL: www.pac.i

32 Higher Education Authority (2011). National Strategy for Higher Education to 2030. Report of the Strategy Group. URL: <http://hea.ie/assets/uploads/2017/06/National-Strategy-for-Higher-Education-2030.pdf>

33 www.accesscollege.ie

Figure 11. Evolution of application services in Ireland

Pre-2009	Post-2009
<p>Each university had its own separate parallel schemes:</p> <ul style="list-style-type: none"> Work-intensive manual process for students and HEIs Multiple staff in each HEI involved Stagnating numbers of local applicants due to splintered approaches Increasing risk due to possible local weaknesses 	<p>Shared service approach:</p> <ul style="list-style-type: none"> Robust shared criteria and processes Greater visibility for students and schools Larger numbers of applicants & admissions Most work undertaken by CAO and IUA Decreased risk Focus on outreach and post-entry support

Source: Lewis Purser, Irish Universities Association

3.2.3. Enhancing teaching and learning

Enhancing teaching and learning in a collaborative way provides an opportunity for better resource use and improved student experience. The Irish sector has achieved significant progress in the field of enhanced teaching and learning through the [National Forum for the Enhancement of Teaching and Learning](#) in Higher Education. The National Forum aims to enhance the quality of the learning experience for all students by bringing together all of those involved in shaping third-level teaching and learning in Ireland to support and develop excellent practices.³⁴

Announced in November 2012, the National Forum is the **key system-level infrastructure for the enhancement of teaching and learning** in Irish higher education, and for the implementation of the recommendations of the National Strategy for Higher Education to 2030 in this area. Creation of the Forum was driven by a greater understanding of the importance of academic leadership and professional development for teaching and learning, the need to bring excellent practice together and to ‘foster innovation while avoiding duplication’, as well as digital opportunities and challenges and so on.

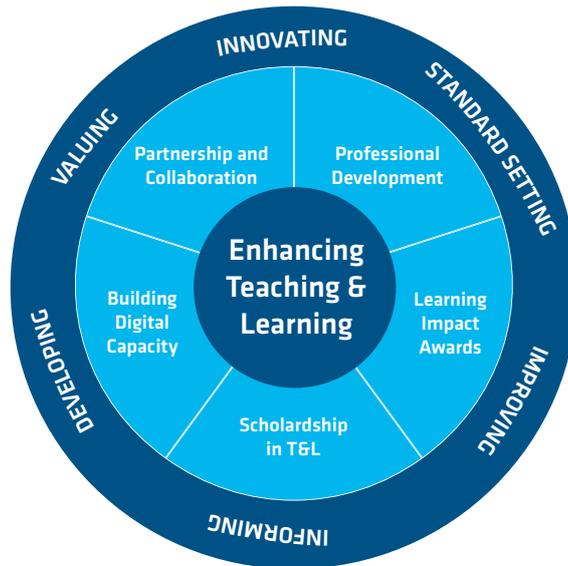
The National Forum builds on the key online teaching and research resources that have been developed in recent years, as well as the collegial spirit behind them, through the establishment of a national digital platform for teaching and learning resources and research outputs.

The National Forum has achieved several important results in its first phase of operations. First, the flexible, adaptive and relevant National Professional Development Framework was collaboratively designed and tested along with the first digital skills framework and the first multidimensional national award system.

It has also allowed the sector to develop Ireland’s first teaching and learning enhancement themes, to establish routes for the certified development of targeted teaching skills (for example, the use of ‘digital badges’), to create specialist digital resources to transform teaching, to establish a network for communication, consultation and dissemination, and to mobilise and engage students around teaching and learning enhancement.

³⁴ Based on the presentation of [Sarah Moore, Chairperson, National Forum for the Enhancement of Teaching and Learning](#).

Figure 12. Ways to enhance teaching and learning



Source: Sarah Moore, National Forum for the Enhancement of Teaching and Learning

One of the most important efficiencies achieved in this field includes the scaling of institutions' scattered efforts to improve teaching, which were often based on expensive pilots that disproportionately benefitted small groups of students. In terms of effectiveness, the Forum helped explore and tabulate the complex impact of teaching, including its economic value, and helped demonstrate its value to society at national level.

3.2.4. Student engagement

The shared procurement of a student-survey instrument can generate significant gains at both institutional and national levels, feeding into broader Quality Assurance and student-feedback processes. It provides value for institutions that lack a student survey mechanism and offers a more streamlined and integrated system for those that have made more progress in this area.

