THE USE & MANAGEMENT OF PERFORMANCE EVALUATION IN SOME BRITISH UNIVERSITIES

By

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ABSTRACT

The higher education sector is in the throes of transformation and increasing diversity between and within its institutions. Evaluation, assessments, widening access, falling investments in real terms combine to pose major challenges. But even more fundamentally, universities have witnessed growing tendencies by the State to subject them to evaluative mechanisms. Performance evaluation and managerial tools have been introduced to determine how well universities are meeting their targets. Having regard to the presence of these dynamics, universities have had to re-orientate, respond and to develop strategies to tackle some of these major issues.

This thesis reports on increasing use of business principles and managerialism, and of government steering strategies and the indicators they use. It asks whether their use has brought benefits to the university sector.

The study uses interviews with senior managers and academics to explore the practices and the State involvement in them, analyzes the relevant literature, and the issues they raise for governments, managers, academics in the context of the university’s inherent social, economic and public accountabilities.

With calls for greater openness and transparency, and intensifying competition the university sector is forced to deal with the emergence of ‘multiple audiences’ by providing quantitative information and engaging in increasing public relations exercises. Thus teaching and research have been subjected to scrutiny by national agencies as part of the government’s drive to raise quality and standards. The media’s interest in performance evaluation has grown intensely and so has that of the wider public. All of these have generated a wide range of performance indicators and evaluation procedures.

The study identifies major related themes: the development of a ‘parallel performance evaluation system’; a changing attitude towards HEFCE; a fragmented national system of evaluation; quantitative indicators used for numerous comparisons including marketing, student recruitment; financial planning; assessments and to identify failing departments. The majority of ‘informants’ agreed that performance evaluation and managerial tools are likely to be a permanent feature of the higher education scene. There is a feeling that the demands made are ‘excessive’, and of ‘intrusion’ by external agencies. It reflects a situation where universities feel that they have lost both academic and institutional autonomy. In consequence a growing culture of ‘indifference’, ‘scepticism’, and ‘uncertainty’ seems to be emerging.

The current emphasis on performance evaluation is posing another management problem: how best to manage the vast amounts of information generated by the system. Universities must find fresh ways to manage a diverse sector. The State’s
interest is in results. Failure to meet targets can be construed as falling standards. It is the product, and not often the process of higher education that legitimates or de-legitimates the actor. Performance evaluation must give legitimacy to the development of the product.
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GLOSSARIES

1. CHEMS: Commonwealth Higher Education Management Service.

2. CNAA: Council for National Academic Awards

3. CVCP: Committee of Vice-Chancellors and Principals.

4. DES: Department of Education and Science.

5. FEDA: Further Education Development Agency.

6. HE: Higher Education

7. HEFCE: Higher Education Funding Councils for Education.


9. NACUBO: National Association of College and University Business Officers

10. PI: Performance Indicators.

11. PIHE: Performance Indicators in Higher Education.


13. UGC: University Grants Committee.
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CHAPTER ONE

INTRODUCTION

Performance evaluation and strategies utilised in the management of universities are the prime focus of this study. Instruments of evaluation are examined in order to determine their impact on policy and management. This study examines how the performance evaluation process and managerial tools are used and how they have developed. Since the 1980s, performance evaluation has become an integral part of public sector management. There is a growing perception among politicians and policy makers that public sector organizations should be subjected to more evaluation. In this regard, this research explores the development of new public management tools since the ‘rise of the evaluative state’ (Neave, 1988) in one specific set of public sector institutions, namely, universities. Performance evaluation and managerial tools are used in a very broad sense to reflect the sort of mechanisms and assessments that are designed to measure institutional performance and to ensure public accountability.

The political and economic environment during the last twenty years has changed significantly. A ‘coalition of elites’ (Nedwek, 1996) has emerged to add pressures on public sector organisations to respond to national needs; become transparent and more publicly accountable. Government has become more involved and has demanded higher standards from public institutions. New government policies have emerged and have been controversially supported by institutional evaluation policies that emphasise increased and improved
performance policies that tend to focus on performance evaluation and regulation of institutions. New public management tends to rely on 'steering from a distance' (see Williams, 1994; Maassen, 1996) to bring about the intended reforms. New policies have created numerous State agencies that adopt a more centralized style in managing institutions within a national framework. Educational institutions have had to respond to the changes now taking place within the wider public sector.

Universities are expected to positively respond to policy processes that have been developed since the advent of the 'evaluative state' (Neave, 1988). As a result, certain trends and practices have emerged with implications for their management. For example, universities are expected to use business strategies, performance indicators and assessments when evaluating their performances. Most of the data flowing from those assessments must be supplied to state agencies. State agencies in turn provide information to universities that is intended to facilitate their management. Inevitably, university systems must adapt in order to accommodate these changes. Change has created pressure on systems, managers and professionals to find alternative approaches to traditional forms of public administration that once characterized the sector.

1.1. Changing context of the Public Sector
Historically, neither the 'evaluative state' nor the public sector organisations has stood still. Changes foisted by the 'evaluative state' on public sector organisations in the last twenty years have been significant generators of the transformation taking place between them. Neave's 'rise of the evaluative state' is a powerful analytical tool in new public management theory. During the past two decades, policymakers and analysts of public sector management have focused primarily on how best to reform the public sector. 'Governments, have in different degrees, embarked on more fundamental change in response to a
broader set of challenges to their capacity to support and govern the public institutions. Definitions of the boundaries and relationships between the state and the market have begun to alter (Henkel, et al, 1999, Pg. 10). New public management has created new practices and modes of thinking aimed at protecting the boundaries and relationships that flow from the transformation.

Changes in political ideology during the last two decades have impacted significantly on the culture and structure of public sector organisations. For one thing, public sector organisations have had to adapt and become more publicly accountable. They 'have always had to account for their performance in some way, it was only in the early years of the Conservative government of the 1980s that this has become a key requirement' (Nutley and Osborne, 1994). Demand for such a requirement has continued under New Labour.

The key performance requirement has embraced the following:

1. Focus upon the ‘three E’s’ i.e. economy, efficiency and effectiveness.
2. Concern for value for money in all evaluation processes.
3. Strong emphasis on ‘management’ rather than on ‘administration’ as the new way forward for achieving goals within the public sector.

Britain’s public sector has undergone and is still undergoing major reforms. Changes are taking place in education, the health service, rail service and the police in terms of working conditions, responsibilities and accountabilities. The Post Office and social security are also being targeted for reform. Reform of the public services tends to focus on bringing about greater efficiencies that would help deliver better quality services. There is nothing wrong in government wanting to develop a more effective and efficient public service. But if workers
feel undue pressure or, that their working conditions are becoming intolerable, then support for government policy may not be forthcoming. Thousands of police officers and post office workers have taken to the streets. Teachers in London staged a one-day strike and are planning more strikes in the future. Trade unions within the public sector are ‘warning’ government against implementing policies that are damaging to their interest or that of the public sector. They fear that Labour Party policies will lead to increasing privatisation of the public services and consequently further weaken their standing.

There are growing signs of increasing union activism. Cherie Booth QC, wife of the Prime Minister observed that:

"The lesson of the last 20 years for the trade unions is that to flourish, unions have to appeal to the widest coalition of interest and that includes management.........In sectors where there is real competition in product markets, union recognition enhances the likelihood of above average performance in growth and profitability" (Counsel, 2002, Pg. 16).

There appears to be ‘a new agenda’ for the unions as they begin to focus on government reform within the public sector. Public sector unions flexing their muscles is nothing new and, one can go back to the Thatcherite reforms of the 1980s to understand how they behave when their interests are threatened.

The Labour government, now in its second term, seems eager to press ahead with reforming the public sector with or without the support of the unions. This at least is the public impression that government wants to convey. The relationship between those with vested interests and the state is being severely tested.

Certain dominant factors in the 1980s were responsible for initiating change in numerous areas within the public sector. One of these changes was in the area of
management. Pollitt (1993a) argues that the managerial approach 'which dominated the 1980s, typified by target setting, efficiency savings and rewards for individual performance, was neo-Taylorist in nature' (pg. 110-146). Pollitt’s (1993a) arguments suggest that Taylor’s concept of ‘scientific management’ was being carefully rehashed and presented in a new form of public sector management. This twentieth century form of Taylorism ‘proceeded on the basis that previously unmeasured aspects of the work process could and should be measured’ (ibid, 1990). Accordingly, results would be used to reward or punish workers.

Some commentators suggested that a post-Fordist approach (see Scott, 1995) had developed. Those commentators suggest that ‘the industrial decline and restructuring taking place is the result of a natural response to a wider economic and industrial change taking place’ (Issac-Henry, 1997, Pg.4). Their suggestions assumed that the post-Fordist era went through two major stages:

a. ‘competitive regulation’ which lasted until the 1930s and;

b. mass production which continued from 1930s to 1970. This stage was characterized by mass production, mass consumption and unions.

During the post-Fordist era the state played a central role because it had to ensure that the ‘right infrastructure’ was in place; mass production of goods and an appropriate ‘welfare support’ system (see Stoker, 1990). Hoggett argues that the post-Fordist is characterised by:

‘new organizational and managerial forms leaner and flatter structures decentralised ‘cost and innovation centres’ enlarged and more generic roles, team working, flexibility and informality........’ (Pg. 225).

Social, demographic and cultural changes added to the concerns. In the 1980s unemployment and de-industrialisation posed problems for both local authorities
and central government. Consequently, enormous pressures were imposed upon social security and other government expenditure. Those pressures led to the rejection of old institutional values within the public sector and the growth of market-like solutions.

A competitive market system had emerged to embrace a wide range of marketing strategies. Terms such as 'marketing', 'customer satisfaction', 'monitoring', 'evaluation', 'league tables' and 'performance indicators' were becoming commonplace. The use of 'external agencies' and 'quangos' was becoming an integral feature in government administrative strategy. This helped transform both the thinking and practice of the time. The emergence of such a system impacted on government policy, the wider public and the media. Much emphasis was placed on quantitative measures; competition and output modeling. Government has mandated that resources provided by the state should be linked to a system of public accountability and improving standards.

Methods of accounting for funds also gained in significance as government sought greater 'value for money'. This tended to reinforce changes in institutional administration that were already taking place. Public sector organizations were being asked to become financially accountable and offer greater value for money. Throughout the public sector, managers and professionals were required to develop systems and use practices that would meet state determined targets and standards.

Governments over the last twenty years have become more interventionist. This change has manifested itself through performance evaluation introduced by government attempt to transform management practice. In this regard:

"Institutions have been, to some extent, mediators of new policies, appraising them and measuring their responses to them in such a way to protect the interest and values on
which the institutions depend but also to see that these interest and values do not inhibit necessary change” (Bauer et al, 1999).

A ‘new public management has emerged in which market mechanisms and mode of thinking and practice have been incorporated into the public sector’ (Bleiklie, 1994; 1996; Meek and Wood, 1996). Developing and protecting interests are basic to institutional survival. Self-interest is a significant coordinating tool of markets and basic to choice. A certain amount of self-interest drives institutions to compete. Self-interest is an important element of the new public management theory. Planning for survival involves choosing the correct managerial approach. New public management does not only require public bodies to utilize new procedures; it also seeks a new mind set and restructuring of the organization.

