

Conferences

Recent trends in higher education assessment systems in Europe

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ALBERTO AMARAL

INTRODUCTION

This introduction outlines the reasoning behind our presentation. Recent decades have witnessed the emergence of neo-liberal policies that have led many governments to use the market as an instrument for public policy. The idea was essentially to use higher education markets (or quasi-markets) to create competition among higher education institutions in order to enhance their efficiency and their focus to respond to society's needs. However, for the institutions to compete in a market they have to have some autonomy. The problem is that independent institutions competing in a market may pursue strategies that diverge from the public good and/or the objectives of the government.

For this reason, despite the neo-liberal and non-interventionist rhetoric of the State, suggesting that the regulation should be left to the market, governments have designed a set of instruments to force institutions to behave in accordance with the goals of governmental policies. Among these instruments were, for example, the financing contracts based on performance and the assessment systems. What is discussed below is the use of the assessment as a compliance instrument.

The OECD recently presented the results of a research project in Lisbon¹ that consisted of the comparative analysis of the higher education systems in 24 countries, drawing attention to the policy initiatives of the participating countries with a view to suggesting a set of principles to guide the development of higher education policy, identifying priorities and proposing directions for this development. The OECD is today, in tandem with the World Bank, an organisation that advocates and defends a neo-liberal vision of education policies, promoting market mechanisms and an orthodox vision of capitalism. We will also show that the concerns and recommendations of the OECD entirely confirm the

analysis we made of the use of the assessment systems as tools of regulation for higher education systems through the growing emphasis on accountability.

THE TRANSFORMATIONS OF THE UNIVERSITIES

The medieval University is presented as an example of a community of professors and students, proud of their autonomy. However, their management models were very wide-ranging. At one extreme, Cambridge and Oxford Universities were completely autonomous institutions, which were generously sustained by public and private donations and were owned by the academic communities that governed them, protected from the market through their richness and with little intervention from the students. At the other extreme was Bologna University, an institution governed and paid for by the students, who contracted the professors who could be fined and even sacked if the quality of teaching was unsatisfactory.

The idea that the medieval institution was autonomous is more romantic than real, given that this autonomy was often breached over the years, either by the Church or by the Prince. The autonomy was violently attacked by the Church in the aspect that is most sacred to it — scientific freedom and the search for the truth. One need only recall the activities of the Inquisition, and, for example, the process against Galileo. But it was not only the Roman Papacy that interfered. Also in the US, the original “American colleges”, which would become the great private universities such as Harvard or Yale, were founded in connection with the variants of Protestantism and a very tight sectarian control. The interference of the Prince was also noted, overpowering or replacing the authority of the Pope. For example, it is well known that the Portuguese king John II made strenuous efforts

to ensure his chosen ones were favoured in the selection processes for university professors.

The Modern University dates back to the 19th century and its best model is Berlin University, designed by Humboldt. Humboldt's idea of University is based on giving utmost predominance to reasoning, knowledge and its institutionalisation, free from tutelage from the Church or external social or economic pressures. Humboldt's model still today corresponds to the concept of an authentic University in the minds of many academics, where teaching and research are inseparably linked and where individual academic freedom is protected. But Humboldt's concept of academic freedom is completely at odds with the idea of control, implicit in the assessment or accreditation processes — quality control was the State's responsibility, which had to nominate the professors and attribute the indispensable financial and material resources, whereby any interference in academic freedom was strictly unacceptable, even in the form of assessment by peers.

In contrast to the medieval model, the State in relation to the modern University has to accept the duty to protect academic freedom against undesirable external influences, as the only way to safeguard the university's mission of searching for the truth for the sole sake of the truth. Defending academic freedom and safeguarding intellectual freedom in teaching and in research in relation to the infringements and incursions of politics has been a recurring theme right up until today. One need only look at the *Magna Carta* of the Universities, signed in Bologna on the celebration of the 9th centenary of that university. At the end of the 1940s, the Swede Myrdal made a strong public appeal in favour of the protection of academic freedom to research with the single aim of searching for the truth, without interference of immediate utilitarian interests. More recently, Frank Newman (2000) considered this role of State protector as justified to ensure the university remained a free and open forum of debate of ideas, where the academics could research into critical topics concerning society. This role of protector in relation to the exterior was justified because it was believed that the danger to academic freedom came from outside.

During the period that Peter Scott (1995) called the “secondary Welfare State” and which corresponded to a mobilisation of political, social and educational institutions to promote democracy and to encourage social mobility (and which occurred essentially from the 1950s to the 1970s), the fundamental role played by universities consisted of satisfying growing social expectations (even if resorting to massification), and only at a secondary level were they responsible for catering for the demands of specialised labour.