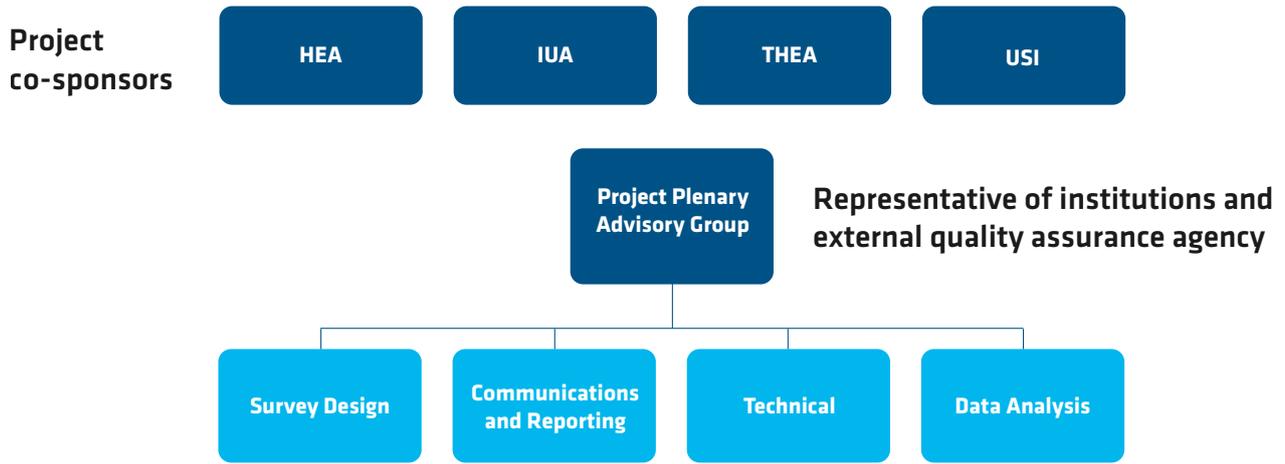
The [Irish Survey of Student Engagement](#) (ISSE) was developed in response to the National Strategy for Higher Education to 2030 recommendation to establish a comprehensive and anonymous **student-feedback system** coupled with structures to ensure that students' concerns are promptly addressed.

The ISSE is an online survey of first- and final-year undergraduates and taught postgraduate students that collects information on student engagement. Based on the Australasian Survey of Student Engagement (AUSSE), the ISSE was piloted in 2013 with the participation of over 12,700 students and 26 higher education institutions. It is the first national survey of student engagement in Ireland and the first system-wide survey of its kind in Europe.

Students are asked about their experience in areas including academic challenge, active learning, student-staff interactions, and work-integrated learning, as well as their learning outcomes, career-readiness, and overall satisfaction.

The results of the survey, which now takes place annually and achieves average response rates of over 25%, inform institutional and programme management, as well as national policy-making and quality assurance processes.

Figure 13. ISSE project co-sponsors



Source: Lewis Purser, Irish Universities Association

4. Institutional efficiency and effectiveness initiatives

Individual institutions have pursued various strategic initiatives to promote their efficiency and effectiveness priorities and structure related activities internally. The following section describes three examples of good practices pursued in Ireland and two other countries (Great Britain and Poland) as an illustration of these efforts.

BOX 10. UNIVERSITY COLLEGE DUBLIN'S AGILE APPROACH TO EFFICIENCY AND EFFECTIVENESS

In 2015 University College Dublin (UCD) introduced a university-wide initiative to support its strategic objective of increasing the agility and effectiveness of university procedures. UCD Agile was created as a dedicated unit which delivers both the theory and good practice for increasing efficiency and effectiveness. It uses Lean methodology to focus on customers and value, and to ensure customer-focused and effective processes and systems. As part of this 'culture shift', the University is developing a '[community of practice](#)' model to support its process enhancement community.