1.2 Changing Context of Higher Education

Shaping higher education policy is a political process, and the mechanisms deployed toward goal achievement affect the management of institutions. This section examines briefly how the changing political context has resulted in major reappraisals of the relationship between state and universities. Changing political ideology lies at the root of policy changes during the 1970s, 1980s and 1990s. This section seeks to explore some of the changes taking place within the nexus, conditions and surrounding circumstances during the last two decades.

Government was eager to introduce in the HE sector tools and procedures aimed at enhancing management and harmonising procedures in line with national objectives. The result was a major shift in relationship between state and university. Henkel and Little (1999) represented the change in approach as it:

"Shifted from an exchange to sponsorship dependency relationship.....thus government policy relating to higher education have been concerned with macro policies. However, we also see government policies becoming
concerned with micro policies affecting style and content of higher education” (Pg. 17).

The discussion outlined above suggests that government was becoming concerned with both micro and macro aspects. At the macro level was the belief that growing investments in higher education would ultimately contribute significantly to economic development and wealth. Thus government policy tended to focus on university access, size of student population and financial provision. Lately, we have witnessed a major shift to areas such as management, content, skills, knowledge values and national standards.

Recent developments in British higher education have moved it from academic ‘elitism’ to a ‘mass and diversified’ system. During the 1960s the binary system was established in which universities and the non-university sector, co-existed in a system designed to deliver distinct missions in order to achieve national priorities. Britain as a capitalist state would expect universities to operate in a manner which provide the knowledge, cognitive skills and attitudes that are right for economic development. Dale (1989) argues that:

“...the functions of the State in capitalist societies are...in fact objectively given by the imperatives of the maintenance and reproduction of the conditions of existence of the capitalist mode of production” (Pg. 22)

The higher education system is therefore expected to produce high quality workers for the labour market which would in turn impact on economic development. Its possible to argue that change in higher education during the last twenty years is also a consequence of the globalisation of world markets. The competitive nature of world markets has meant that consumer products must be more efficiently and effectively produced. Consumers demand better product quality and services. Consequently, manufacturers need highly skilled labour that would enable them to produce world quality products that are capable of gaining and sustaining market
share. Educating and training workers in the sort of skills that industries and employers demand becomes a significant issue.

When expenditure on higher education increases without a corresponding growth in performance, it becomes highly difficult to justify existing levels of provision and to legitimate the added value it provides. The role which universities are called upon to play is becoming even more crucial in the 'learning society' (Dearing, 1997). In so doing, the policy processes had to change significantly. The onus shifted to universities to engage in both institutional and cultural change. Barber (1996b) has argued that:

"Funding (has) been successfully delegated, national standards (have) been established, public accountability demanded and the producer stranglehold on policy loosened" (Pg.68).

Areas ripe for change were identified. Standards and public accountability were two of those. Institutions were required to focus on areas that had become national priorities. Government gave them wide publicity and this helped to arouse public interest. Universities had to respond.

1.2.1 Universities within a Changing Context

Today, universities must be more open and transparent. They must be more sensitive to government and public concerns. They must also deal with a more diverse student intake. They are all subjected to wider public interest and scrutiny. It is therefore significant to explore universities within this changing context. This study is grounded in the politics, public management and administration of universities. It explores the extent to which 'old' and 'new' universities approach performance evaluation. Therefore, it addresses the question of what type of information do those tools provide. Are they beneficial? How do universities respond with the externally imposed tools?
All universities are compelled to re-examine their systems, introduce new management tools; respond to the demands of State agencies and, to implement external policies introduced by the state. A substantial literature on the subject has evolved. Much of it borrows from public administration, business administration, economics and politics. New approaches to management are well supported by rapid growth in new systems of information technology.

Although politics of higher education is not the prime focus of this research, its impact on institutional management is crucial. Government policies have transformed the higher education landscape since 1988. Cave et al (1997) noting the underlying aim of government policy insisted that:

"The government's aim was to strengthen the concept of one higher education system in which all institutions were required to work to objectives outside themselves and to demonstrate that they had met them" (Pg. 6).

The government's aim was clearly affirmed in the 1987 White Paper in which it was reflected that emphasis would be on 'instruction in skills, the promotion of the general powers of the mind, the advancement of learning, and the transmission of a common culture and common standards of citizenship...But above all there is an urgent need for higher education to take increasing account of the economic requirements of the country' (paras. 1.2 -1.6). The White Paper (1987) also specified the approach that government and central funding agencies would take. It noted:

"So government and its central funding agencies will do all they can to encourage and reward approaches by higher education institutions which bring them closer to the world of business' (Ibid).

Government's intention was supported by the provision of substantial grants by the Training Agency that would integrate business into the curriculum. These
expectations were also associated with a government policy to increase student numbers. In the early 1990s, government policy was aimed at increasing the participation rate from between 20 to 30%. However, government was clear to point out that those increases would be achieved through efficiency gains and reduction of unit cost. ‘Efficiency and the role of efficiency indicators in its achievement were highlighted in the White Paper (paras. 3.23–3.30) (Cave et al, (1997), Pg.7).

The foregoing indicates the possible direction that future government policies would take. It would be greater emphasis on efficiency and efficiency indicators, reward for higher education institutions that encourage and develop closer ties with business, and a greater role for central funding agencies. Performance measures and managerial tools would also become central to government policy in its attempt to monitor institutional performance.

1.3 Aim of Research
Managerial and evaluation trends give rise to six key questions:

1. Is the use and development of performance evaluation beneficial to the management of universities?
2. Does state policy ensure all universities, old and new, benefit from the use of external assessments?
3. Were attempts by government to generalise national assessments part of the drive for greater central control of universities?
4. What are universities doing in response to these government pressures?
5. What is the overall impact of these changes on the general administration of universities?
6. What are the implications for the ‘evaluative state’?
The main aim of this thesis is to examine how performance evaluation is used and developed as a strategy in the management of universities. It is not intended to solve management problems and does not follow methods or strategies laid down by agencies or universities. Performance evaluation is controversial and either proponents nor opponents of performance evaluation are likely to be able to use the evidence in the thesis to strengthen or weaken their case. The research, findings and interpretations are intended to benefit future researchers, those involved in the management of universities and those with interest in higher education policy.

However, the subject matter is intrinsic to politics and management. It involves a basic examination of the interplay of these variables and hopefully contributes to our knowledge and understanding. It belongs to the sort of research strategies highlighted by Cave et al (1997) as having an academic rather than wholly practical slant. It is more discursive and does not present systematic quantitative information. It is not intended to revolutionize this area in the short term. It should contribute to the theory and arguments that surround performance evaluation.

Despite its basic academic qualities, there is scope for adopting issues relevant to practice and procedures. The growth in new public management evolved to ‘meet the pace of change as defined outside the institution and........to respond with speed which the policy agenda set by government require (Neave and van Vught, 1991, Pg. 8). If research can identify and explain relevant theory then, it would have become worthwhile to practitioners. It would offer both administrators and managers a medium through which other practices could be examined. If research findings would help in developing theory, themes or explanations about performance evaluation I would consider this effort successful and worthwhile.

The philosophy that underpins any education system is usually expressed broadly, thus allowing some flexibility for different views and perspectives. Universities are
sometimes viewed as institutions designed to create, change and satisfy social needs. I noted earlier in this chapter that universities play quite a significant role in the economic development of a country. The economic significance of universities ensures that major stakeholders are keeping them well within their sights. The multiplicity of audiences with their different interests exerts intense pressures.

The basis of this research is partly sociological where from a macro-perspective, an education system is perceived:

“As adapting to social requirements and responding to the demands of society and not people.” (Archer, 1979: Pg.25)

In practice, education is seen as offering an opportunity through which the functions of the state provide for the social, economic and political needs of its people. Universities are important social institutions, capable of generating growth in knowledge, social, political and economic well being of a people. Present day societies are heading towards a ‘knowledge society or a highly educated society’ (Teichler, 1991. This means that more jobs require technical competencies. It is in this regard that universities can contribute towards human resource development and give economic advantage to a country in a highly competitive global environment. In my view the UK higher education system is capable of delivering a technical and competent labour force.

The above discussion suggests that an educational system should be characterized with an in-built capacity to adapt to societal needs. Adapting to current societal needs presents a fundamental challenge and a possible barometer from which to measure future success. Reviewing corporate plans and goals in this light seems a natural part of institutional management. Ensuring institutional success may prove more elusive because of intense competition and a shrinking resource base. In spite of the competition and shrinking resources, general interest in institutional performance in on the increase.
With growing interest in public institutions, much depends on how well universities are able to transform their structures and operations in accordance with the desires of society. This means, keeping abreast of public opinion and responding effectively to it. The extensive changes embracing the university sector at the end of the nineteenth century mirrors the broad thrusts in other public sectors as Britain moved towards modernizing her systems for the 21st century. With all public services placed under the searchlight, it is for higher education to take the initiative and be proactive about change. But does the university enjoy the academic or institutional autonomy that allows it to participate as an equal partner in any government-university partnership? Barnes (1999) argues that autonomy lies at the heart of civil society but that higher education has sold out its autonomy. According to Barnes (1999):

"It is now being called upon to subordinate its own interest to that of society, or more accurately the presumed interest of society"

British universities have in the past enjoyed a certain degree of academic and institutional freedom. The need for financial support and the desire for autonomy poses a real dilemma.

Kogan (1996) described the nature of the relationship:

"Higher education has always pleaded for exceptional arrangements for its control on two assumptions which pull in different directions. First, high quality education requires autonomy in the performance of its prime function. Second, it cannot survive without funds that only nation states can find. In effect, however, the playing out of the first assumption reveal striking ambiguities, the autonomy of institutions from state control is a far different thing from the autonomy of academics. A third set of arguments conditioning the relationship is the need of society for the products of higher education, trained and educated people and new knowledge. This sets terms on

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autonomy which governments feel they ought to fund.”
(Pg. 1)

Universities now operate under a system of ‘conditionalities’ (Little et al, 1999) that never existed two decades ago. These ‘conditionalities’ are set by the State and universities are expected to respond. This can pose serious problem for university policy makers and managers as they grapple to find methods sufficiently effective and able to bring about desired results. Government, as ‘principal’ is in control of the purse strings and strongly positioned to call universities ‘to dance to the piper’s tune’. One way out would be for universities to become reasonably rich and thereby exercise some form of financial independence. But the dilemma here is to find the capital to underpin such autonomy.

1.4 Delimitation of Research

Before engaging the substance of this research, it is necessary to make some delimitation. First, this thesis looks at the evaluation process and not at the functions of management. It examines also the linkages between different aspects of the process.

Secondly, the research specifically examines management tools used during the evaluation process. It seeks to determine whether simple indicators are capable of measuring performance within such a diverse sector. Both qualitative and quantitative indicators, are themselves limited in their own way. Possible dangers and limits are examined.