In the last two decades, as a consequence of the globalisation of the economies and the transformation of

knowledge into an essential factor of economic competitiveness, allied to the emergence of neo-liberalism with its devaluing of the social in favour of the economic, there was an alteration of the socio-economic functions of the University. What happened was a change in the balance of the social and economic functions of the University, in favour of the latter, which had a huge influence on the university government models.

The State now wants to force universities to be “relevant”, to increase their sensibility to the outside world, to establish connections to the business fabric, insofar as this leads to a reinforcement of the economic function of the University. Today the State, instead of protecting the academic freedom from external interferences and influences, takes measures, if necessary through legal channels, to guarantee interference from the exterior, in order to make the University functional.

Today, the traditional form of participatory government of university governance is being fiercely criticised. It is being considered alternately or simultaneously inefficient, corporative, insensitive to the society's needs and unable to reverse the diminishing quality of the teaching and research.

University governance is being invaded by new concepts and management attitudes in many countries, in association with the new neo-liberal creed. In Portugal there is no businessman who does not like to have his tuppence worth, accompanied by a chorus of ex-ministers of education who express their regret at not promoting the professionalization of the management of the institutions when they were in power. This phenomenon has been the subject of abundant research projects, and has been labelled “new managerialism”. As Boaventura de Sousa Santos (1996, pp. 188-189) points out:

(...) in contemporary society, the archetypal social product quantitatively defined is the industrial product. Economicism consists of designing the university product as an industrial product, albeit of a special kind, and consequently designing the university as a business organisation.

and Philip Altbach considers:

Worldwide, the traditional control of the central elements of the university by the faculty is being diminished. In the name of efficiency and accountability, business practices imported from corporate sector are coming to dominate the universities. Governance, the traditional term used to describe the uniquely participatory way that universities work, is being replaced by management (Altbach, 2000, p. 10).

THE NEW PUBLIC MANAGEMENT AND UTILISATION OF MARKETS AS PUBLIC POLICY TOOLS

In recent decades, led by the English speaking world, there has been a profound change in the way the State relates to the public sector as a consequence of the appearance of neo-liberal policies that have made New Public Management (NPM) popular, along with the use of markets as instruments of public policy (Dill *et al.*, 2004). The governments view the use of markets as a way of establishing competition between the public services in order to reform their traditional sclerotic behaviour and increase their efficiency (Ball, 1998). The Bologna declaration itself can be viewed as “transforming what have been state monopolies in academic degrees into competitive international markets” (Dill *et al.*, 2004, p. 330).

According to Maurice Kogan, management “includes the definition of goals and the attribution of resources and means of work to pursue them” (Kogan, 2004, p. 2), whereas managerialism describes the situation in which “management becomes an end in itself, shifting the fundamental values and goals” of the institution (2004, p. 2). Kogan believes managerialism does not necessarily include the characteristics of intervention of market behaviours and decentralisation of management that characterises NPM (2004, p. 3).

NPM OR “NEW MANAGERIALISM”

According to Clarke and Newman, NPM or “new managerialism” intends to boost the economy, efficiency and efficacy (the famous 3Es of Margaret Thatcher) of public services by applying management techniques imported from the private sector (1997). In Rosemary Deem’s opinion the new managerialism is simultaneously an “ideology” and a group of management practices and techniques applied to the public sector:

Those promoting new managerial discourses, whether politicians, management gurus or managers themselves, frequently claim that the ideas of “new managerialism” are purely based on an objective search for efficiency, effectiveness and excellence, with assumptions about continuous improvement of organisations often a further underlying theme (Deem, 2001, p. 10).

NPM encourages the invasion of the traditional concept of government, based on academic values and collegiality, with management concepts and attitudes imported from the private sector. Mary Henkel (2007) believes that the emergence of the NPM corresponds to the incorporation of market values and mechanisms in public organisations, causing “a shift towards performance instead of liberal ideas as the justification for higher education (Lyotard 1984)” (Henkel, 2000, p. 60).

Amaral, Magalhães and Santiago say that NPM is an “ideology in movement” because “it is pervading not only the political discourses in countries where higher education was consolidated as a mass system, but also in countries where such expansion has been recent” (2003, p. 133). Its characteristics are often more implicit than explicit, for example in assuming the efficiency of markets and their regulatory mechanisms. NPM emerges as:

(...) a universal response not only to the problems of effective systems regulation and of institutional ‘government’, but also as carrying out an implicit idea of university and higher education. It is in this sense that managerialism travels as an ideology (Amaral, Magalhães & Santiago, 2003, p. 135).

