



Politechnika
Warszawska | Wydział Administracji
i Nauk Społecznych

University funding and efficiency – exploring rectors' opinion in Poland and Ukraine

Iryna Degtyarova, Jerzy Woźnicki

6th Central European Higher Education Cooperation (CEHEC)
Conference
22-23 April 2021



МІНІСТЕРСТВО
ОСВІТИ І НАУКИ
УКРАЇНИ

KONFERENCJA REKTORÓW
AKADEMICKICH SZKÓŁ POLSKICH
KRASP



FUNDACJA
REKTORÓW
POLSKICH



Ministerstwo
Edukacji i Nauki

Project “Polish-Ukrainian Cooperation Of Academic Stakeholder Organisations Representing Rectors For Improving University Performance” 2018-2021

The project idea

- development cooperation between Polish and Ukrainian rectors conferences in HE governance and strengthening URHEIU with CRASP experience

Background

- previous cooperation and agreement between CRASP and URHEIU as well as on the assumptions of the Tripartite Agreement CRASP-URHEIU-Polish Rectors PRF

The main goal

- to contribute to the improvement of HE governance in Ukraine and Poland with respect for the academic values, traditions and considering good practices and international experience
- to contribute to the public policy based on research findings and joint statements

The target group

- university leaders in Poland and Ukraine - rectors, vice rectors, national rectors conferences

Funder

- The Ministry of Education and Science of Poland



Politechnika
Warszawska

Wydział Administracji
i Nauk Społecznych



МІНІСТЕРСТВО
ОСВІТИ І НАУКИ
УКРАЇНИ



Ministerstwo
Edukacji i Nauki

Project “Polish-Ukrainian Cooperation Of Academic Stakeholder Organisations Representing Rectors For Improving University Performance”

Project activities

- Research in Ukraine and Poland: university funding, rankings in the strategies, statutory autonomy and diversity, doctoral schools (in Poland only)
- Experts seminars (e.g. research assessment), also building bridges for national stakeholders (NAQA-KEN, NAQA-PKA)
- Polish -Ukrainian rectors' study visits
- **Polish-Ukrainian Rectors Debate – CRASP-URHEIU Joint Statement, with recommendations for the Ministers and Rectors as the final output**
- School of Strategic Governance in Higher Education for Ukrainian Rectors and Vice-Rectors

Final event in 2021

- Polish-Ukrainian Forum of National Rectors' Conference on higher education governance and public policy in Nov 2021