Indicators used by policymakers and managers include: peer review; research assessments; teaching quality assessments; league tables and some internal procedures. The study does not cover the evaluation process in its entirety and neither does it examine every performance indicator used or developed by institutions. It concentrates on common indicators used by both new and old universities in their management.
Fourthly, the role of external agencies is crucial to the success of the evaluation process from the state’s perspective. The emergence of external agencies as major stakeholders in the evaluation process is a direct consequence of government steering strategies. External agencies are deployed by the state to ensure compliance. They can be ‘conduits’, ‘buffers’ or ‘mouthpieces for government policy’. As implementers of government policies, the manner in which they execute their roles and functions will impact immensely on the success of government policy.

This research examines how the external agencies conduct their activities. Case studies are used as they allow for an in-depth understanding of the issues without starting from preconceived notions and/or limitations. Universities have their own history, management strategies, and unique institutional cultures. The case study approach provides a ‘rich vein’ of descriptive data sufficient to answer the research questions posed above.

1.5 Chapter Arrangements

This first chapter is an introduction to the thesis. It indicates the changing political context, the nature of higher education, emergence of new public management and changes in institutional management. It sets out the research questions, aims of research and the delimitation of study. It outlines the changes that have taken place within the public sector since the advent of ‘The evaluative state’ and their impact on universities.

Chapter Two begins to set out the theoretical and empirical grounding for the research project. In the absence of any general management theory and policy models for the use and development of PIs, the study is located in theories drawn from management, public policy, politics, economics and evaluation. Those ideas are used to explain how the changing relationship between State and the social institutions has resulted in a performance evaluation system utilising a variety of quantifiable indicators in helping government attain political objectives. The broad
thrust of the chapter is to examine the ‘rise of the evaluative state’; use of evaluation in the public sector; hard and soft managerialism; and the development of PIs in the public sector.

Chapter Three examines the use, development and application of PIs in the higher education sector. It examines the definition of PIs, development of PIs since Jarratt; strengths and weaknesses of PIs; their relevance to higher education; peer review and league tables; RAE; TQA; HEFCE; HESA. Reference is also made to quality assurance systems and autonomy.

Chapter Four sets out the case for the research methodology. It sets about explaining the conditions and research design. Next, it looks at the choice of institutions featured in this study. It outlines the procedures and explains the general methodological ideas underpinning this research. By virtue of the researcher’s own position in this research, some key methodological issues are reviewed such as the ‘insider-outsider issue’. There is further discussion about the location and use of key informants. This chapter examines issues of reliability, triangulation, validity and their impact on the study. The chapter also considers issues around quantitative and qualitative debate and data collection strategies. The main data collection strategy is the interview. A final part looks at the need for effective reporting of data.

In Chapter Five the analysis of interview accounts feature on how the use of national assessments and indicators add an important tier to the evaluation process. The views of key informants are explored. It examines the RAE and TQA as important barometers of national performance. It highlights the use of league tables by stakeholders. It also examines the role and functions played by two important external agencies – HEFCE and HESA in performance evaluation.

Chapter Six gives further accounts of interviews with key informants such as registrars; accountants; planners; administrators and academics. This builds on
Chapter Five by examining ways that universities respond to national strategies. It gives an ‘insight’ into the sort of indicators that are used and developed by old and new universities. It also considers the place of ‘league tables in managing universities. Thus, it is at best a reflection of institutional practices that universities engage in their management.

Chapter Seven attempts to deepen our understanding of the use performance evaluation in the management of universities. It brings together the evidence presented in Chapters 5 and 6. The impact of my findings is articulated and the practical limits of my research stated. The intention is to give an overall view of the evidence and how the different strands come together. It helps to examine how the evidence answers the research questions outlined in Chapter 1.

Chapter Eight focuses on the key conclusions, which may be drawn from the evidence. It explores the major themes and theories and attempts to set out the main contribution to knowledge. It sets out areas in which future research would be useful.

Conclusion

The changing political landscape is impacting upon the higher education sector. Universities are now required to undertake steps to improve their management efficiency. Government, through various policies is demanding that universities respond positively to its’ reform programmes. Universities are using quantitative indicators whilst simultaneously developing their own internal systems. Funding of the public sector is tied to institutional reform and improved performance. Thus, it is interesting to determine how universities are using and developing evaluative mechanisms in managing their performance.
As investments in public services increase and government demands greater accountability, performance evaluation and other regulatory measures will grow in importance. It is particularly important that evaluation tools are understood and applied rationally by stakeholders.
CHAPTER TWO

STATE AND THE PUBLIC SECTOR

2.0. Introduction

This chapter discusses theories on which this research is grounded. It offers a framework, which embraces a multi-disciplinary approach. There is no single theory. Rather, the underlying approach is an amalgam of different ideas and concepts that help to illuminate the processes that emerged within the public sector during the last two decades.

The chapter argues that all sectors of the public service have been subjected to monitoring instruments. Despite privatisation the degree of government intervention has been great in areas such as telecommunications, steel, transport and gas. Public services such as health and higher education are now under intense scrutiny. So are schools and Local Education Authorities. In every corner of Britain performance evaluation and management tools are being used as evaluative mechanisms to maintain the system; improve quality and to satisfy consumer needs for information. Higher education has not escaped the summative and formative use of indicators and other methods of evaluation.

2.1. What is the Public Sector?

The public sector as an entity is sometimes difficult to describe with precision because of its diversity. It involves services such as health; education; local government; social services and transport. Since the 1980s electricity, water, gas and telecommunications have been privatised but are still associated by some consumers with the public sector. Nutley and Osborne (1994) highlight some of the defining features of the public sector as that:
"...their specific powers are derived from Parliament, to whom, in turn, they are ultimately responsible. Many, but not all, public sector organizations are financed mainly via some form of taxation" (Pg.1).

However, boundaries that once existed between public, private and voluntary organisations are becoming rather blurred. Relationships between the various groups have also changed. The philosophies that once sustained the public sector such as unity, bureaucracy and co-operation are disappearing and are being replaced by themes from 'new public sector management'. Current themes include assessments, performance, evaluation, indicators, competition, transparency, targets and markets. So why is the public sector undergoing change?

2.2. Public Sector Institutions and Change

Clark (1992) commenting on possible reasons why the public sector has changed indicated that:

"Public sector organizations have traditionally been holders of budgets running into millions of pounds and employing hundreds of thousands of people. It is not surprising that the pressures for increased service quality in the public sector are coming from a variety of sources concerned about the stewardship of such resources."

(Pg.3).

Clark (1992) argued that the pressures came from legislation; competitive tendering; constraints on spending; customer expectations and customer focus. As a result certain tools and practices have emerged within the last two decades that are aimed at transforming public sector management. To public sector managers and professionals, this means adapting to new processes, instruments and becoming more accountable. The relentless pace at which change developed has not made it easy to adapt to the new processes.
Ridley (1999, 132) suggested that the public services in Britain moved from an ‘administrative to managerial culture’. He argues that change has been both internally and externally driven. Thus he argues that:

"The last two decades saw a dramatic transformation of the public service in all its branches. Its role in the process also changed, moving from reforms imposed externally (The Thatcher/Major project) to situations in which it is a partner in the drive for reform: officialdom is changing itself through an internal dynamic" (ibid).

Thus the role of the public sector has changed over time either through internally driven reforms or, when acting as ‘partner’ (Ridley, 1999) in externally propelled reform. This tends to suggest that the public sector is now forced to play a ‘dual role’ in a changing political environment.

Margaret Thatcher brought both political will and power to her project. She sought to ‘reinvent’ government by using legislation and reform of the machinery of government. Administrative changes were initiated that included: performance indicators, competitive tendering, contracts, mission statements, privatisation, performance incentives and performance related pay. John Major introduced the Citizen’s Charter programme and reinforced many of the Thatcher reforms. Administrative changes were intended not only to save money but also to improve managerial efficiency within the public sector.

The public sector in Britain, as in other countries, has been shaped by history, reflecting a political, social, economic and administrative culture. ‘However, administrative cultures also reflect current organizational frameworks, administrative procedures…..rules’ (ibid). Services must be delivered within such an administrative culture and herein lies the crux of the matter. That is, public sector modernisation has driven most of the changes taking place during
the last two decades. Effective and efficient delivery of services has become the focus of both government and the public.

I shall concentrate on developments over the last two decades, firstly because they are relevant to the current study and secondly, because they are related to the idea of the ‘evaluative state’. Public sector reforms during this time have led public service managers and professionals to focus increasingly on institutional performance. Changing strategies and practices have emerged within the public sector indicative of the evaluation practices favoured by successive British governments. Many of the practices have developed along theories and ideas associated with the rise of the ‘evaluative state’ (Neave, 1988).

During that period ‘government policies in the NHS and higher education were predicated partly on the development of reliable indicators of performance’ (Henkel, 1991, pg. 193). Cave et al (1990) have indicated that performance indicators mushroomed in the public sector during the 1980s. Institutional evaluation became a major policy strategy utilized by managers in determining institutional performance.

Government’s evaluation strategy seems geared towards changing existing managerial practices, beliefs and funding methods. The tendency is to create a more efficient and effective system within the public sector. However, institutional development depends on existing practices, culture and perceptions of ‘key players’, for example of managers, planners and financial consultants. For government intervention to succeed, the cooperation and goodwill of institutions are necessary. Cooperation can sometimes impose additional managerial burdens on public sector institutions. Increased burdens carry with them added cost and responsibilities. The will of institutions to effect the designated change will be crucial. This could be influenced by the degree of
trust between the parties.

Building a positive ‘trust culture’ is an important ingredient in organizational success. Subordinates expect to receive reassurances from organizational managers ‘when the chips are down’. The organization must be committed to the subordinates’ career, working conditions and demonstrate a level of commitment. The subordinate must show commitment to organizational goals. Corporate life is demanding and also those subordinates who display the right attitude will succeed.

With so much emphasis placed on targets, only the right organizational environment will produce positive results. In this regard a system that provides feedback should be in place. Feedback can be positive or negative. The manager must be willing to offer feedback on what needs to be done differently so maximise performance. Alternatively, good performers must be acknowledged when organizational targets are met. Reassurances build trust between people. Individual responses and action are situationally located. Implementing new models and approaches carries with it certain risks which policy makers need to be aware of. New systems are never easily developed and will draw on the goodwill of participants for their successful implementation. A new spirit of trust must develop between those who design the system and those who are to implement change. The forging of this new bond is crucial for a successful launch of any evaluation strategy.

Analyses of social institutions ‘highlight the multiple objectives of evaluative institutions, the complex pressures upon them and the uncertain relationships between their authority, independence and impacts’ (Henkel, 1991, Pg. 178). Nevertheless, before examining and discussing the use of evaluative and management mechanisms, two relevant and fundamental issues need addressing,
namely, the context in which those organizations operate and secondly, the current imperatives emerging within institutional management. Through careful examination of these fundamentals, a possible framework may emerge for further analysis of performance evaluation within the sectors. But it would be naïve to expect that the application of new tools will solve the problems facing the public sector. A new model or framework needs time and resources to work.

Analyzing state evaluation of public sector organizations is beneficial as it helps to identify relationships between management, professionals and bureaucratic structures. It can demonstrate to what extent current strategies are being successful. Current analysis suggests that government attitude to the public sector as a whole has undergone a major shift. It seems to me that government is now more willing to give the public the ability, if provision of services is poor, to find alternatives. This is evident in the health service, education and telecommunications. Thus, a major redefinition in the relationship between the state and public sector has emerged.

