

Multiple-value governance in (German) higher education: a new paradigm?

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Abstract

Shifts in governance frameworks of higher education systems as well as scholarly debate indicate that New Public Management (NPM) – this long-standing hegemonial reform framework for the public sector in general and for higher education (HE) in particular – has passed its peak. This paper will explain and justify this claim for the case of German HE. It argues in favour of the assumption that a new governance paradigm – called multiple-value governance - is on the horizon. This new governance regime partly overthrows, partly modifies and partly succeeds NPM. In order to corroborate this claim, a reflection about the organizational consequences of introducing sustainability as one of many values into the German higher education sector is outlined at the end of the paper. The latter's intention is to lay a conceptual foundation for a research agenda that addresses the hypothesized changes in HE governance empirically and offers perspectives for further research.

Keywords: *Higher education governance; multiple-value governance; new public management; expansion of higher education; Germany.*

1. Introduction

Shifts in governance frameworks of higher education systems as well as scholarly debate indicate that New Public Management (NPM) – this long-standing hegemonial reform framework for the public sector in general and for higher education (HE) in particular – has passed its peak. This paper will explain and justify this claim for the case of German HE. It argues in favour of the assumption that a new governance paradigm – called *multiple-value governance* - is on the horizon. This new governance regime partly overthrows, partly modifies and partly succeeds NPM. In order to support this claim, the idea of a future investigation of the organizational consequences of introducing sustainability as one of many values into the German higher education sector is outlined. The overall ambition of the paper is to lay a conceptual foundation for a research agenda that addresses the hypothesized changes in HE governance empirically and offers perspectives for further research.

2. The Trajectory of NPM

New Public Management (NPM) has been the cause of an avalanche of reforms affecting the higher education sector in Germany from the late 1990s onwards. NPM's powerful promotion of values like efficiency, effectiveness, and subsidiarity has guided change in teaching, research and university administration, with varying consequences (cf. Wissenschaftsrat, 2018). Moreover, in the wake of NPM's focus on strengthening governance mechanisms like competition, external guidance and managerial hierarchy (de Boer et al., 2007), universities have advanced to become strategic actors (Krücken & Meier, 2006). The gain in autonomy and agency has affected both the university's goals as well as its internal decision-making and support processes. Additionally, the NPM-driven reshaping of HE organisations has spurred an increasing vertical and horizontal differentiation of higher education organisations (Banscherus et al., 2015; Scott, 2015). However, the state in Germany still occupies a dominant, although more distant position in governing the HE sector (de Boer & Huisman, 2020).

Today NPM seemingly has lost momentum. This is partly due to the failure of overly lofty expectations, partly to the successful implementation of NPM steering instruments (which are now taken-for-granted) and partly to the massive expansion of HE in Germany (Scott, 2015; Wolter, 2014) which is manifested in a growing number of HE organisations in general (with 426 extant universities today), of private HE institutions, students, graduates, staff, annual state funding, and publications (Dohmen and Krempkow, 2014; Dusdal et al., 2020; Wohlrabe, Gralka, and Bornmann, 2019). At the same time, the expansion is closely linked to a broad dynamics of differentiation which resonates with the multiplying of societal expectations toward HE. Universities face a vast range of already established or new societal demands (Schimank, 2001; Henke et al., 2017), including gender equality, health promotion,

open access, internationalization, accountability and others. These expectations circulate in different value-centred discourses within and outside HE and science. While NPM has opened the doors for them, they now tend to form a new governance regime in German HE that is about to replace NPM.

3. Multiple-Value Governance: the Emergence of a New Governance Regime

While NPM seems to have passed its zenith as a reform framework, the contours of a novel governance regime – even if still somewhat blurred (Klenk and Reiter, 2019) - have begun to take shape (Jungbauer-Gans, Gottburgsen & Kleimann, 2023). My claim is that the emergence of this new governance regime is fuelled by the value-related expansion of HE in the last decade and the ensuing dynamics of differentiation in HE. The new regime's core feature of a value-driven governance of HE institutions is fed by several discourses – like those on the pluralisation of higher education tasks, on accountability and auditing, on a third academic mission (Henke et al., 2017; Rubens et al., 2017), or on the concept of "public value" as a substitute for the efficiency-oriented NPM ideal (Broucker, de Wit, and Verhoeven, 2017). Empirically, it seems undeniable that HE organisations are confronted with a fast growing number of heterogeneous value expectations (with values as highly abstract, unquestioned aspects of preferability; Luhmann, 1985). Partly, these value-oriented expectations are rooted in long-standing societal debates (e.g. on gender equality or scientific excellence), partly they are embedded in rather recent discussions (about, for instance, open access). However, each of the discourses can be described as being related to a specific value proposition whose origins lie in different societal sectors and milieus. Some examples of these values are: gender equality, equal distribution of educational chances, diversity, health promotion, citizen science, knowledge transfer, research and teaching excellence, academic freedom, open science and open access, social responsibility of research and education, solutions for climate change, the fostering of democratic attitudes and participation, the inclusion of refugees or non-traditional students, lifelong learning, digitalization, internationalisation, the inclusion of disabled students, or the implementation of sustainability in academia.

As many of these aspects are not new, one may ask what is new about the presumably novel HE governance regime? The answer is: In contrast to NPM, the new regime is characterized by two specific features:

- 1) The regime is based on the widespread assumption that the HE system is able to and should provide the knowledge that is indispensable for society's coping with the great political, social, economic, ecological or health-related and even scientific challenges. While the political sector is expected to deliver binding decisions on all these matters, the HE system is expected to deliver (incorporated) knowledge that informs these decisions. As the

discourses on the challenges to which HE shall make its contribution are centered around abstract values, the new governance regime may be called “multiple-value governance”.