THE REGULATION PROBLEMS

The implementation of NPM has gone hand in hand with the State’s use of markets as public policy instruments. According to David Dill “(...) a market is a way of organising the exchange of goods and services based on price, instead of other criteria, such as tradition or political choice” (1997, p. 168). However, the efficient regulation by the market presents difficult problems to solve, given that according to Leslie and Johnson (1974) a market would have to be perfectly competitive to have optimum efficiency for society. Another question is the fatal attraction of the neo-liberals to the idea of “free markets”, without State interference. The current crisis of capitalism, especially hard felt in the US, shows, however, that at least the capital markets with no regulation whatsoever produce unfair results from the point of view of social equity, and can even enter into collapse. As Boyer and Drache argue, in the absence of such vigilance mechanisms [of the State] “private sector opportunism and corporate sector self-interest would severally distort the alleged smooth adjustment process of supply and demand” (2000, pp. 6-7). In truth, “(...) the only ‘free’ markets in the world, in the sense of not being regulated by government, are the black or illegal markets (...)” (Dill *et al.*, 2004, p. 328). The recent crisis of the capital markets that started in the US and the desperate appeals for intervention by the governments of Europe show the dangers of an absence of state regulation, given that a capitalist system that promotes the unchecked quest for profit and competition does not appear able to constrain major abuses and the growing imprudence of the CEOs in their search for benefits. We hope, (without much faith) that in the end not everything ends in privatisation of the profits and socialisation of the losses.

A disinterested analysis of the problems of regulation enables one to recognise that neither state regulation nor market regulation always lead to maximum efficiency in the elaboration and implementation of public policies. According to Dill (1997, p. 175) and Van Vught (1997,

p. 220) the problems of state regulation are linked to the difficulties of representative democracies (especially near election time) and the inefficiency of the public agencies to produce and distribute goods and services.

Furthermore, market regulation (Van Vught, 1997, p. 220) is deficient when applied to goods and services that are linked to high externalities². As a market is a means of exchanging goods and services based on price, the buyers will assess the price in terms of private benefits, ignoring or taking little heed of the additional social benefits (externalities). This is why the State intervenes, and may even dictate that part of the educational path of its citizens is compulsory (Thys-Clément, 1995). Other problems linked to regulation through the free market is the tendency to constitute monopolies — an area that frequently leads to government intervention — and what Van Vught (1997, p. 221) calls “market imperfections”, such as the fact that the prices do not suitably reflect the degree of scarcity of the product, or the lack of information, or asymmetric information, e.g. the supplier has more information on the products than the client.

THE PROBLEM OF INFORMATION OR ITS ABSENCE OR IMPERFECTION

The question of information is especially important for the good functioning of the markets. For a market to be perfectly competitive, i.e. for its efficiency to be optimum, it is fundamental that both the suppliers and the purchasers have perfect information about some characteristics of the goods or services to be bought, such as their price and quality and about the market conditions. Unfortunately, in most cases, this relevant information does not exist (imperfect information) or the producer has better knowledge than the buyer (asymmetric information) — an example of this last case would be the purchase of a second-hand car.

The problem of information is particularly acute in the case of higher education owing to the simultaneous convergence of three characteristics: it is a “good of experience”, it is a rare purchase and the costs of changing the product are very high. Higher education is considered a good of experience because the students only understand the real quality of the teaching when they start to attend the lessons³; it is a rare purchase because it is not usual to obtain more than one degree during a working life⁴; the costs of changing course or institution after some time are generally very high.

The confluence of these three characteristics is a strong justification for state intervention in the regulation to protect the students and their families. Consequently, governments have created quality assessment and accreditation mechanisms, both in an attempt to protect the consumer and as a means of supplying information to the higher education “clients” to enable them to make

their choices in the higher education market. The disclosure of the results of the assessments of courses and/or the institutions by governments intends to supply the students and families with the information required to make economically rational choices. A typical case of this kind of activity occurred in Brazil, with the implementation of the *Provaõ* (student assessment test). We are therefore facing a change in the traditional aims of the assessment mechanisms in terms of improving quality and/or accountability. The goal now is to promote the mechanisms of market regulation.

IMMATURE CLIENTS, QUASI-MARKETS AND THE PRINCIPAL-AGENT DILEMMA

THE QUASI-MARKETS: REASONING AND CHARACTERISATION

In many cases governments created “quasi-markets” to promote competition among public institutions, aimed at promoting efficiency in their services and providing the fastest possible response to society’s needs (Ball, 1998). According to Cave and Kogan (1990, p. 183) a quasi-market exists when the goods and services are not bought directly by the end user, but rather by an agency (usually a public agency), which purchases these goods and services to supply the end users.