The result was a more interventionist state, a state willing to demand public accountability from recipients of state funding. It suggests a more evaluative, interventionist, result driven, proactive and sometimes more confrontational. It marked a fundamental shift in relations between the state and the public services. The state-public sector nexus has therefore registered a fundamental shift in their relationship. The impact created a new awareness; different mechanisms; a fresh approach to management and a major shift in political ideology. As the problems within the public services mounted, so did the 'evaluative state' become more aggressive and demanding.

Such a shift in central government policy is clearly enunciated by Cuthbert (1988b).
"Where once we were concerned with bottom-up control, growth and effectiveness, qualitative assessments of performance, education and the individual in society, we are now concerned with top-down control, contraction and efficiency, quantitative assessments of performance, training and the worker in the economy. There has been, in other words, a shift in emphasis access and quality to funding and control" (pg. 53).

The above sentiments tended to reflect what was happening in higher education, but most of it could be ascribed to developments elsewhere in the public sector. The shift to top-down control is one of the variables dealt with in this study. So is the issue of quantification of performance. They form what Neave (1996) has called 'performance conditionalities'. But this study also argues that qualitative assessments can help improve the evaluation process. It is based on the view that any system which develops a combined form of quantitative and qualitative judgements will enhance decision taking. This would be made possible because qualitative or discursive data would provide the 'flesh' for the 'bones' (quantitative data). A combination of quantitative and qualitative data should provide a more comprehensive picture of a given situation.

2.3. Rise of the Evaluative State

Despite the existence of adverse economic conditions such as rising fuel costs and inflation during the late 1970s and 1980s in the UK, I argue that political ideology contributed much towards recent developments within the public sector. Government initiated measures aimed at reforming the public sector. These included privatisation of nationalized industries, compulsory tendering for many local authority services and civil service reforms. Initially, 'many of these reforms were deeply unpopular when they were introduced. In particular, many people resented the ideology that fired most of the changes' (Bates, 1993, pg.24). Bates (1993) further argues that those in power gave an impression that
if an organization was publicly owned it 'was bad almost to the extent of being corrupt' (ibid). To the reformers 'there is no such thing as a free lunch'. Those who opposed the publicly owned system at the time argued for greater public accountability and greater managerial responsibility.

Change ushered in management systems that were unheard of previously. Management systems that were aimed at giving greater control and management information for effective decision making. Proponents of change identified new structures or modified existing ones operating with new management tools. This discourse shows how 'intertwined are political and managerial uses of evaluation. Both bodies recognize the value of indicators to policymakers and managers. But they developed and used them to support their own political purposes as well' (Henkel, 1991 Pg. 195). The belief that indicators held great potential within an evaluation framework was linked governments and policymakers to a view that only performance counts.

The use of performance indicators in evaluation in the UK was introduced primarily for political and managerial purposes (Henkel, 1991). Most performance indicators were integrated into a wider system of performance evaluation. This wider system, of course, emphasized issues around monitoring and measurement. Clearly a link between politics and management seemed to have been forged to effect change within the public sector. Greenwood and Wilson (1989) are of the view that performance measurement identified a strategy for 'measuring the relationship between inputs and outputs, and the effectiveness of policy programmes' (Pg. 129-134). Public sector organizations are encouraged and sometimes forced to be more 'indicator conscious', as evaluation is introduced institutionally, competition is encouraged through quasi-markets, contracts that define the sort of relationship between purchasers; producers and the evaluative state demands for greater public accountability.
I take the view that performance evaluation will not provide major benefits unless the framework is well supported. The new framework tends to be supported by agencies and stakeholders; government and the media. It should be a system that will innovate and develop services effectively and possibly based on accountability, inspection and intervention. Those at the front line of service delivery should be offered incentives to encourage them to contribute fully to the new framework. It should avoid transformational rhetoric and address the needs of the public sector. For example, to set appropriate centralised targets; offer choice and exhibit a 'public sector ethos'. The new framework must show validity and credibility.

Validity and credibility will introduce confidence in the new framework. Importantly, qualitative judgements must help put 'flesh on the bones' of the quantitative indicators. More flesh on the bones means a broader base judgements. This would help the monitoring system; and help indicators become more robust, transparent and rational.

The inability of social institutions to adapt and change was in fact a major concern to many governments throughout Western Europe. The slow pace of change within institutions to satisfy the growing societal needs provided a strong basis for government to get involved. Evaluation was perceived as offering both a weapon and opportunity. This offer of opportunity was conditioned by a political process and the values politicians bring with it, a process which was referred to as the 'rise of the evaluative state' (Neave, 1988). The lack of adaptive power made it extremely difficult for many traditional institutions to respond to national concerns. It became clear that many social institutions were unable 'to meet the pace of change as defined from outside that institution...... respond with speed which the policy agenda, set by governments requires'
Governments demanded that social institutions respond quickly and effectively. Maassen (1996) in reference to higher education noted that:

"Governments demanded that higher education systems react quickly to developments in society but the very nature of the established relationship between government and higher education made it practically impossible for higher education institutions to fulfil this requirement in a satisfactory way." (Pg.8)

Maassen (1996) conceded that higher education was never a political priority as was the case in the health service and social security. However, the 'vast amounts' of expenditure and 'its relatively low position' (pg.1) made it an 'easy and obvious target' (ibid). In my view, the public sector services do not provide a homogeneous product and attempts to standardize evaluation procedures could face problems. Undoubtedly, public services depended on state funding. But the degree of dependency has grown over the last decade due to a rise in public demand and inflation that has been reduced however. Political rhetoric from the major political parties has contributed to increasing demands and created a growing expectation from the public services.

The foregoing discourse suggests that internal institutional performance formed only a small part of a wider problem. State demands were influenced by other variables. In health, local government social security and transport the concerns seemed similar at best. Throughout the public service the cry was for increased efficiency and for an effective public system. Most concerns were directed at transforming institutional culture and the delivery of the public services. The past had shown that merely increasing investments in state bureaucracies did not mean a corresponding increase in services. Transforming institutional culture could help alleviate the more endemic problems.
Politicians and managers would have to find new ways and means of transforming the public services. It would involve changing the ‘public sector landscape’.

Barber (1997) has questioned the politicians’ understanding of the changing ‘public sector landscape’. Fukuyama (1995) supported this view:

“Because culture is a matter of ethical habit, it changes very slowly - much more slowly than ideas.....On the other hand, people sometimes make the opposite assumption that culture is incapable of changing and cannot be influenced by political acts. In fact, we see evidence of cultural change all around us” (Pg. 40)

Evaluating the political impact on culture necessitates time and careful consideration of those involved. Neither should the support of every member or group be taken for granted. In a democracy, where so many have known “freedom of thought” and ‘self expression’, imposed change is likely to be resisted. To succeed, group members must be won over. They must be offered help to get over the ‘culture shock!’

Government’s drive towards greater efficiency after the oil crisis and economic problems of the mid-1970s may be ascribed as being more of a ‘reaction’ than a predetermined, deliberate and calculated course of action. It is possible to argue that government failed to establish major systems in forward planning that could have helped troubled institutions during that period.

There is little evidence of governments in the late 1970s and early 1980s making themselves manifestly clear or providing sufficient time in which institutions could get their acts together. Public sector organizations needed more time in which to prepare for rapid cultural change. Government’s policy represented a
major shift in attitude. The tendency was for governments to seek to increase efficiency within the public sector 'by letting government funding of,....schools, universities, or local governments, be subject to the outcomes of performance evaluation of these public institutions' (Maassen, 1996. Pg.8). The government's view was that it was no longer right to spend, spend, spend. Public expenditure was seen as being too high and efficiency savings were necessary. There was a frequent call for giving value for money. The cost of running the public services and a strong political desire to 'roll back the state' provided proponents of change with an effective weapon on which to proceed.

2.4. Basis of the Evaluative State

The emergence of the 'evaluative state' was characterized by strong demands for value for money, public accountability and strengthening of institutional administration. It represents an implied condition for those involved to develop the necessary competencies for their duties. The rise of the evaluative state involved a consolidation and 'a shift towards a posterior evaluation, which seeks to elect how far goals have been met, not by setting prior conditions, but by discovering the extent to which overall targets have been reached through the evaluation of the product' (Cave et al, 1997, Pg. 82).

The shift in policy indicated a move away from a demand-led policy towards expenditure - driven budgeting. 'A posteriori evaluation works then through control of the product, not through control of the processes'(ibid 10). It introduced a 'multiplication in the use of indicators'. Neave (1987) noted that it would promote 'performance related funding and encouraged PIs..... which permit finer targeting of resources' (Cave et al 1997, pg. 82). The emergence of the evaluative state introduced new elements such as 'new public management' (Pollitt, 1995) and indicators. Feed back and evaluation grew in importance. The 'evaluative state' and 'new public management' are two ways of looking at
the same phenomenon. They represent new approaches to a general problem of how those with resources and power ensure that their priorities were followed by those who accepted state funding. It has meant that public bodies are forced to disclose more of their achievements. Managerial responsibility was a key element of the political dogma that underlies the arguments associated with the 'evaluative state'. The subsequent chapters will deal with performance evaluation in greater detail.

The state, through the promulgation of successive policies, had imposed upon public institutions instruments of evaluation. I do not in any way condone low standards and poor performance. I argue that the state used its power to introduce values that would enable it to exercise greater forms of control. Gaining more control underpins the philosophy on which the evaluative state is based. And gaining control can be achieved by developing and imposing external performance indicators. Hence the use of the 'concept of evaluative state' in this study. It allows me to examine ways of institutional control, its use of tools to evaluate performance; and the link that exist between performance and resources.

I take the view that the level of resources invested into a system will impact on its capacity to meet its goals and missions. A sizable amount of the financial resources currently invested in higher education comes from central government. Those resources are raised out of taxation. British political parties are keen to present themselves as 'the party of low taxes'. Taxation becomes a major issue at election time as both major political parties fight over the tag of 'low tax' party. The Labour Party wants to dispel the image of being the 'high tax, spend, spend, spend' party. Living to promises are proving harder to keep as the scale of commitment investment necessary for a vibrant public sector becomes apparent.
Lawton and Rose (1994) observed that:

"Public sector is making increasing use of performance indicators in order to assess the effect of policies. ...because of the complex and changing world in which the public sector operates, implementation of policies may solve certain problems but is likely to throw up further problems which in turn need to be solved."

The above view is well supported by Mc Daniel (1996) and Cave et al (1997): PIs will help identify problems and not necessarily solve them. If performance indicators are limited in this regard then it is fair to argue that they should be supported by other sources of credible information. Hence the reason why this research incorporates performance indicators and national assessments in order to provide a broader picture of the performance evaluation process.

As the public sector becomes more diverse so have its features changed. The relationship between the public sector and state is a major changing feature. The number of stakeholders has increased also. Public sector investments continue to be reviewed. Performance management within the public sector is gaining in ascendancy.