2) The new regime is composed of established as well as new actor constellations and characterized by a new balance of governance mechanisms. While some of these mechanisms – like status competition in HE (Krücken, 2019; Brunsson and Wedlin 2021) – have been strengthened before by NPM (de Boer et al., 2017; Hüther and Krücken, 2018), others are reinforced by the new regime – like novel professional networks, value-oriented cooperation with new partners outside academia, competition between universities in favor of societal values, or the establishment of new value-oriented self-governance committees or hierarchical bodies with representatives of different societal fields.

The resulting mixture and weighting of governance mechanisms enables actors from various societal areas to play a role in HE governance and to bring forward their interests concerning academic knowledge production and distribution. Accordingly, a key element of the research agenda this paper proposes should be the development of an adapted “governance equalizer” (deBoer et al., 2007) that accounts for this new configuration of HE governance mechanisms.

In this regard it is important to mention that the multiple-value regime is certainly not a completely new framework. It partly abolishes, partly continues, and partly reinterprets the former „pure“ NPM regime, thus constituting a bricolage of, on the one hand, NPM features with its typical values (efficiency, effectiveness, subsidiarity) and governance mechanisms (like competition for scientific excellence) and, on the other, of a multitude of both new and established values and recalibrated governance mechanisms. While the ideal type of NPM has underscored the *instrumental* dimension of HE governance, the multiple-value regime accentuates the *value*-relatedness of HE by linking the latter closely to the aforementioned substantial, often overlapping or even contradicting value propositions.

To implement these values, the new regime adopts the NPM governance toolbox, for instance using the competition mechanism to promote gender equality or sustainability development. At the same time, multiple-value governance enriches this „toolbox“ by employing alternative forms of governance like, as stated above, novel networks, collaboration patterns (Olechnicka et al., 2019), additional negotiation systems, or new forms of professional or collegial self-regulation (for instance through new career paths in academia).

4. Towards a Research Agenda

Against this background, the paper intends to corroborate its claim by focusing on some structural consequences in German HE organisations that are brought about by the new HE governance regime. While the effects of NPM on the organizational structures of German universities have been analysed quite thoroughly (Sağırlı, 2015; Bogumil, 2013), the impact

of the novel regime on university structures is much less investigated. In order to shed some light on the possible structural consequences, the paper concentrates on a prominent and promising example in this regard: the role of *sustainability* as a complex value proposition.

Sustainability is particularly suitable as a case for value-related changes in HE governance because, on the one hand, it clearly constitutes a value sphere: sustainability includes a broad spectrum of ecological as well as economic and social values which have been specified by the United Nations' 17 sustainable development goals. On the other hand, it is well known that the sustainability discourse has had an enormous impact on HE internationally as well as in Germany (Leal Filho et al., 2021, Leal Filho, 2016 and 2018). Hence, an analysis of how the sustainability discourse has been adopted through changes in organizational structures of German universities and through shifts of the latter's relationships to their environment seems to be a promising possibility to investigate structural effects of the assumed multiple-value governance.

To this end, the paper draws on the organization approach of sociological systems theory as an analytical lens (Luhmann, 2018; Köhl, 2021; Kleimann, 2018). According to this theory, the main organizational structures of HE institutions are goal programmes (i.e. teaching, research, third mission), conditional programmes (like administrative rules or formal career paths), communication channels (primarily represented by the hierarchical structure of universities), personnel, and organisational culture. It is in recourse to these conceptual distinctions that the paper asks whether and – if yes – in which way the demand for sustainable development has been adopted by German HE organisations through changes in their organizational structures. These structures include

- novel forms of organizational self-display,
- novel study programmes as products in teaching,
- novel goal programmes in research and third mission,
- novel conditional programmes (i.e. administrative rules),
- novel communication channels, and
- novel demands on academic and administrative personnel.

As several empirical observations of German universities show, one can conclude that sustainability has affected *all* structural dimensions of HE organisations in Germany (Leal Filho et al., 2021; Levesque and Wake, 2021). A preliminary analysis of these structural changes offers several interesting insights. For instance, it is the characteristic of universities as multidisciplinary and still rather loosely-coupled systems (Weick, 1976) that allows them to take up value expectations that actually conflict or contradict each other in social practice. Furthermore, the velocity and extent with which HE organisations were able to address sustainability issues indicates that they, due to their particular organisational structures, represent a type of organization which is highly responsive to heterogeneous societal value

expectations. This is why universities have been called “institutions of society” (Stichweh, 2009). Moreover, universities are not only addressees of the sustainability discourse, but actively contribute to it by shaping the ideas around sustainability through the elucidation of its meanings, the empirical analysis of its implications in different scientific fields and through the communication and distribution of sustainability-related findings via teaching, research, and third mission. In doing so, universities act as institutional entrepreneurs (DiMaggio, 1988) which actively shape their institutional environment.

One dissemination mechanism for insights on sustainability are university networks. They are used by universities, for instance, to provide learning opportunities for sustainable management in areas where such solutions do not exist so far. Thus, the informative ‘strength of weak ties’ in these networks allows to get to know successful role models and to tap into bodies of knowledge for sustainable solutions.

Summing up, one can conclude that focusing on sustainability in German universities provides exemplary evidence of how the assumed multiple-value governance is implemented. Universities adopt to a varying degree value expectations in their self-descriptions, in research, teaching, organizational design, decision-making structures, administrative rules, and personnel. This observation should encourage further research on the structural implementation of sustainability and of other value propositions in HE organisations and is supposed to inspire further studies on the features and the international distribution of the emerging multiple-value governance regime.

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