Politechnika
Warszawska

Wydział Administracji
i Nauk Społecznych



МІНІСТЕРСТВО
ОСВІТИ І НАУКИ
УКРАЇНИ



Ministerstwo
Edukacji i Nauki

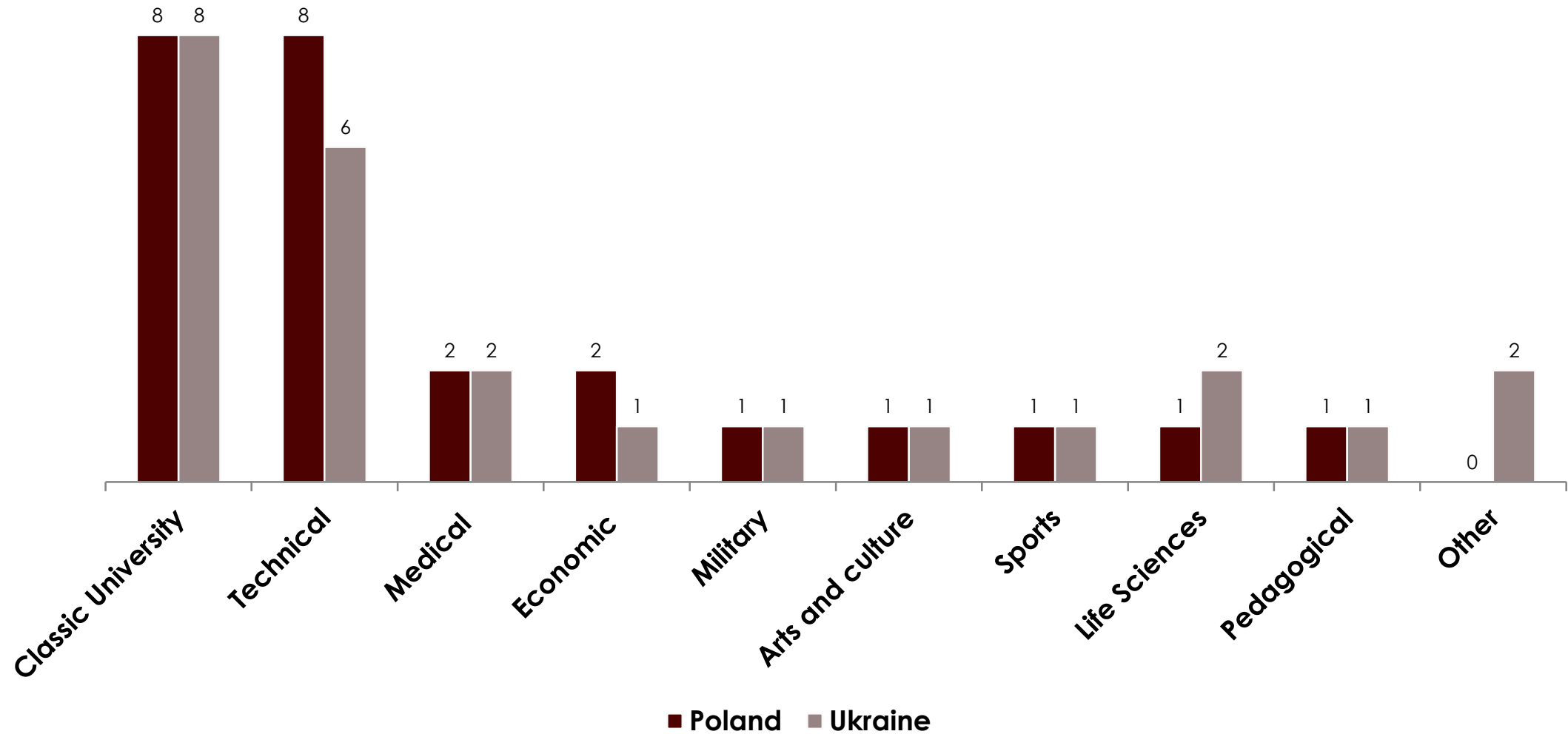
University funding: new regulations and mechanisms in Ukraine and Poland



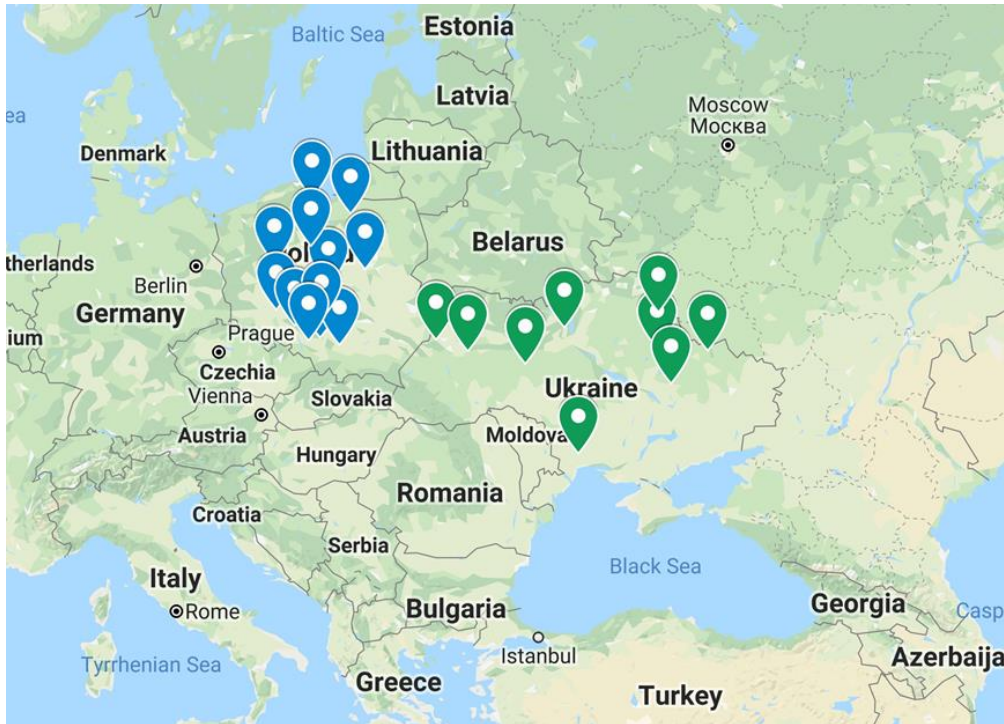
- Research conducted in February-March 2019
- Polish-Ukrainian research team (5+5)
- Research method: semi-structured interviews with rectors or vice-rectors of HEIs of different types
- Interviewees: 25 from Poland (9R+16V) and 25 from Ukraine (20R+5V)
- The goal: explore rectors' opinions on how higher education funding should be organised at the systemic and institutional levels.
- Effect: Joint Statement of the delegations of the national rectors conferences of Ukraine and Poland of the Rectors' Seminar, 2019