2.4.1. Developing New Features

New features provide fresh challenges to policy makers and managers and require fresh initiatives. New ways to package products; to manage; to increase demand are bound to add to the growing list of burdens. In addition, there is the overall demand for value for money, transparency and improved performance. The product now lies at the core of the process. It is the product, which legitimates or de-legitimates those who produce
Determining institutional success by product evaluation is likely to prove difficult in areas such as the social services and higher education. Using 'waiting lists', operations and criteria to measure performance in the health service is not fully reliable. There are many sub-processes contained in a single product and may be difficult to link results to any one single process. In schools, the pass rate is used as a barometer of effectiveness. There are so many interactive processes no one single variable can truly be regarded as the dominant one. The only way forward is for the large bureaucracies to be sub-divided into smaller units and each made accountable for its own performance.

Views expressed by Cave et al (1997) are quite instructive and can help to identify current government thinking. The emphasis is placed upon the product, the quantifiable measure and not with the process. These researchers have further strengthened their arguments that 'this development involves among other things, the multiplication of indicators of performance and judicious application of the econometricians' art' (ibid). It is submitted therefore that managers and administrators must be trained or given sufficient help on how best to maximize the use of indicators. The present research will consider the danger that indicators are likely to pose in the next chapter. If managers know of the dangers and pitfalls then they are likely to make more effective use of indicators as management tools.

The 'Rise of the evaluative state' is definitely based on 'its firm ideological
belief in the blessing of deregulation and market forces (and) has been convinced that these together will provide more stimulus to institutions to innovate and find a particular niche in a more competitive...market’ (Meek et al, 1996). It is arguable whether the Treasury has become victorious over administration and professionalism. New practices have been introduced as part of the drive to move away from previous institutional practices to what government and the ‘new managers’ regard as the best way forward.

New practices are based on the assumptions about instrumental and value qualifications, knowledge and professionalism, the role of workers, ethics and political competencies. There is a widespread acknowledgment for new task competencies, professional competencies, social and political competencies in administration and policy fields. The emphasis is placed on competition and private sector management styles (Flynn 1990; Metcalfe and Richards, 1990; Pollitt, 1993) and self interest. It may never be possible to compete without self-interest since it can be successfully argued that self interest is the main motivator of private sector investment and is the coordinating mechanism of market and consumer choice. Recent trends in higher education tend to show that this is the direction that many old and established universities are tending to go. Mergers and acquisitions; property investments; financial accounting depending on balance sheets and profit and loss accounts control their operations.

As part of their drive towards greater efficiency, institutions are encouraged to embrace marketisation of the sectors as a means of introducing more competitive elements within the system. Bargh et al
(1996) see 'marketization' at the system level as governmental policies to build market-like culture and resource allocation systems, whereas at the institutional level it refers to competitive behaviour that has been stimulated between and within institutions. Government now offers a host of economic incentives as a means of propelling public sector organizations towards change. In return, organizations are held accountable for state resources used in the production process.

2.4.2. Accountable Managers

The changing ethos of the public sector has imposed various accountabilities upon public sector managers. Managers are required to be accountable in different ways: financially, legally and politically. In this respect, the view expressed in this study is that accountability is central to the debate about control and performance evaluation. The shift towards performance indicators seems to me a deliberate strategy of making accountability the centrepiece of government policy. In consequence, a sophisticated system of providing information has evolved.

In summary, it can be argued that government involvement in public sector services resulted in institutions having to find new ways to strengthen their management capacities and capabilities. It clearly intended to create a situation in which the State was capable of challenging, punishing or rewarding these organizations. Neave (1988) articulated the position correctly when he wrote:

"The evaluative state is a rationalization and wholesale redistribution of functions between the centre and periphery such that the centre maintains overall strategic control through fewer, but more precise policy levers contained in overall mission
Neave’s (1988) ‘distribution of functions between the centre and periphery’ does raise issues about the relationship between state and the public sector. It will certainly impact on the structure, operations and management of those institutions. A major reconfiguration of the public sector was at hand. The view of this research is that state involvement meant that professionals and managers had to respond. Really and truly, the evaluative state has succeeded in starting the debate and introducing new public management. The State might have taken strategic control but it cannot be fully exonerated from organizational failure while claiming credit for the successes.

It is rare for public sector organisations to possess all the means to achieve their missions, goals, plans and objectives. Cooperation amongst numerous stakeholders is often required to enable strategic plans to be fulfilled. Public sector professionals are becoming increasingly ‘managerialized’ as new indicators are added with every new policy. In this sense, the managerial role of public managers is increasing rather than diminishing. Managers are being appointed to negotiate contracts, attract funding, manage colleagues, respond to external demands and compete for shares of the public sector market.

Nutley et al (1994) have observed that it is ‘important not to overplay the importance of politicians or managers’ (pg. 182). They cited Wilson (1992) in support of their argument against assuming that ‘managers are
all-powerful and hence the role of context is underestimated' (ibid). Wilson's argument finds support from the work of Pettigrew, Ferlie and McKee (1992) on the NHS which suggests that 'the role of context is equally important in understanding change in the public sector' (ibid). It is suggested that the institutional context in which public sector services are delivered will impact on the quality of the services delivered.

2.5. Revisiting the Public Sector

I argued in the previous section that the 'rise of the evaluative state' affected many layers within the public sector. This has led to major policy rethinks and a redefinition of the state-institution nexus. The concept of 'public service' took fresh meaning as it shifted from a 'social good' to one of 'market value'. However, it was not a market in the real sense. In real markets, buyers and sellers of goods and services confront each other directly. Suppliers are rewarded for providing the services that buyers want and buyers can use their purchasing power to obtain what they really want' (Williams, 1999, Pg.150). According to Williams (1999) there is the basic 'economic discipline of opportunity cost. The problem is whether the health service or higher education can be classified as a real market in which the buyer purchases a service and then loses the opportunity of buying something else. Instead the public sector is more akin to what has been referred to as 'quasi-markets' (Williams, 1999) and Le Grand et al (1991, 1992). Williams (1999) in reference to higher education noted:

"...........they operate in British higher education, in which a monopolistic buyer acts as a proxy for final consumers and purchases higher education services on behalf of students, result in economically rational outcomes. The resources available to such a
purchaser are determined by many influences other than the demand for higher education by potential students" (ibid)

Williams (1999) could well be describing what is happening elsewhere in the public sector. Government’s concern with resources is a major factor but not influential enough to allow the market to find real equilibrium. In this research, the expressed view is one in which both the nature and culture of the public sector are experiencing frequent changes, a view supported by Henkel (1991); Griffiths, (1983; and Jarratt, 1985). It was observed that:

“The nature of, for example, health service and higher education organization was redefined in management terms” (Griffith, 1983)

The argument was based on supply side economics. As observed earlier in the discourse, they were economic arguments so often linked to Thatcherism. They were arguments about reduction in public expenditure, efficiency, economy, effectiveness and standards. The public service was being exposed to different national and managerialist priorities; especially of those who preached greater efficiency and effectiveness. It involved creating new frameworks; new procedures; auditing and assessments and new forms of management controls. These became manifest ‘following a period about the governability’ of Britain (King, 1975). No doubt the state sought to control public expenditure; redefine relationships and boundaries between public and private sectors and create ‘new normative and conceptual frameworks for public sector activity’ (Henkel, 1991).

The aforementioned discourse indicates the heavy reliance that was about
to be placed upon management and related mechanisms. Apparently, the state was ready to endorse managerialistic procedures and tools in its bid to transform the public sector. The sort of reformed public sector where markets and competition would dominate and achieve greater savings. How would administrators and managers trained in different practices and modes of thinking share government’s perception about managing the public sector? I do not subscribe to the view that mere application of management tools would provide all the answers. Neither do I think of the imposition of external indicators as the solution to all the problems. This research claims that a much more embracing approach is necessary to bring about a more effective public sector. In fact, providers are calling for more spending in order to meet public demands. It is not just the money but also the political and administrative will to tackle the bureaucratic problems that have bedeviled public services.

Intention to effect change often involves looking back at what has gone on before. It involved assessments of institutions and applications of policy. Burch and Wood (1983) referred to this as:

"a judgement on what has gone before or what is taking place" (Pg. 198)

It is obvious that government in the early 1980s was disappointed at what went on before. It was concerned about the future. Looking at the products from the public sector and matching these with use of resources provided an initial focus. But this level had its conceptual and practical difficulties. Measurement of output, outcomes, ownership of performance, uncertainties in planning were going to be difficult to manage. The complexity of what goes on in the production of services makes it difficult
to link resources to results. Management of the process is not an end but a means towards achieving long term goals. So what framework of rules or practices are likely to influence decisions?

2.6. Government Steering

While early research in the area focused primarily on the logic that underlies policy making (e.g. March and Simon, 1958, Braybrook and Lindblom, 1963), in the 1970s the emphasis shifted to implementing policy. During the 1980s and 1990s researchers such as Sowell (1980), Van Vught (1989) and Lane (1990) wrote extensively about the effects of government steering, regulation and control of public sector institutions. But how may such control manifest itself?

The rise of the evaluative state brought changes in steering policies and of instruments. While 'new steering strategies' were emerging (see Williams, 1994) in which government used finance as a steering tool, the state continued to offer major economic incentives to institutions. This was a daunting task. Public sector institutions differ in product range, market, management skills and experience. Some, like education and health, continue to rely heavily on the human capital for their performance. Some are internationally renowned institutions whilst others are relatively average in their provision of services. Thus in reviewing performance it is essential to focus on key differences that exist between and within institution. Government steering strategy needs to address the key strengths and weaknesses of institutions and direct support where imbalances are identified.
Government steering can be defined as:

"The influencing, adapting, and controlling by government of specific decisions and actions in society according to certain objectives and by using certain tools and instruments" (Maassen, 1996, Pg.61)

Government steering consists of a ‘framework of rules-within which other decision units can make decisions... within which other units determine substantive choices, the government making its own forces available to defend established boundaries’ (ibid, pg. 62). That framework consists of tools or instruments that may be used according to predetermined objectives. It involves control by governments and the use of formal management tools in decision making. In this case, management tools and evaluative mechanisms are used as a means of exercising control over key public sector organizations.

Government steering is relevant to this study because it deals with management tools and policy. There is evidence to suggest that current steering strategies make heavy use of performance indicators. It reinforces the concept of government seeking to regulate the activities of public sector institutions. It short, government steering may reflect a ‘seemingly distant government’ but one capable of influencing institutional decision making. "During the last twenty years scholarly interest has grown in such areas as steering strategies and government regulation (Sowell 1980, Van Vught 1989) without having created a dominant paradigm for the field of policy analysis even though it ‘may be stated that there exist a set of propositions, models, theories that attract a substantial backing among scholars carrying out policy and implementation analysis’ (Maassen, 1996, pg. 61)."
There are basically two main steering models, namely, rational planning and control and self regulation. The latter is the more relevant model to this case study. I will briefly deal with each model.

2. 6. 1. Model of Rational Planning and Control

This model has been widely criticised. It is regarded as highly idealistic ‘but cannot be realized in reality’ (Banfield 1959, Meyerson, 1956). It is further alleged that it lacks behavioural ‘Realism’ (Lane 1993, Pg.74). Lindblom (1959, 1965) argues that this model cannot be followed in practice and any attempt to do so is likely to distract decision makers. There is further argument that partial or complete control will ‘eventually result in the imposing of decisions and in commandeering of their implementation’ (Maassen 1996, pg. 63).