In the new neo-liberal system, the State is no longer the supplier of social services, but instead a purchaser in a competitive market. Luís António Cunha (1999) says that in this neo-liberal system, with the exception of the functions that necessarily have to be carried out by the State — legislative, judicial, fiscal and security — all the other functions should be allocated to social organisations (non-state public organisations) which will supply them, either themselves or in partnership with the private sector. For example, in the United Kingdom Margaret Thatcher’s government transformed the regional health authorities from providers of healthcare services to buyers of services in a competitive market in which public and private hospitals or public/private partnerships competed with one another. Also Le Grand and Bartlett (1993) consider that in a quasi-market the State is transformed into a buyer of services from suppliers who compete in the internal market.

The use of quasi-markets is justified by the fact that the public agency that makes purchases on behalf of the end users has not only more and better information than the individual client, but also has a better bargaining position with suppliers because of the large quantities involved. As such, it is this agency that negotiates, for example, the prices of the different surgical operations, rather than the individual client.

In the case of higher education, the use of quasi-markets is further justified by the fact that the students

are considered “immature clients” (Dill, 1997). Dill believes that in general the students do not have enough information about the quality of the institutions and their courses to make reasoned choices (1997, p. 180). According to Dill, to make a rational economic choice, the students should know the prospective future gains (salaries) linked to the different courses and not the results of the “assessment by peers of the teaching processes, or subjective judgements about the quality of a curriculum” (1997, p. 180). However, Dill says that even if this information existed a lot of students would not use it, which brings into question the principle of making a rational economic choice. This is what Dill labels the problem of the immature client. This question is clarified by Vossensteyn and Jong:

Because potential students are uncertain about the actual contents of the study, getting a degree and finding a suitable job after graduation, the decision to attend higher education and to select a particular programme is surrounded by a lot of uncertainty... psychological phenomena form a ‘filter’ or a mental framework through which students judge financial incentives in relation to their study choices (Vossensteyn & Jong 2005, p. 226).

THE QUASI-MARKETS AND THE PRINCIPAL-AGENT DILEMMA

The governmental agencies that purchase on behalf of the end users are faced with the so-called principal-agent dilemma: “how can the principal [the government] best motivate the agent [the university] to act in accordance with the desires of the principal, taking into account the difficulties in monitoring the activities of the agent” (Sappington, 1991, p. 45, cited in Dill & Soo, 2004, p. 58). The monitoring difficulty is closely linked to the asymmetrical information problem, i.e. the agent knows much better than the principal what it is doing, which is the root of a lot of problems that the “neo-liberal” State faces when delegating the production of goods and services⁵.

According to Kassim and Menon:

In place of the neo-classical theories of perfect competition, where information is freely available, and the firm, centred on the actions of a hypothetical entrepreneur, the new economics proceeded on the assumption that information is imperfect and used the concept of transactions costs to capture the efforts expended by market actors, previously assumed to be costless (Moe, 1984, p. 740, cited by Kassim & Menon, 2002, p. 1)⁶.

Also according to Kassim and Menon:

Agency relationships are created one party, the principal, enters into a contractual agreement with a second party, the agent, and delegates to the latter responsibility for

carrying out a function or a set of tasks on the principal’s behalf. (...) the principal can be any individual or organization that delegates responsibility to another in order to economise on transactions costs, pursue goals that would otherwise be too costly or to secure expertise (Kassim & Menon, 2002, p. 2).

The principal-agent dilemma creates interesting problems of public regulation and has led the State to turn to a set of control mechanisms, among which are quality assessment systems, now as submission mechanisms, the use of a huge array of performance indicators and the use of performance based contracts.

THE NEO-LIBERAL CONTRADICTION AND THE REGULATION MECHANISMS

The neo-liberal textbook states that the State should reduce its activity as a provider of services and reduce its intervention in favour of market regulation, reasoning that competition among the service providers, public and private, will translate into better efficiency and more attention paid to the needs and requests of clients (Amaral & Magalhães, 2007). In order for the institutions to compete in a market they have to be granted a minimum amount of autonomy (Jongbloed, 2004; Teixeira, Rosa & Amaral, 2004) to manage their daily affairs and to take the decisions needed to rapidly adapt to a competitive environment. However, the institutions that are granted autonomy, which are then placed in a competitive market, may pursue strategies aimed at “institutional benefits”, which may not coincide with the “public good” or with the governmental goals. This in turn leads the government to intervene to force the institutions to act to comply with the government goals. This is, in essence, the neo-liberal contradiction: on the one hand, the virtues of the market and non-state interference are championed, but the State ends up being forced to intervene in determined fashion so that its aims are achieved. This is also another way to look at the principal-agent dilemma.

