

Summary of advisory report 51

Wise after the event. Accounting for university research

This advisory report discusses the accountability of universities to the Minister of Education, Culture and Science for their research activities in response to the request for an opinion on the following question.

How should accountability be regulated so that the minister of Education, Culture and Science can exercise worthwhile supervision of the research activities of universities while respecting their autonomy?

The AWT distinguishes three aspects for which universities should be held accountable: the funding of research, the quality of research and research policy. The AWT has the impression that the mechanisms of accountability for both quality and funding of research function properly. Therefore it devotes little attention to these aspects in this advisory report.

Laws and regulations

There is extensive legislation and regulation governing accountability for research and research activities. Universities have to prepare a budget each year and publish a strategic plan every two years. These have to be submitted to the supervisory boards, to the works councils and to the student councils.

Each year the universities must also publish financial statements and an annual report, which must be submitted to the supervisory board and sent to the minister.

Finally, the universities are required to have a quality assurance system in place. Research units have to be evaluated every three years and are inspected by a visitation committee every six years. Universities have to respect the findings of the visitations.

Accountability for research in practice

The AWT notes that universities sometimes feel the minister is too remote. There are failings in the communication between the universities and the minister. Consequently the reporting on research policy is not as it should be. Meetings with the minister are only held irregularly and the minister does not actively address the universities about their reporting on research activities. The minister scarcely responds to annual reports, never mind policy proposals.

The AWT finds that the minister tends to address the supervisory boards as though they are responsible for the management of the universities. The AWT feels this is undesirable. Apart from that, supervisory boards do not seem to give sufficient priority to their supervisory role. The supervision of the management and administration of universities could be intensified.

Views on accountability for research

Among the parties directly concerned, with respect to research there are two prevailing views on whom universities should be accountable to and what they should be accountable for.

One view is that the executive boards of universities are primarily accountable to the supervisory board for their research. The supervisory board can and should hold the executive board accountable for every aspect of the research activities, including funding, quality and policy. Other parties, including the government, should only be concerned with the funding and quality of the research. They should keep their hands well away from strategic policy. The alternative view is that universities are principally accountable for research to the Minister of

Education, Culture and Science. In this view, universities pursue their own policy but do so within the framework laid down by the minister. Opinions on the role of the supervisory board vary. Some still feel the supervisory board has a role, others do not.

Behind this difference of opinion about how accountability for research should be arranged lies a conflict in views about the positioning of universities. The first view takes the position that universities are autonomous institutions. The responsibility for initiating research lies with the scientific community. The government should support universities by providing facilities and funds. In exchange universities provide research of the highest quality. Universities can be held accountable for the quality of the research and for the effectiveness and legitimacy of their spending. But they are not accountable for their strategic policy. The second view takes the position that universities are organisations that were established for a particular purpose. They carry out research as part of an overarching strategy devised by the government. Universities should determine their own course within that framework. Universities are accountable for their activities to the minister.

The AWT concludes that views about how accountability for research should be arranged are deeply influenced by views on the positioning of universities. Before answering the question raised in the request for advice it will therefore first set out its own views on the positioning of universities.

The university as a social enterprise

The AWT chooses to position universities as social enterprises. These are organisations that serve the public interest without being part of the public sector. Social enterprises should be autonomous for administrative purposes and must carry out their tasks without a profit motive. Nevertheless, they can and should develop market activities, at least so long as they support their core public tasks.

Social enterprises maintain relationships with many stakeholders. They deal with individuals, companies and not-for-profit organisations. The government has a special interest, as it not only profits from the services of social enterprises but also acts as director in regulating and ensuring the smooth running of the public domain.

Social enterprises must be accountable to the public. Accountability provides them with two things: public support and information about their level of service. Social enterprises serve several stakeholders at the same time and are accountable to all of them.

The AWT feels that the concept of the social enterprise applies perfectly to universities. As such, accountability is essential, since by accounting for their actions universities can bolster their public support and acquire information about how they are performing their tasks. They should account for their actions to a number of different stakeholders.

Recommendations

The AWT's recommendations are primarily intended to contribute to improving the quality of the accountability relationships. More specifically they focus on the accountability of universities towards the minister and the supervisory boards. Since accountability for the funding and quality of research functions properly, the recommendations focus on accountability for research policy.

The minister's principal instruments for meeting his responsibility for the system as a whole are legislative and financial. There is hardly any consultation. The AWT feels this is undesirable. In its eyes the minister should consult with the universities. During the meetings the minister's policy should be compared with that of the universities. The AWT therefore recommends that the minister embrace the accounts given by universities for their (research) activities to enter into a "committed dialogue on policy".

According to the AWT, there should be no direct link between university research funding and the policy dialogue. The discussion of policy should be kept separate from the discussion of funding. However, at the level of the financing system there must be a clear relationship with the various aspects for which universities are accountable.

A policy dialogue can only succeed if all the participants demonstrate their commitment to it. The participants must have sufficient administrative seniority and the meetings must be held regularly. The AWT therefore advises the minister to arrange a policy dialogue once a year and to attend the meetings personally.

In addition to a committed effort, the policy dialogue also requires high quality input. For the government's part this should consist of the Ministry of Education, Culture and Science's entire science policy. The AWT finds that the current science policy is too general. The AWT therefore

advises the minister to translate the general objectives of science policy into clear and transparent policies.

Several departments and directorates are involved in formulating government policy on university research. Consequently universities sometimes receive different, occasionally conflicting, signals. The AWT therefore advises the government to increase the cohesion of the policy towards university research. The policy must also be consistent over the longer term.

The input of the universities to the policy dialogue should consist of their strategic plans, budgets, annual reports and financial statements. From these documents the minister should be able to form an impression of policies proposed by the institutions and to what extent they are being achieved. The AWT therefore advises the minister to ensure that institutional plans, budgets, annual reports and financial statements provide an adequate basis for a policy dialogue.

Supervisory boards are a relatively new phenomenon in universities and are gradually feeling their way. The AWT has the impression that the supervision of the administration and management of universities could be intensified. The AWT therefore advises the minister to position supervisory boards explicitly as supervisory bodies.

The minister sometimes uses supervisory boards as contact points in the universities. This is undesirable since supervisory boards are not responsible for carrying out policy. The AWT therefore advises the minister to address supervisory boards only on those tasks for which they are responsible: supervising and providing advice. On all other issues he should consult the executive boards.

Universities are also accountable to individuals, companies and not-for-profit organisations. Very few of these groups are actively included in the accounting at the moment. The AWT therefore calls on universities to do more in the way of public accountability. It advises the minister to discuss the activities universities develop in that context with them.