Over 400 staff have been through training, including over 20 'green belt' project. The following are two concrete examples that showcase the initiative's initial successes:

Enhancing staff recruitment

- 1000 campaigns a year, 17,000+ applicants, 300+ 'hiring managers'
- Goals: reduce timelines, streamline processes, save resources, improve customer satisfaction
- Outcome: deep analysis, process simplified, 500 support hours saved, customer satisfaction increased

Module reading lists – Library resources

- 4,000+ active modules, 800+ academics, all students
- Goals: increase academic engagement, simplify the process, improve value for students
- Outcome: 50% increase in engagement, simplified process, more flexible timelines, improved academic staff engagement, more efficient library response, more effective resource provision for students

Source: Presentation by Michael Sinnott, Director of UCD Agile, Ireland

BOX 11. THE UNIVERSITY OF SOCIAL SCIENCES AND HUMANITIES EFFICIENCY PROGRAMME

The University of Social Sciences and Humanities (SWPS) in Warsaw focused on three key areas for increasing efficiency:

Governance: SWPS introduced a system that balances university decision-making and academic autonomy by introducing the figure of a 'Founder'. This position directly appoints the Rector and Director-General and controls strategic financial decisions, leaving the Senate to retain control of key academic decisions.

Management: Faculties are managed like 'business units' and assigned with enrolment, revenue and profit margin targets to increase efficiency and the student-centred approach. These targets are negotiated with deans who are responsible for the quality of the programmes and cost of delivery as well as for research outcomes. Deans have managerial autonomy within agreed targets and general procedures (especially regarding HR rules for recruitment, evaluation and remuneration).

Finance & IT systems: IT supports planning and analysis with appropriate data management systems, increased process efficiency and, increasingly importantly, by enhancing staff and student user experience through proper system design.

Some of the lessons learned show that a business-like attitude to faculty management is not at odds with academic values, as long as it is recognised that universities are not-for-profit organisations and that any profits generated by operations are invested in developing the institution. Given the costs structure, any efficiency initiatives need to start with efficient programme delivery and employment. Universities need to develop good metrics for the teaching time invested in delivering defined learning outcomes along with reliable data for their calculation, which are more feasible than the objective method of setting targets and measuring research outcomes.

Source: University of Social Sciences and Humanities, Poland

BOX 12. IMPROVING PROFESSIONAL SERVICES AT CARDIFF UNIVERSITY

The Planning and Intelligence team at Cardiff University has collected data about the distribution of all university support services as part of a review of professional services under a comprehensive activity framework since 2016. The team uses the UniForum benchmarking service, which applies a well-tested methodology to capture data. UniForum helps the University to improve the efficiency and effectiveness of its professional services. The UniForum professional services benchmarking methodology combines:

- University HR system inputs to profile support service staffing;
- Administrative staff activity data that provides details about service resourcing;
- Financial data for outsourced services;
- Key operations metrics to understand key demand drivers and contextual measures;
- A Service Effectiveness Survey that provides feedback about key support services: facilities management, finance, human resources, information technology, marketing and student recruitment, procurement, research support and student and teaching support.

The project has enabled collaboration with several other universities to benchmark the organisation of professional services to support teaching and research. It also helped the team share best practice and identify where it needs to invest in and structure the University's professional services.

Source: Cardiff University, UK

Conclusions

Decreasing public funding for universities in many countries across Europe has brought efficiency to the forefront of the higher education agenda. Like other public bodies, universities are expected to contribute to budget savings and demonstrate significant efficiency gains. Irish higher education institutions have implemented many such initiatives, both with government support and on their own. Several important conclusions can be drawn from the examples of their efficiency and effectiveness activities.

1. UNIVERSITY EFFICIENCY AND EFFECTIVENESS DEPEND ON THEIR AUTONOMY, GOVERNANCE AND FUNDING CONTEXT

Taking stock of the results achieved by the Irish higher education sector reconfirms the fundamental importance of the enabling framework conditions for institutional **autonomy**, **governance** and **funding** when it comes to the universities' ability to deliver national and institutional efficiency and effectiveness priorities and targets.

Recent financial pressures on the Irish higher education system had a negative impact on some elements of institutional autonomy, particularly staffing autonomy. This in turn strongly affected higher education institutions' ability to attract and retain the highly qualified staff crucial for ensuring quality research, teaching and learning.³⁵

Institutions need to deliver a balanced budget but should have autonomy over their staffing to allow them to deliver their strategy and respond to new social and economic demands. Giving institutions the autonomy allows them to react much more effectively to challenges in the external operating environment and to manage their resources in a more strategic and effective manner.

2. IMPLEMENTING EFFICIENCY AND EFFECTIVENESS IN HIGHER EDUCATION REQUIRES LONG-TERM VISION

Funders' efficiency expectations and related institutional efforts should both distinguish between **immediate savings** and **long-term efficiency and effectiveness** gains, as short-term efficiency gains may undermine the university effectiveness in the longer term.