Bill Massy, who devised the economic theory of non-profit organisations, argued that there was a danger from “(...) the way institutions currently respond to markets and seek internal efficiencies, left unchecked, is unlikely to serve the public good” (Massy, 2004, p. 28). This danger increased substantially if there was excessive competition or if the public funding diminished. What Massy showed with the economic theory of non-profit organisations was that, when these institutions found it increasingly difficult to spend their resources on non-profit activities connected to their defined mission, then the non-profit institutions behaved like for-profit institutions, ignoring the public good inherent to their missions and the obligations of their condition as publicly funded institutions.

This led the State to intervene, by adjusting the rules of the market to insure fulfilment of its political goals.

INSTITUTIONAL AUTONOMY AND THE EMERGENCE OF THE EVALUATIVE STATE

With the advent of the modern university that can be traced to the genial work that was the 1809 reform of Berlin University by Von Humboldt, conditions were created to defend the promotion of “academic freedom” in a strongly centralised model in which there was no place for institutional autonomy. Indeed, Humboldt proposed a notion of academic autonomy, or better, academic freedom, that was individual and not institutional, in which the State acted to prevent external interests (of society, the church, politicians, etc.) from interfering with the freedom to seek knowledge and the freedom to teach and learn, “as well as the monopoly in access to public function careers” (Neave & Van Vught, 1994, p. 271). According to Teichler⁷:

Humboldt’s concept of academic freedom was completely incompatible with the control by peers through any form of assessment/accreditation (according to Humboldt, quality control rested with the government appointment and resource provisions, and the individual scholar had academic freedom which dictated no peer was allowed to interfere) (Amaral & Magalhães, 2000, pp. 441-442).

In exchange, the State had control of almost all aspects of higher education (access, course format, requirements for granting degrees and diplomas, recruitment of professors, etc). This was the dominant model in continental Europe and was based on the principle of “legal homogeneity”, according to which all the universities of the same country taught courses that in each scientific area had a homogeneous format. As the State was until then the main employer of university graduates, this principle aimed to ensure equal opportunities for all citizens in applying for public sector employment (Neave, 1996, p. 34).

According to Neave, there were two forms of coordination. One involved routine checks, and was purely administrative, based on legal homogeneity (Neave, 1988, p. 8) and the other was strategic change (Neave, 1988, p. 8, 1998, p. 267), used to “assess behaviour before a given aspect of national policy, with a view to significant changes to what was currently in place” (Neave, 1988, p. 9).

Neave (1988, p. 7) believed that the emergence of the “Evaluative State” took place at the end of the 1980s, alongside the rise on institutional autonomy and the growing public importance attributed to assessment. Several factors contributed to this change, including the massification of higher education (Trow, 1996); the growing role of the private sector as the main employer of university graduates; the growing utilisation of regulation

through the market as an instrument of public policy; the emergence of the “new governmental theology” (Neave, 1988, p. 7) celebrated by Margaret Thatcher as the 3Es of public management — economy, efficiency and efficacy (Sizer, 1990).

The massification of the education systems and their diversification (in opposition to the era of legal homogeneity) made them too complex to be regulated centrally, in an efficient manner, through the traditional method based on approval through administering legislation, dispatches and regulations. The legal homogeneity no longer made sense when most of the employment of university graduates was no longer in the public sector and the introduction of market mechanisms was incompatible with the detailed and centralised regulation — the institutions needed a degree of autonomy to react to the challenges of the market. Neave states that the emergence of the evaluative State came about as an “alternative to regulation through bureaucratic decree” (1988, p. 11), in which more flexible regulation mechanisms were sought, which were adapted to a job market that was private, volatile and undergoing rapid change. According to Neave, the new regulation mechanisms sought to “accelerate what we can call the ‘administrative’ time” (1998, p. 273), which did not imply a loss of control by the State:

(...) it involves the state withdrawing from the murky plain of overwhelming detail, the better to take refuge in the clear and commanding heights of effective strategic “profiling” (Neave, 1988, p. 12).

The emergence of the evaluative State — the other side of attributing institutional autonomy — was therefore associated to a new form of control, more geared towards complex systems. The institutions were endowed with means to respond more quickly to a climate of change, whereby the evaluative State was reserved the right to check the institutions’ behaviour by means of “*a posteriori*” assessment which replaced the “*a priori*” authorisation method that had become ineffective.