Popper (1957) saw the fallacy attached to a policy in which the centre attempts to gain control of public institutions and warned:

"The holistic planner overlooks the fact that it is easy to centralize power but impossible to centralize all that knowledge which is distributed over many individual minds, and whose centralization would be necessary for the wielding of centralized power" (pg. 89-90).

Central control would provide the centre with the means of implementing its plans. There would be structures and procedures that would enable the state to assert itself.

Popper’s argument suggests that setting up structures and mechanisms are easy within a centralized framework. But it may not be that easy to control
all the knowledge and skills that flow within and without this type of organisation.

In summary, the model of central planning emphasizes the centralization of the decision process. The type of ‘nationalized decision making process’ (Ball and Wilkinson.1992) referred to earlier on. UK higher education was never centrally planned. Institutional and academic autonomy were always central to its operations. Certain interventions in higher education point towards less autonomy and more state control. Use of external agencies; funding councils research exercises and the teaching quality assessment points to control tendencies. The use of internal systems and the need for them to report to external agencies show in which direction power is being exercised.

2.6.2. Model of Self-Regulation

Public policy in Britain points firmly towards a model of ‘steering from a distance’. Government possesses the capacity to deploy weapons aimed at helping it achieve both economic and political objectives. It may deploy bargaining, funding, coercion, persuasion or provide some other form of inducements. Therefore if:

"government wants to produce certain outcomes, it applies certain tools. Without them, governmental policies would be no more than abstract ideals or fantasies" (Maassen pg. 66)

Accordingly, ‘the state sees itself as a supervisor, steering from a distance and using broad terms of regulation’ (ibid). Maassen’s (1996) analysis is partially correct. In my view the self regulatory model is close to the British experience. Though public institutions are allowed a degree of
autonomy in decision making, the state is still fully engaged in monitoring and evaluating their activities. The philosophy that underpins a monitoring process seeks answers to the question: how well are those institutions performing? The setting up of external agencies to monitor quality and to control funding levels substantiate this. Publishing league tables also enable the state to glimpse into key areas of operational activities. In a way, it has become a more dominant and aggressive state. It has become more intrusive and directive. Evaluation of public sector activity reaches every nook and corner leaving no one insulated from its 'broad brush policy'.

The regulatory framework is aimed at ensuring that public sector organisations follow the policy direction articulated by government with a view towards greater public accountability. It provides control systems over programmes and budgets to assure greater economic efficiency, quality of outcome, student access, management and evaluation. No British government has ever wanted to completely release its hold on public sector organizations. New public management allows for privatization and other policies while simultaneously relying on the State's regulatory powers.

The state's interest has never waned. What seems to have changed is the degree of intervention or regulation. After decades of incremental progress, of prod and nudge politics of wait and see, the state has acquired powers which represent a qualitative shift in its relationship with public sector organizations. It is now in a position to orchestrate change on a scale and manner which knows no precedent (Salter and Tapper, 1994, Pg.
1). Successive British governments continue to use buffer organizations and 'quangos' to administer affairs of state. Greater use is now made of the legislative framework to force the pace of change upon partners even if they seem unwilling to cooperate. The Legislative powers are now used to support the 'evaluative state' strategies and policies.

The nature of regulation was well documented by Kells (1992, pg.16) as the 'act of evaluating and thus the measure of relative performance against expectations or normative behaviour'. The process is concerned with standards, quality, choice and measurement of performance. The marriage between state and public organizations is not and will never be the same and there is no sign of divorce in the foreseeable future. But as developments in the public sector accelerate there is little to suggest the future direction in which it may go. Government regulation is regarded by Van Vught (1989) as:

"Efforts of government to steer decisions and actions of specific societal actors according to objectives the government have set and by using instruments that government have set and by using instruments that government has at its disposal".

According to Van Vught (1989) government has attempted to steer public institutions based on predetermined objectives. In the process governments have encouraged the use of different mechanisms that would facilitate their endeavours.

2. 7. New Public Sector Management
Management of the public sector is a broad topic that does not often allow equivalent treatment of each area. This is partly due to differences in
service type; delivery and conditions of work. Nevertheless, they are all publicly funded. Consequently, government expects commitment and high quality service from all. In return for taxpayers’ money these institutions must show transparency; public accountability; value for money; a caring nature and tolerance and they must be in tune with public opinion. Britain is rapidly becoming a multi-cultural society where each group expects its needs to be satisfied. Thus the demands for ‘hard, quantifiable data’ is rapidly on the increase. An interesting question is how can a more reliable system transform the management practices in universities? Does the new public management practices provide the sort of impetus that is unavailable in present systems? Time alone will tell.
New public management theory emerged as a product of the rise of the evaluative state. It ushered a whole ‘new attitude’ towards the public sector. The introduction of privatization, competition, deregulation, private ownership of both houses and shares; and growing competition. It was based upon some neo-Taylorist ideas of management. In their assessment of the concept, Cave et al (1997) argued:

"...the market would assume a central role and the structure and mechanisms of public sector would be modeled on those of the private sector. Management continued to be seen as a key part of strategy but as ‘new public management’; with its emphasis on decentralization; organizational missions; income generation and multiple objectives”

It seems that the underlying doctrine which underpins the ‘new public management’ is one which suggests little significant difference between ‘running a factory, and a hospital, or between a company and a health authority’ (Flynn, 1990). This genericism of management goes back to the early ideas articulated by Taylor (1911) and Fayol (1915, 1916) the founding fathers of scientific management and administration. With the advent of new public management the emphasis has shifted from mere routine administration to one of controlling and managing resources and management of information.

Metcalf and Richards (1990) organized the role of the new public manager into: 1. Administrator. 2. Innovator and 3. Producer. According to Metcalf and Richards (1990) it is the producer role which is the most widely articulated view at present of the meaning of public management. The widespread acknowledgment by both those in the private sector and in the public sector that public institutions should be characterized by slimline management, lean staff, low unit cost and product evaluation is sufficient evidence to indicate how far things have changed. The widespread transition from ‘welfarism’ to a lean
state with minimum public services has evolved as a result of changes in ideologies in both political parties in the UK. Measures initiated by government such as contracting services; private health care and private pensions are becoming more widespread.

The Conservative government in the 1980s and 1990s created the internal market in areas such as health. People were encouraged to use both private and NHS facilities. It was a perfect example of government encouraging market segmentation within health service. This policy was further extended in areas such as insurance and pensions. The basis for such policies was that it afforded choice and represented an effective means for redistributing resources. But choice for whom? Many who found themselves within the poverty trap were unable to exercise choice and purchase alternative services, especially from the private sector. It was choice for a few with the requisite purchasing power and who felt entrepreneurially inclined. In many respects there are serious questions about this aspect of policy.

Thus the new public manager had the blessing of the state to explore new areas that were never available to his/her predecessor. At the heart of the new management theory is the desire that labour, capital and land should all be subjected to the demands of the entrepreneurial function. This involves using the available resources as efficiently and effectively as possible. Therefore, ‘new public management theory’ embodies the principles upon which the evaluative state exercises in both forms of control and assessment. More and more, the ‘new public managers’ saw themselves more as ‘corporate managers’ (Laffin and Young, 1985)

From a subordinate’s point of view, the practice of new public management is said to include the public manager’s ‘right to manage’ (Flynn, 1990, Metcalfe
and Richards, 1990). This means that the manager has the right to control the organization that he runs. If this argument is further extended, it can be confidently stated that such a right involves imposing obligations on others and even restricting their rights in some situations. Today, the public manager is powerful receiving their right to manage from the political leadership. New public management theory which forms the basis of current managerial practices in public sector organizations, including higher education, mostly regard man as 'money driven' rather than 'value led'. New public management sometimes depends on merit pay, contractual working arrangements; power and influence and 'performance conditionalities' (Little et al, 1999). New public management, therefore, includes a collection of managerial techniques as well as the values of managerial efficiency and political responsiveness. Current political thinking in the UK on public services is expressed in party manifestoes, citizens' charters and numerous 'hints' by government.

In summary, the new public manager exerts immense influence on the direction and success of public institutions. Positional power within a corporate structure creates a position in which to influence a major cultural change within the organization. The new perspective emphasizes a corporate ideology aimed at achieving predetermined objectives or institutional missions. It encourages the development of 'individualism' at the expense of a collective approach. It encourages a system of entrepreneurialism. Significantly, the emergence of a new climate meant that those who provide services had to operate an effective and efficient system. The dominant thinking on public sector management seems to require it to be as close to the private sector ethos as possible.

Under the new public management culture performance measurement has become a major strategy. Writers such as Meek (1996) and Bleiklie (1994, 1996) see the development of managerialism as another aspect of new public
management to introduce corporate ideologies into the public sector. It was given the generic title of 'corporate managerialism'. Accordingly, managing for results describes the essence of managerialism. ‘It is about delivering more efficient and effective services: its watchwords are value for money, outcomes and results’ (Taylor et al, 1997. Pg. 79)

New public managers have the opportunity to exert immense influence on the direction and success of public institutions. Positional power within a corporate structure creates a great opportunity from which to influence cultural and organizational changes. The new perspective emphasises corporate ideology expressed through mission statements. The development of an ‘individualistic’ is encouraged at the expense of a ‘collaborative’ approach to problem solving. There is much more emphasis on ‘entrepreneurialism’ as a means of managing the institution.

Thompson et al, (1990, pg. 79) illustrating the nature of the relationship between government strategy and what is happening around public sector institutions indicated:

"Margaret Thatcher's avowed aim is to create an enterprise culture (individualism). The major obstacle, Thatcherites believe to the establishment of such a culture is the clutter of institutional structures based on a careful balancing of privilege and obligation.

Thompson's observation reflects clearly tendencies that have developed since the 1980s and 1990s. They were aimed at reducing trade union power and possibly the militant tendencies in the public service. Policies capable of dismantling hierarchy and effect new values were promoted. In effect, the message sent out was quite clear: dismantle the dominant, collective social structures and replace them with individualism. Public organisations such as universities had to respond. But managers must understand the complicated
interface between managerial work in the public sector and the political process.

The degree of independence and the political intentions must be clearly understood but this would need some time before it is fully understood. Change needs time and does not happen overnight. Effective change requires collaboration of those who run the organization. Forceful change runs the risk of sabotage or subversion. Before tools can work effectively users must be confident that their efforts are recognized and rewarded and that they form part of the changing process.

2.8. Principal-agent Problem

This section deals with the concept of the principal-agent problem. It is an important issue that has recently gained prominence about finance and performance of institutions. According to this concept, the 'principal' is the person or group of persons in control of resources. Williams (1995) has expressed the problem thus: 'how does the principal, the government, get the agents, the institutions to carry out its wishes?' (In Henkel and Little, 1999). In the UK, public sector organizations are primarily funded out of state funds. Thus government continues to wield tremendous influence in the way these organizations are administered. On this premise, government will be regarded as the 'principal' and the organisations as the 'agents'.

Massey (1994) articulated the problem as:

"Principal-agent problem reflect the value incongruities between resource allocators' values and those of the recipient. When the values differ the agents' solution to the problem will not be the same as the principals' and yet it is the principal who pays the piper and should call the tune".
The principal-agent problem is linked to new public management. The main relationship between provider of resources [state] and agents [public sector institutions] is established. Like new public management it involves transfer of values and exercise of power. The principal-agent problem reflects one of the difficulties of new approaches to management in the public sector. The concepts-new public management and evaluative state - are new ways of addressing an emerging phenomenon in the public sector. They aim at ensuring greater public accountability for state funds.