Respondents and types of HEIs



Location of HEIs



Ukraine – 9

- Kyiv – 10
- Kharkiv – 4
- Lviv - 3
- Dnipro – 3
- Odessa – 1
- Poltava – 1
- Sumy – 1
- Vinnica – 1
- Ternopil - 1

Poland – 12

- Warszawa – 8
- Łódź – 3
- Poznań – 3
- Wrocław – 2
- Katowice – 2
- Kraków – 1
- Częstochowa – 1
- Gdańsk - 1
- Gliwice - 1
- Olsztyn - 1
- Opole - 1
- Toruń - 1

[Link do Google maps - Polska mapa Ukrainy](#)



Research problems at the systemic level – 5 qs.

- Entities that should participate in higher education funding
- University funding model, including the formula (algorithm) and its criteria
- Financing of the fixed costs of universities, incl. costs of maintaining the material base, including energy, infrastructure

Research problems at the institutional level – 7 qs.

- Financing of university organizational units - centralization and decentralization
- Accountability and transparency
- University efficiency: good practices

Who should be the main funder for public higher education?



Poland

Donations

Tuition fees

Local authorities

Grant funders and international projects

Business/employers

State budget – 70-80%

Ukraine

Donations

Local authorities

Grant funders and international projects

Business/employers

Tuition fees and foreign students

State budget – 70-80%



Similar systemic challenges

- Vision and HE policy depends on politics
- Requirements and ambitions inadequate to scope of funding
- The government should have set goals for higher education strategy and be oriented towards promoting quality rather than quantity.
- Universities are tired of constantly adjusting to new changes
- The principles of financing resources allocation are decided by the Ministry too late
- Excessive dispersion of resources negatively affects the quality of education
- The increase in funding is necessary for the development of universities

Funding formula (algorithm): common problems



- The simpler, the more effective
- The algorithm must be a tool of government policy for quality of education and take into account diversity across the sector
- Need to take into account types of universities - medical, art, pedagogical, physical culture and sports, military
- The algorithm cannot be discriminative for regional or smaller universities
- The algorithm is supposed to support performance and development
- Need for stability for at least 5 years

CRASP & URHEIU Joint Statement – Recommendations for Ministers and Rectors in Poland and Ukraine



1. Increasing public funding for higher education and research

- As a strategic condition for the development of universities and higher education system as well as for reforms implementation.

2. Stability of financing and predictability of the financial perspective.

- Call for more openness and predictability in the Government funding policies
- Constant changes in public funding principles undermines university development and strategic governance in the medium or long-term perspective.

3. Formula (algorithm) is the basis for the allocation of financial resources, but other models should be taken into account

- Real cost-intensiveness ratio for the disciplines must be taken into account
- The Ministry should use and increase other forms of public funding, e.g. competitive, project and contract and performance-based funding.

4. Ensuring transparency of the university

- Improvement of existing mechanisms (the role of bursars or equivalent, formal requirements) and increasing role of audit, also external
- The key role of the university council/supervisory council (external perspective also)

5. Financing of fixed costs

- Government expenditures should cover university's fixed costs, including the maintenance of facilities, infrastructure, research equipment well as rising energy costs.

CRASP & URHEIU Joint Statement - Recommendations for Minister and Rectors in Poland



1. One subsidy for teaching and research

- Support for new model of financial resources allocation under one subsidy
- More financial autonomy of HEIs in funds allocation

2. Differentiation of student-staff ratio (SSR)

- The SSR in the algorithm must be differentiated taking into account the specifics of different areas of training.

3. Mixed model of financial management at the university

- Balance btw decentralized & centralised financial management

4. The flexibility in choosing a model of financial management depending on of the university

- Autonomy to choose the model: smaller universities may choose more centralized financial management and larger ones decentralized.