This paved the way for the use of assessment systems as regulatory tools, instruments of submission. In some countries and systems this transformation was not immediately visible. For example (Amaral, 2007) in France and Sweden, universities were considered a public service in which the institutions, at least in the official rhetoric, did not compete against one another in a market. In both countries the assessment responded to the need to improve the quality of higher education without any attempt to bring about the substitution of the State by the market as a regulator of the teaching system (Neave, 2004, p. 275). In Portugal, in Holland and in Flanders, the confidence that existed between the institutions and the government enabled responsibility for the national assessment system to be attributed to the institutions

themselves, shifting the emphasis of the assessment towards improving quality, rather than accountability. Meanwhile, as we will see, in recent years these situations have changed, linked to a loss of confidence in the public institutions as a result of the emergence of the new public management.

THE NEW PUBLIC MANAGEMENT AND THE LOSS OF CONFIDENCE IN THE INSTITUTIONS

One of the effects of the emergence of the new public management has been the loss of confidence in institutions and professionals. To engender more favourable public opinion regarding the implementation of reforms, governments used ‘blame policies’ that presented public services and their staff as the guilty parties for the poor functioning of the public sector. According to Trow (1996), the United Kingdom in the time of the Prime Minister Margaret Thatcher was a classic example of the withdrawal of confidence from the universities, essentially as a political attitude and not with a view to changing the attitude of society in general. The advocates of the new public management claimed the use of market mechanisms in the management of public services “(...) would provide that imperative drive towards operational efficiency and strategic effectiveness so conspicuously lacking in the sclerotic professional monopolies and corporate bureaucracies that continued to dominate public life (Osborne & Gaebler, 1992; DuGay, 1994, 2000; Maddock & Morgan, 1998)” (in Reed, 2002, p. 166).

Martin Trow (1996) stated that institutions were linked to the environment they were inserted in through combinations of accountability, market and confidence. In Trow’s opinion, the “accountability” consisted of the obligation to explain, justify, responded to answers about how and why the resources allocated to the institution were used; the “market” relations were visible when an institution received funding in exchange for the immediate provision of goods and services; the “confidence” showed itself, for example, in the donations to an institution without demanding anything in exchange or detailed accounts, or in replacing line budgets with a lump-sum budget.

According to Trow (1996), accountability was an alternative to confidence, insofar as the reduction in confidence increased the pressures on institutions to provide greater accountability. The effect of the loss of confidence in institutions, a consequence of the emergence of the new public management, had visible effects on the quality systems. In countries in which higher education institutions were in charge of the national assessment system (the Netherlands, Flanders and Portugal⁸) the governments have now replaced them with accreditation agencies independent from the institutions, as they believed the former model did not bring about the desired effects. In Flanders:

(...) in the second half of the 1990s, criticism began to be heard about the VLIR quality assurance system. Some policy makers, employers and journalists questioned the vagueness of the visitation reports and the lack of a clear overall conclusion (Van Damme, 2004, p. 144).

and, in Portugal:

(...) the final reports (...) very seldom offer clear basis for drastic decisions. (...) the Minister has publicly complained that the conclusions of the reports of the quality evaluation agencies were quite obscure (...) (Amaral & Rosa, 2004, pp. 415-416).

At the same time a trend emerged, in a lot of countries, to replace the quality assurance systems with accreditation systems, in which the quality improvement component tended to be diminished in favour of a greater emphasis on regulation and checking that centrally defined standards have been reached. In the US, Judith Eaton, president of the Council for Higher Education Accreditation draws attention to the fact that “the [federal] government has been encouraging actions that may result in taking direct, unprecedented, control of the quality standards and courses on offer in higher education” (2007, p. 16). Also in the European Union quality standards have been defined in the European Area of Higher Education, with the recently created “European Quality Assurance Register for Higher Education”, which lists assessment and accreditation agencies recognised in the European Union.

THE CHANGE IN THE MODES OF INSTITUTIONAL GOVERNMENT

The increase in institutional autonomy, as a consequence of the growing use of markets as public policy tools, has translated into a repatriation of the ability to make decisions by the producers, which had “substantial implications for institutional government and management” (Dill *et al.*, 2004, p. 340). We have seen that one of the aims of the evaluative State assessor was to accelerate decision making, which was essential in a complex system that was immersed in an environment of constant change. But this need to accelerate decision making was also reflected in the institutions, a problem that has been analysed by several authors. According to Chris Duke, a cultural conflict has been created inasmuch as the traditional and slow process of collegial decision making, which was characteristic of universities, collided with the rapid search for short-term results that characterises the information society (1992). As for Eggins, “the traditional university pattern of a Senate which lumbered to decisions on new courses, and frequently saw fit not to approve innovative suggestions” (1989, p. 128) entered into collision course with the new pressures for manage-

ment modes similar to the more efficient and effective methods found in the private sector. Likewise, Neave talks about the conflict of the ‘academic time’ with the political time (2005).