The principal-agent problem is a real and practical one which public sector organization need to address. Current tendencies indicate that government provides resources and then calls upon the recipients to demonstrate a high degree of rationality and accountability. Where public funds are provided to agents and conditioned for use in harmony with the values of the principal, it is folly for agents to refuse an invitation to dance.

The principal-agent problem seems to have both local and national ramifications. It is tied to matters of policy, accountability, resource allocation and institutional autonomy. It is significant to the main issues in this research. Its relevance lies in the ability to explain and establish close relationship between two significant actors of this research. The significance of this principle was well expressed in an article by Jussi Valimaa (1999) where it was noted that:

"The principal-agent problem has resulted in national policies in which official rhetoric (increasing institutional autonomy through deregulation) and actual politics (decreasing institutional autonomy through the power of the purse) strongly contest each other. Consequently, the social environment for higher education institutions has become uncertain and unpredictable because the use of competition as a steering instrument does not say anything..."
I agree with the conclusion expressed by Valimaa (1999). This research recognizes the problem that universities and other public sector institutions face when dealing with the next policy change. The pace and acceleration of reform rapid and institutions need time in which to adjust their structure and culture.

**Conclusion**

This Chapter represents the first part of a two-part discussion of the focal theory that underpins this thesis. I have examined developments within the public sector since the ‘rise of the evaluative state’. These developed out of central government concern about indifferent performance within the public sector. It looked at new public management and how its introduction affects public institutions. It raises issues about government steering and regulation as strategies for controlling institutional activities. It emphasises the link between three relevant concepts in this study: new public management; the rise of the evaluative state and public sector organisations. In the process the State develops and encourages the use of performance evaluation and management as part of its drive to maintain both influence and control.

The underlying theme gets clearer as the link between state activities, product assessment, control and resources are established. This chapter emphasizes the major shift in the State - Institution nexus. It can be encapsulated thus: only measurable performance counts in return for state resources within the culture of the evaluative state.

A distinctive picture begins to emerge. Whether it is health, social security, LEAs, schools or universities, the ‘evaluative state’ will use monitoring instruments to measure performance. The success of public sector organizations is
assessed by the extent to which they achieve national objectives and institutional missions. How it does just this is a common issue among stakeholders. Increasing public expectations, size and change in political ideology combine to make public sector management a complex and topical issue. In the next Chapter, further discussions about how theories directly affect higher education are considered.
CHAPTER THREE

PERFORMANCE EVALUATION IN
THE HIGHER EDUCATION SECTOR

3.0 Introduction

"If the state is to care for its citizens from the cradle to the grave, to protect their environment, to educate them at all stages, to provide them with employment, training,......it needs a huge administrative apparatus" (Wade, 1990, Pg.4).

The above responsibilities still remain the primary focus of the British Welfare State. The demand for those public services is relentless. The State must ensure that investments are effectively managed. The United Kingdom has been exposed to a tidal wave of administrative change, most of them driven by new public management. It has been claimed that the 1970s was the ‘last decade of established order for public administration’ (Taylor and Williams, 1991, Pg. 174).

The public sector prior to the 1980s had witnessed attempts to change its’ organisations to make them more effective. Recent developments suggests an ‘onslaught on the public sector, government or more precisely public administration’ (Isaac-Henry, 1997, Pg.2). The period has witnessed a remarkable change in the UK and the growth in ‘new public management doctrine’. Others’ on noting the departure from the past described the situation as government ‘reinvented’ (Osborne and Gaebler, 1992). Government and its administration in that period have become ‘entrepreneurial’; ‘steerers’; rather than ‘rowers’ (Isaac-Henry, 1997). Government has encouraged the use of private sector practices within the public sector, even imposing its’ will upon it. Government’s aim is to achieve greater public sector efficiency through market-driven reform.
Public management relies on the support of other organisations. The huge apparatus once created by the state was under pressure to change deeply rooted political and institutional practices, structures as well established administrative cultures. One of the ways of achieving this change was through performance measurement and evaluation. Performance evaluation would provide government with some degree of political control. Control becomes an essential tool because of government's desire to achieve its' national goals. It is also part of the drive for government to achieve its' political goals. It is dominated by power considerations. Consequently, attempts are made at controlling structures, systems, relationships and boundaries throughout the public sector. British universities provide public services and couldn't escape the sweeping changes that were taking place elsewhere.

In this Chapter I explore the use of performance evaluation and tools as a management problem in higher education. I explore how its performance is evaluated through the use of performance indicators; performance assessments and performance monitoring. They are regarded as evaluative mechanisms utilized in the macro and micro management of universities. While acknowledging that evaluation tools, especially performance indicators, are problematic in their application in higher education, I argue that the challenges facing universities are in their application, in managing their effects, in the creation of new structures and in their impact on professionals.

3.1 Performance Evaluation
The development of performance evaluation is a product of the political process (see Flynn, 1997 and Isaac-Henry, 1997). The current model introduced in the Thatcher/Major years and continued under Blair adds an internal dynamic: 'internal competition and managerial culture should be a driving force
to better quality service delivery as well as greater efficiency in delivery' (Wollmann and Schroter, 1999, Pg.149). At first glance the model seems to be an 'oversimplistic' assessment but when external pressures are factored in, the full impact becomes visible. Understanding the effects requires an appreciation of the specific cultural, political and economic frameworks in which actors operate. By accepting that a political process exists, I need to consider the benefits of performance evaluation in policy and management strategy. A prime concern is in determining how performance evaluation is developed and used in the management of British universities. So what is performance evaluation?

3.1.1 Performance Evaluation: Definition

Performance evaluation is one of the major elements of performance management. It is not always easy to define the concept of 'performance'. The presence of numerous stakeholders or multiple constituencies tends to complicate the process. So are the 'uncertainties and uncontrollability of the essentially political environment' (Isaac-Henry, 1997, Pg.79). Moss Kanter and Summers (1987) argue that:

"the significant questions about performance are not technical but conceptual: not how to measure effectiveness or productivity but what to measure and how definitions and techniques are chosen and linked to other aspects of an organization's structure, functioning and environmental relations" (Pg. 227).

Definition and 'techniques' do raise conceptual problems. Linking the different facets to each other further complicates the organizational structure and management processes. And so will the concept of performance with its 'multiplicity of audiences' raise questions and issues around political judgement. This is not meant to scare but only to warn against taking an 'oversimplistic' view about performance evaluation and indicators. The situation is a complex one and raises difficult questions.
Peter Jackson (1993) outlined some of the inherent problems associated with it:

"Performance evaluation in public service organization is fraught with theoretical, methodological and practical problems which run in any discussion...the challenges which face public service managers are often more daunting than their private sector counterparts and require a wider range and greater intensity of skills" (Pg. 9-10).

Higher education institutions deliver their services within a complex socio-political environment. Among other things, their success will depend on using the appropriate technical, procedural and managerial techniques. It will require the 'wider range' and greater 'intensity of skills' as noted by Jackson (1993). Selected evaluative mechanisms must assist organizations meet their internal management needs and to satisfy public accountability concerns. Public sector organizations are faced with real challenges when incorporating performance evaluation into their management systems.

In the subsequent sections, I examine the dynamics that underpin the development; their constituencies; dangers and their impact on the management process. It is submitted that the use and development of performance evaluation has fundamentally influenced attitudes towards institutional governance. Institutional governance has created a new culture and environment within and without universities. I argue that changes made in state evaluation have generated new conditions, imposed changes to academic culture and established new policy networks. Underpinning these changes to the policy network are the major stakeholders such as government, external agencies, media, the Treasury and students.

3.2 Changing State and Higher Education Relations

In the previous Chapter I noted that the 'rise of the evaluative state' was primarily due to changes in ideological and economic circumstances. In this

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section, I focus upon the State-institution nexus and how this has changed. I note how the relationship between state and universities continues to evolve on numerous fronts, including state funding, quality, evaluation, academic culture and industry. British universities are in a state of transition and how they adapt to change may well determine how successful they become. But still they remain important and valuable.

3.2.1 Valuable Institutions

Hasley and Trow (1971) argue that universities form such a crucial foundation to the economy, conceived since Robbins (1963) as suppliers of scientific power and technological innovation for economic growth and development. Universities are of immense political and economic significance as they conduct training for future leaders, seek to influence cultural patterns and offer support and research findings to industry. At a time when the impact of new information technology on every segment of society is being recognized, universities are well placed to lead and harness available resources in order to generate economic growth. Thus universities can provide the sort of technical support that is necessary when government embarks on its economic policy aimed at generating higher economic growth.

The university has an even greater role in the increasing global market. Quality knowledge and skills are necessary for a state to maintain a sense of competitiveness in a world economy. Britain, the world’s fourth largest industrial economy, must ensure that its workforce possesses the required skills. In my view, universities will continue to play an even greater role as global economic boundaries continue to shrink. Britain is viewed as an important financial centre and her financial institutions engage in transactions worth billions to the economy. Investments in higher education can help in ensuring that those who engage in economic activities possess the necessary
skills. In return, university managers must be prepared to account for the use of these investments in a prudent and publicly accountable way.

The extent to which universities should be led will remain a contentious matter. After all, the UK is a major democracy and prides itself on various freedoms. A democracy should offer managers and professionals an opportunity to develop and produce work with little hindrance. Free expression and independent research should remain a major plank of this freedom. So the issue remains of how much autonomy should the state allow actors in universities. I will deal with autonomy and academics later in this chapter. The state may not always agree with the content of research published or thought expressed therein but freedom of expression is a human right in a democracy.

3.2.2 Emerging Relations

The relationship between State and universities is constantly evolving. Goedegebure (1994) in summarizing the status of the relationship observed:

"It does appear that the dual process of relaxing government control, and strengthening institutional management and autonomy, will continue.... This process. ...will be accompanied by enhanced institutional competition, a degree of privatization in funding of both research and teaching, and some degree of relevance on market-like regulation. At the same time institutions will be held more accountable for their quality and services".

Many of the observations outlined above are identifiable in UK higher education. One can identify funding issues; competition; limited degree of privatization and mergers; increased demand for improvements in quality and for public accountability. There is little doubt that the demand for public accountability is in the ascendant and the clamour for managerial tools and other league tables will grow. Universities must relate to government policies in both their short and long term planning requirements. However, unpredictability and uncertainty are likely to make it more difficult for universities to set effective plans and directions.
In the previous Chapter I argued that the British public service model is more akin to a 'self regulated model' than to a centrally steered model. Deregulation has occurred with the state maintaining control through 'performance conditionality' (Neave, 1996, Pg.26). The result prompted a major shift away from 'legal homogeneity' (Neave, 1996) towards a system based on economic imperatives. Most changes seem to have been based on a macro-economic view that fiscal and monetary incentives are necessary to sustain limited public expenditure. It reflects the view 'in the micro-economic belief that direct subsidy of institutions is a disincentive for improvements in efficiency' (Williams, 1999, Pg1).

