

UNIVERSITIES IN A NEW CONTEXT

In recent decades the developed world has undergone major social, political, economic, and technological and ethnographic changes. The environment in which organizations operate is no longer stable and predictable. It has become hyper-competitive. Now, at the start of the 21st century, this is bringing us into a “knowledge economy”. In such hyper-competitive environment itself, the result of technological revolution and globalization, an increasing pressing need arises to widen and develop the knowledge and the training of the individuals. This phenomenon demonstrates the increasing complexity of the strategic management task, a task in which a management of change, that is, the renewal and provision of strategic flexibility, becomes the principal concern. The survival of the organization and its ability to compete for its future rely upon its capacity for renovation and change. This capacity is coming to be seen as the very essence of strategy.

Universities cannot stand apart from this phenomenon of change and as such all these transformations in their environment have important consequences. In the “knowledge society” universities have a broader function than just training professionals and increasing the cultural level of society, that is, transmitting knowledge. In the new environment, the university has become society’s “knowledge factory”. In the world today, organizations that are determined to survive and maintain a sustainable competitive advantage must adapt themselves rapidly to continuous change – in short, they must be highly flexible. This requirement is also demanded of universities by their environment, not least because their old organizational structures may be considered obsolete. Universities lack the capacity to respond to social needs with speed, efficiency, effectiveness and quality. Such changes call for a re-appraisal of current systems of management, organization and administration of our universities. This complex and dynamic environment demands the strategic management of universities, a greater emphasis on the quality of their services and more attention to the market perspective.

By nature, we can consider universities as organizations of both internal and external complexity. Their internal complexity is based on the quantity and degree of sophistication of the various areas of knowledge and skills of their employees. Their external complexity is derived from the degree of uncertainty and instability of their environment. Universities that operate in contexts of high complexity require very flexible structures and strategies in order to successfully confront this complexity. For recent increase in the external complexity of our universities is the result of changes taking place of their environment. The importance of 4 changes is as following:

- ✓ The change from elite to mass higher education, to which one must add the incorporation of woman into workforce, and the consequent increasing demand for advanced areas of knowledge that this implies, along with the phenomenon of the “learning society”, which requires the increasingly renewed training of individuals;

- ✓ Problems associated with the public financing of the universities;
- ✓ The impact of new communication technologies, which are modifying not only the form and the content of what can be taught, but also student access to teaching and information;
- ✓ Increase in the demand for continuous higher education;
- ✓ The increase of international competitiveness for funds and financing;
- ✓ Greater social demands in respect of the contributions and services expected from the university.

Universities are organizations of internal complexity and they face 4 great internal challenges and needs:

- For a new model of government
- For the development of the peripheral units to connect them with the outside world and to facilitate the renewal of their basic capabilities;
- For a more diversified system of financing;
- For an innovatory spirit that must be diffused throughout the whole university organization.

In response to these changes taking place in their environment, many universities embarked upon institutional assessment. Many adopted and implemented two management tools widely used in the private sector, total quality management and strategic planning. Strategic planning is now accepted as essential in the public sector, and more specifically in institutions of higher education, which must respond to the changing environment by providing greater quality, effectiveness and efficiency. Strategic planning, in this context, is recognized as an important technique for improving management, organization and quality of service.

Assessment plans are intended to meet two objectives:

- 1) to determine the existing levels of quality in the various activities of the universities, thus detecting comparative strengths and weaknesses, thereby serving to improve the quality of the services they provide to the community and to define the strategic plans for action required to improve these services;
- 2) to provide objective and reliable information on the level of quality achieved by each institution, both for the entities financing them and for the users of university services.

At the European level various bodies are involved in the assessment and analysis of the quality and the efficiency of universities: the OECD through the Institutional Management of Higher Education Programs (IMHEP), the Commission of the European Unions, the European Council, the Conference of European Vice-Chancellors, and the European Universities Associations.