These transformations led governments to approve legislation destined to get university management nearer private management, in other words, implement the new public management, concentrating the power in central administration, reducing for example, the size of the collegial management decision-making bodies or even replacing them with small boards and strong external participation.

The new public management also translated into an attack against professionals in general and academics in particular. According to Reed:

By imposing market competition through political dictate and administrative fiat, the ideology of “new managerialism” attempted to destroy, or at least weaken, the regulatory structures that had protected unaccountable professional elites and their monopolistic labour market and work practices across the full range of public sector service provision throughout the 1980’s and 1990’s (Reed, 2002, p. 166).

Halsey (1992) says that there has been a progressive proletarianization of the academic profession, i.e. an erosion of its relative advantages in terms of class and prestige. Moreover, academic capitalism led to the dropping of the traditional Mertonian standards that respected the public good deriving from the discovery of new knowledge and gave academics the right to use their discoveries however they deemed fit, and began to integrate this knowledge into the private domain and hand ownership of these discoveries to the universities. As such, ‘academic capitalism’ (Slaughter & Leslie, 1997) also brought academics closer to other workers, pushing them away from a status of university professionals and bringing them closer to the status of employees of any corporation whose discoveries were considered property of the corporation that paid their salaries and not of the professionals themselves. According to Scott (1989), academia no longer enjoyed the prestige that allowed it to call for political autonomy.

The emergence of the new public management policies went hand in hand with the introduction of control mechanisms, including assessment exercises (in the United Kingdom the assessments focused separately on teaching and research) and the definition of a large set of performance indicators to monitor and assess the operational efficiency and efficacy of each institution (Reed, 2002). In Reed’s opinion:

Within the context of much more intrusive and pervasive performance management, a consistent emphasis on the detailed monitoring and evaluation of “quality” standards

in service delivery and outcomes emerged as the overriding priority (Reed, 2002, p. 167).

Pressured from outside to increase their efficiency and endowed with a central administration where most of the power was concentrated, this administration transferred the pressure to the lower levels. The control mechanisms were implemented in the basic units (faculties, departments, laboratories, research units), which provided internal accountability (to the central administration) for the use of its budget (possibly decentralised) and through the results of the teaching and research assessments. According to Meek (2002), the influence of the recommendations — or sanctions — resulting from these assessments were one of the most important factors in determining the selection and concentration of higher education institutions’ activities and the degree of autonomy of their professionals.

Mary Henkel (2004) also points out that an effect of the increased requests for accountability of academics was to shift the power to the central administration of the institutions and the implementation of micro-management techniques to control the work of the academics:

Greater stress on data recording, on procedures and systems, and on the formal appraisal of academic work meant that this work was more open to scrutiny by administrators as well as by senior academic management and academics’ own heads of department. This can be understood as a form of the “visualization of work” (Bleiklie *et al.*, 2000). Academic work, when “visualized”, ‘becomes accessible to administrators and academic leaders who may evaluate academic efforts and act upon the information “from a distance” without any specialist knowledge about it (Henkel, 2004, p. 84).

In other words, the replacement of the values associated with autonomy and academic freedom with economic reasoning criteria (Harley & Lowe, 2003; Miller, 1995; Slaughter & Leslie, 1997) induced a more in-depth scrutiny of the performance of the professionals. The academic values were, increasingly, subordinated to the demands of the economy, with the emphasis focusing on the productivity of the research and the teaching, with the former predominating. According to Mary Henkel:

This implies that higher education exists to provide knowledge that is useful and efficiently produced for society and its value will be determined substantially, if not wholly, by those outside academia, by those outside the academy (Henkel, 2000, p. 60).

CONCLUSION

There has been a big change in the way the universities and the State relate to each other, as a consequence of a set of factors which include, for example, the massification of the higher education systems, the emergence of neo-liberal policies, the implementation of new public management policies and the growing use of markets as instruments of public policy.

For the institutions to be able to compete in a market they needed to be granted a degree of autonomy. However, nothing guaranteed that autonomous institutions competing in a market followed strategies that promoted the public good, or which were compatible with the aims of government policies. This created what we call the fatal contradiction of neo-liberalism: on the one hand, the preponderance of the market and the lessening of state intervention were advocated, but on the other hand the State was forced to intervene to correct the behaviour of autonomous institutions that competed according to the rules of the market.