5. Changing the organisation and structure of higher education institutions

- Full autonomy to build the internal structure and HR policies, taking into account the evaluation of scientific disciplines, as well as the rationalization of the functioning of organizational units within the university.

CRASP & URHEIU Joint Statement – Recommendations for Minister and Rectors in Ukraine



1. Public funding

- State Budget must be the main HE funder – not a social spending but investment
- Public funding should cover all utilities, salaries and scholarships.

2. Mixed financing model

- Block-grant or lump-sum financing+ performance-based +contract financing+ competitive for infrastructure and research

3. Law and autonomy

- More real financial university autonomy needed!
- Reduction of bureaucratic pressure of financial control bodies and harmonization of the legal provisions
- Engage and empower local governments

4. Internally-displaced HEIs requires more dedicated resources

- Support for research infrastructure development
- Expenditures for the lease of premises by HEIs relocated from the temporarily occupied territories of Luhansk, Donetsk and the Autonomous Republic of Crimea must be fully covered by the state budget.

5. Optimization of the number of HEIs

- More consolidation needed, taking into account the profile, regional features, market, state and regional needs, as well as the quality and level of education.

CRASP & URHEIU Joint Statement – Recommendations for Minister and Rectors in Ukraine



6. Freedom to choose the model of financial management

- The choice of the financial management model at the institutional level - centralized or decentralized - should be the autonomous right of the HEI and the university community

7. Extensive fundraising

- HEIs should raise the funds by themselves (including endowment, alumni or charitable foundations, sponsorship or patronage)
- All funds raised by HEIs should be freely used by HEIs for its development

8. Personnel policy and infrastructure

- Investments in the human potential (both academic and administrative), creating the proper working conditions and fair assessment.

9. Economic efficiency and energy saving

- HEIs should work on the economic efficiency and energy saving (e.g., energy audit, optimization of energy consumption, energy efficient technologies, alternative energy sources, replacement of old energy-intensive equipment, involvement of external specialists)

10. Exchange of good practices and positive image

- Ukrainian rectors with the help of the Union of Rectors should exchange experiences and disseminate good practices, thus forming a positive image of universities in society.

University efficiency: good practices in Poland



- **HR policies in the university**
 - Introducing the system of motivation and incentives for academic employees
 - Diversification of salaries
 - Professional analysis of HR policies (also in terms of HR Excellence in Research)
- **Infrastructure management**
- **Cooperation with business**
- **Digital management tools/ IT systems investments**
- **Outsourcing of selected administrative functions**
- **New positions, teams supporting university management**
- **Teaching and research activities, e-learning**
 - Optimization of costs of teaching activities
- **Internationalization strategy and focus of ECRs**
- **Optimization of the model financial management in the University**
 - Indicators of the ministerial algorithm transferred to the university level
 - Developing own university algorithms for allocating funds between organizational units.

University efficiency: good practices - Ukraine



- **Energy-saving measures** (energy audit, comprehensive energy saving programs as a university strategy, thermal modernization, green investments, solar energy)
- **Innovations in university management and structural changes**
 - Development of the university strategy and creating of the university image
 - Adoption and operationalization of important functional strategies - financial, HR, communication
 - Changes in the university management and decentralization
 - Strengthening the role of the supervisory board (external board of trustees)
 - Reorganization of the university structure (development of e-learning and IT services, consolidation and restructuring of university units)
 - Optimization of university administration, economic and financial measures
 - Professionalization of the governing bodies and administrative staff
- **Infrastructure investments** (from external funds mainly)
- **HR policies and teaching**
 - Salary diversification depending on the research outputs, incentives
 - Self-assessment in the quality and efficiency of study programs
- **Internationalization** (increasing the number of foreign students. Projects)
- **Support for the university-business cooperation and entrepreneurial activity**



Rectors understanding of **efficiency /effectiveness** is not limited with the economic / financial condition.

It's about the **fulfilling of the university mission**, in teaching and research, developing strategies, optimization and modernization of university management and financial operation taking into account challenges HEIs face today.

Key final messages



- The role and image of university in society is important
- HE funding is an investment not just spending
- Public funding should allow development not just a survival
- More financial autonomy and accountability
- Rectors are ready for increasing responsibility BUT more transparency in government policy is needed
- Diversification and flexibility of financial management
- Legal framework should boost not undermine efficiency
- Rectors' cooperation (not just competition) and national rectors conferences role are crucial



Thank you for listening!

@ - iryndegtyarova.FRP@pw.edu.pl