There is no doubt that the financial crisis was a significant factor driving the efficiency agenda in Ireland, which resulted in particular focus on short-term cost saving measures. It is important to recognise that in many cases, investment may be required in the short-term to deliver longer term savings and efficiencies. The Irish experience suggests that the most effective measures for the long term were generally those that responded to a strategic need, rather than those that were a centrally imposed cost saving measure.

Efficiency and effectiveness measures require a regular qualitative and quantitative evaluation of the outcomes accompanied by a comprehensive review of lessons learned to support the search for what does and does not work in the higher education context.

While it remains challenging to assess the impact of efficiency actions fully, considering their complex and potentially long-term effects, it is important to prioritise more sustainable measures through continuous change management and a long-standing commitment to efficiency as an institutional value.

It is crucial to mitigate risk in cases where short-term savings could undermine universities' ability to pursue their mission and respond to economic and social needs in the long term - apparent financial gains may be detrimental to the quality of core activities. In this respect, strategic dialogue between national stakeholders has been helpful in discussing such issues and taking corrective actions in Ireland. As a result, some less successful government-sponsored initiatives were readjusted following engagement with the institutions.

³⁵ While universities in Ireland are theoretically free to hire and promote senior academic and administrative staff, the moratorium set as part of the Employment Control Framework continues to apply. Universities have reduced capacity to decide on salaries and dismissals since the government and trade unions established collective agreements. For more details, see the EUA Autonomy Scorecard, URL: www.university-autonomy.eu/countries/ireland/

3. ENHANCED SECTOR-LEVEL COLLABORATION CAN FOSTER EFFICIENCY AND EFFECTIVENESS AT ALL LEVELS AND IN ALL SETTINGS

In the challenging financial context, **collaboration** and **shared services, infrastructure and expertise** are extremely important and can be pursued in all higher education settings. Cooperation can generate significant benefits for everyone involved when driven by a shared interest. At the same time, sector-wide collaboration can only be effective when the money and energy required to change processes are in place.

4. A CLEAR VISION, LEADERSHIP AND THE ENGAGEMENT OF ALL ACTORS ARE CRUCIAL TO MAKING EFFICIENCY AND EFFECTIVENESS AN INTEGRAL PART OF CONTINUOUS CHANGE MANAGEMENT AND INSTITUTIONAL CULTURE

Leadership is essential at all stages and all levels. Leaders who act as efficiency and effectiveness role models can be critical to the development of an effective institutional efficiency culture that rewards individual performance and achievement. Leaders are responsible for developing a clear and overarching vision of how to make efficiency and effectiveness part of institutional ethos and for embedding this as part of a continuous change process. Such long-term vision may help institutions act pre-emptively and evolve by adapting smoothly to internal and external conditions.

Recommendations for policy makers and institutions

- Policy makers should consider making financial, organisational and staffing autonomy regulations more flexible for higher education institutions. Improved financial and staffing autonomy allows institutions to pursue new sources of income, to optimise their management models and to react and respond to changes in the internal and external environment in a more nimble and more responsive manner.
- Policy makers should provide balanced funding that incentivises efficiency at all levels (institution, sector and system) and that supports effectiveness, to allow universities to invest in the continuous qualitative improvement of all higher education processes for the long term.
- Policy makers should ensure that higher education institutions account for and report on the efficient and effective use of public resources as part of the higher education accountability or governance framework.
- Additional funding and incentives should be made available for the development and implementation of dedicated efficiency and effectiveness programmes to establish the required technical capacity and infrastructure.
- University leaders should develop a shared, long-term vision for efficiency, effectiveness and value for money based on mutually beneficial and economically viable inter-institutional cooperations promoting shared services and shared assets, as well as peer learning and the exchange of good practices.
- University leaders should develop a culture of continuous improvement and efficiency at all levels of their institutions and recognise and reward effective measures or initiatives identified and implemented by staff.
- Universities should pursue a comprehensive approach to efficiency and effectiveness and explore all opportunities in the educational, operational, research and strategic governance settings.
- Universities should assess both the immediate gains and long-term effects of efficiency measures thoroughly and adopt sustainable measures that support continuous change and promote a long-standing commitment to efficiency as an institutional value.

Appendices

Resources

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