This is why governments have been introducing a growing number of mechanisms to ensure that the institutions behave the way governments want them to behave, with the methods implemented depending on the level of sophistication of the government. According to Richardson and Fielden, governments increasingly use more sophisticated control systems, which include mechanisms of planning, buffer bodies⁹, funding mechanisms, performance indicator groups and academic quality measurements. Therefore, the quality assessment systems can be viewed as a submission mechanism. In other words, improving quality and providing accountability, traditionally accepted as quality assessment goals, are being replaced by the aim of providing information to the clients of a market and by the aim of ensuring that institutions, despite their autonomy and competition in a market, do not deviate from pursuit of the public good and convergence with government policies.

On the other hand, the new public management champions an intense search for methods to measure academic work, with the aim for the “achievement of continuous internal and external monitoring and accountability or professional academic and the resources it consumes” (Reed, 2002, p. 176). In other words, the pressure exercised by the new public management policies on the institutions was reflected in the loss of individual autonomy or academic freedom, in exchange for a proclaimed increase of institutional autonomy. However, the governments looked to ensure that the new institutional autonomy boiled down to autonomy given to institutions to do what the government wanted them to do. According to Mahony (1994) the new autonomy was therefore a paradox: it was the freedom to do what the government wanted. And accountability, in the form of

quality assessment, was the Trojan horse of the new public management within the academy.

To finish, we want to refer to a recent OECD study that unequivocally shows the concern regarding the aforementioned contradiction of the neo-liberal policies. The OECD implemented a project called “Thematic Assessment of Tertiary Education” in which a comparative analysis was made of the teaching systems in 24 countries, most of which were European countries but the group also included, for example, Australia, China, South Korea, Japan, Chile, Mexico and New Zealand. The results of this project were presented in a conference held in Lisbon on 3 and 4 April 2008. Some of the final recommendations made by the OECD (2008) make interesting reading:

1. Establish secure instruments to steer (manage) tertiary education.
2. Reinforce the capacity of the institutions to align themselves with the national tertiary teaching.
3. Draw up a funding strategy that enables the tertiary education system to make its contribution to society and the economy.
4. Delineate a framework that guarantees quality and is consistent with the strategic goals of tertiary education.
5. Give institutions ample autonomy over the management of human resources.
6. Reconcile academic freedom with the contributions of the institutions to society.
7. Increase the institutions’ ability to respond to the demand.

We therefore have, in the words of Mirlena Chauí (1999), the transformation of the university as a social institution that is inseparable from the ideas of education, reflection, creation and criticism, into a social organisation or administrative entity that is a mere service provider: “(...) governed by management contracts, assessed by productivity indices, calculated to be flexible (flexible work contracts, abandoning the exclusive dedication, separation between the teaching and the research...)” (Chauí, 1999, p. 220), it is structured by strategies and programmes of organisational efficacy, and therefore by the particularity and instability of the means and the goals. Defined and structured by regulations and standards that are entirely outside the scope of knowledge and intellectual training... “it has reached the authentic state of a social organisation”!

ENDNOTES

1. “Tertiary Education for the Knowledge Society” International Conference, organised by the OECD in Lisbon on 3rd and 4th April 2008.

2. The concept of externality can be defined as the benefit society receives beyond the individual private gain. For example, society would benefit — through increased economic competitiveness, greater mobility and social cohesion, transmission and defence of social values, etc. — if the population had a higher level of education, although each individual also takes private benefits from his/her education. It is the generation of externalities that distinguishes education from a merely private good (Thys-Clément, 1995).

3. This does not happen, for example, when one buys a car or a computer, which can be tried out before the purchase.

4. When clothes or food are bought, knowledge of the market is acquired owing to the high frequency of the purchase, which makes it easy to correct mistakes by changing the supplier.

5. It is not surprising that on a relatively frequent basis news arose that the State had to deal with requests for illegitimate payments made by agents in whom they had entrusted.

6. The imperfect information hypothesis reflected Herbert Simon's influence who had tried to replace the completely rational and informed *homo oeconomicus* of classic theory with the concept of the "reasonably determined" market actor (Moe, 1984, cited by Kassim & Menon).

7. Ulrich Teichler (2000), private communication.

8. In the three countries the assessment system was coordinated by a private entity — an association or foundation — linked to the universities: the VSNU in Holland, the VLIR in Flanders and the Foundation of Portuguese Universities in Portugal.

9. In the United Kingdom it is common to use bodies that include civil society representation and which are positioned between the government and the institutions. A good example is given by the University Grants Committee, which was used at a given time for the distribution of the higher education budget among the universities.

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ALBERTO AMARAL

aamaral@cipes.up.pt

Higher Education Policy Research Centre (CIPES)

Higher Education Accreditation and Assessment Agency (A3ES)

University of Porto

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