Williams' (1999) view tends to reflect the recent attitude of UK governments towards HE in which the latter begin to operate away from state reliance towards 'quasi-market' conditions. The last twenty years have seen frequent debates about the financing of higher education, with numerous formulae change; the role of private finance; student fees and about the precise role of the state in higher education. In 1998 the Labour government introduced student fees amidst major protests by student groups and political opposition especially from the Liberal Party. The opposition to student fees is still 'alive' and government has ordered a review of that policy.

The changing relationship between state and universities has resulted in changes to the evaluation procedures; institutional management; funding; working conditions for professional and increasing use of contracts in administration. It has also created new structures such as external agencies; made greater use of information technology and implemented some austerity measures. Brennan et al (1994) observed that the 'drive for more value for less money has been the overriding characteristic of the policy context for higher education and has set the stage for drastic changes on the part of key actors'. Although these
measures bore the hallmark of crisis management, they represented the forerunners of what was intended to become a more systematic policy by government to steer resources to its own strategic priorities (Williams, 1992, pg. 2). Performance indicators offered just that chance and managing through them the acid test for universities.

3.3. Performance Indicators

In Chapter 1, I argued that performance indicators are used broadly in this research. They represent elements of the performance management process. 'Performance management is the evaluative process by which a view is reached about the performance of a set of activities measured against the achievement of specified objectives' (Nutley and Osborne, 1994, pg. 121). Performance management therefore involves performance indicators, performance appraisal, performance monitoring and performance evaluation. Performance evaluation involves the retrospective evaluation of a set of institutional activities against its objectives. This incorporates evaluation of national institutions against set national objectives.

Performance indicators can be seen as checks upon the organisation's performance, but it should be stressed always that they are merely indicators and not the service itself. They are only 'tools for managing performance and not targets, or ends in themselves' (Nutley and Osborne, 1994, pg. 125). Indicators provide opportunities for managers to evaluate institutional efficiency, effectiveness and economy. A chance may be to determine the 'health' of the institution.

3.3.1 Definition of Performance Indicators

Cave et al (1997) have expressly defined performance indicators as 'numerical value' used to measure something which is difficult to quantify and are to be distinguished from ordinary statistics, in that they, 'imply a point of reference,
for example a standard..........a comparator’. Kells (1992, Pg. 5) defines performance indicators as ‘factual or opinion information gathered from existing databases or de novo, about the functioning of organisations or their constituent units for various purposes’.

Researchers and academics debate about whether PIs are quantitative or qualitative. This research takes the view that quantitative indicators need to be backed up with qualitative judgements. Hence my argument that quantitative data must be provided with some ‘flesh on the bones’ so that users can get a fairer view of what a set of figures mean.

Cuenin (1986) has advocated the sort of management system that shows that both qualitative and quantitative elements of assessments are possible. It is imperative to determine in this research what system of indicators are utilized; how they are used; what burdens they impose and who bears the cost. It is my view that not every policy change need result in the development of new sets of indicators. A system that imposes new indicators with every change in policy will increase cost and impose new burdens. The likely effect is for managers and professionals to get more bogged down in form filling; collating data and less time on the actual process or product.

3.3.2. Development of Performance Indicators

The development of PIs is viewed from two perspective: a) ‘macro’ or external indicators and b) ‘micro’ or institutional indicators. ‘Macro’ indicators are those requested or demanded by government and the national agencies. They are usually policy oriented and tend to be tied to funding issues. However, there are national assessments in place that attempt to measure both teaching and research performance. On the other hand, internal indicators are designed to measure the degree of efficiency and effectiveness of an organisation.
The Jarratt Committee (1985) was mandated to explore the issues around university management and asked to consider:

"A range of performance indicators should be developed, covering both inputs and outputs and designed for use both with individual institutions and for making comparisons between institutions."

The aim was to produce information that would help universities to manage themselves more effectively. The Jarratt Committee (1985) emphasized taking a long term view which inter alia:

1. Relate to stated objectives of universities i.e. primarily teaching and research. As there are many activities of universities which underpin their primary roles, or are even peripheral to them, indicators relating to all aspects of a university’s activities would be included.

2. Be acceptable and credible in the sense of being free of systematic bias.

3. Be as simple as possible, consistent with their purpose.

4. Be specific, quantifiable and standardized so that the information can be used for making valid comparisons within and between institutions.

5. Be useful and capable of acting as signposts to areas where questions concerning operations can and should be asked. (University Management Statistics and PIs; 1987: Pg. 4)

Thus the recommendations noted that there was need for specific, credible, acceptable and standardized PIs. It was further noted that PIs need to be consistent, free from bias and relating to numerous activities that underpin the university’s primary role. Importantly, PIs were to be regarded as ‘signposts’ and perform some ‘useful’ function in management.

The Jarratt Report (1985) recommended that universities must work to clear objectives and achieve value for money. It advocated the development by the
Committee of Vice-Chancellors and Principals (CVCP) and the UGC, of Performance Indicators for universities, ‘with the stipulation that these should be indicators which were calculable and usable by managers’ (Lund, 1997: Pg. 22). The message was that PIs should remain as ‘signals’ or ‘guides’ but never as absolute measures. ‘In 1987 and for several years afterwards the CVCP and UGC (and its successor bodies) published University Management Statistics and Performance Indicators in the UK, comprising 39 sets of comparative data and performance indicators, relating to universities only’ (ibid).

The Morris Committee (1987) was set up for non-universities with specific terms of reference that it focussed on performance indicators at both institutional and sectoral levels. The Committee which reported in 1990, recommended the production of four sets of macro performance indicators which were relevant to national aims and objectives. The Morris Committee recommended that:

"institutions should use a corporate planning process designed by the institutions to their own specifications but involving the use of PIs. Institutions should publish some of their chosen institutional PIs in an annual performance report" (In Cave et al, 1997, Pg. 14).

The underlying idea is that management must be patterned along corporate lines with key practices developed using sound management practices.

Cave et al, (1997, Pg. 1) had linked their advances to ‘a function of the interplay between technical advances and political interest and agendas. Government realized that PIs could become an ‘instrument of public policy’ (ibid). Such developments would enable government to advance policies, create new structures and to encourage wider stakeholder participation.
If the initial drive to instal PIs in the UK was government driven, then the right environment had to be created in which universities could successfully operate. Supporters welcomed the change and thought that huge benefits might be possible with their application. Among the benefits highlighted were those of increased quality, higher standards and more effective management systems.

Opponents saw change in terms of extra institutional burdens, pressures, loss of autonomy and increasing expenditure. They feared that the management system would put too much emphasis on the use of quantitative data. Some argued that PIs should be approached with a certain degree of ‘caution’.

A fairly recent official report on the status of PIs in HE was released by the PISG (1999) where it was observed that ‘they (PIs) need to be interpreted with knowledge and understanding and intelligence: knowledge especially of the definition of the statistics, understanding of the organisation of the relevant part of the university and the range of variation throughout the sector; and intelligence to recognize when other figures need to be considered simultaneously’ (ibid, Pg.1). According to the report, the data provided from the use of PIs should help only in stimulating questions. A warning was sounded in which it noted that:

"uncritical use of these indicators may seriously damage the health of the university" (ibid).

These are powerful statements from a body charged with examining how performance indicators are used in institutional management.

This research argues that where indicators, especially quantitative ones, are utilized proper care must be taken as to how best to used the collected data. It is possible for the data to be abused, overused or used indiscriminately. An institution may suffer harm if data is used irresponsibly and steps at damage limitation prove to be ineffective.
The compilation process must be executed with great care. Thus the:

"process of compiling indicators requires agreement about what constitute good inputs, processes and outputs of performance. Indicators thus raise questions about objectives which cannot be shirked if one is going to put a quantity on them. But to the extent that the compilation of indicators avoids the revolution of such questions whilst maintaining an appearance of objectivity, they may be harmful. It is generally agreed that they need to be used in conjunction with less clear cut-and dried forms of evaluation including peer review, that they are more effective in raising questions than in providing answers" (Becher and Kogan, 1992, Pg.160).

Thus in developing effective performance indicators, institutional managers must have regard for certain criteria against which standards and quality are measured. It is suggested that performance indicators should not be developed in isolation. Certain pre-existing benchmarks and other related tools should be used in order to enlighten managers about the worth and significance of statistical information. Proper collaboration between the sources must exist; otherwise the risk of contamination and systematic bias exists.

There is no doubt that users will enjoy appropriate and effective performance tools. PIs certainly help in translating standards into concrete data which can be recorded for all to see. But the ‘danger is that PIs are only known to, and used by senior management so that a report can be made to government. This may cause PIs to appear to staff as a means of oppression employed by management that is not in touch with service delivery’ (Ted Le Riche, 1997:Pg.5). Le Riche (1997) also argued in the same article that the ‘very issue for any public service organization is identifying the social result’.

This research partly supports the view expressed by Le Riche that the social result is the only issue for public organisations. However, I argue that a
broader view should be articulated whereby all issues are examined and due weight given against pre-determined objectives. In this case, I argue for quantitative evidence that will support internal decision making as well as satisfying external obligations. This include feedback from students, academics, employers and some of the macro indicators produced by government. Some support from qualitative evidence including minutes, reports, policy statement regulations, prospectuses, handbooks and procedures can help. Qualitative evidence may also be derived from observation of internal procedures, external assessors and academic research.

Cave et al (1992, Pg.7) commenting on government’s role in the development of macro indicators noted that:

"it drew attention to the potential role of macro indicators in protecting the interest of the whole sector in the annual expenditure rounds".

The premise was based on what Trow (1994) referred to as “external evaluative review, as it is linked to funding, is powerfully coercive. It conveys a lack of trust by government in the intrinsic innovations of academic or in their own internal processes of quality control. It operates as an instrument of management and control over the reviewed institutions” (Pg. 32).

The result of the political initiatives taken to advance the development of PIs can be seen as forming part of the broader debate about evaluation and assessment in higher education. Government was inclined to change institutional culture through performance management. One of the ‘underlying assumptions is that more information on the performance of the public sector, such as higher education, should become available to make it possible to reward excellent or good performance’. (Maassen, 1996: Pg.127).
There is a definite need to exercise considerable care when developing a system of performance indicators as a result of changes in policy. Otherwise, it could lead to less easily 'measured activities being given lower priority and may affect them in unanticipated ways: the pattern of working relationship between client and sponsors; the responsiveness of an organisation to the demands upon it; and the scope for discretion in the use of resources' (Cave et al, Pg.37, 1997).

Therefore half baked policies aimed at introducing performance indicators in the evaluation can prove to be harmful. Mechanisms must be developed in order to minimise their effect. Their impact on resource mix, professional response and culture must be carefully examined.

In the thrust of policy development it would be essential for users of performance indicators to define comprehensively the intended role and function that they play. It is crucially important to determine the nature and independence of those indicators before proper weight can be ascribed. Of great practical significance is the utilization and reporting of such indicators to the other stakeholders involved with the organisation. Johnes and Taylor (1987, Pg.31) noted:

"That great care will be needed in the interpreting of various indicators are not being used cautiously, major mistakes could be easily made in allocating resources both between ...... and within universities. Thus not to argue that attempts to measure the performance of universities made. Indeed, universities should welcome the opportunity to demonstrate efficiency and effectiveness more openly to the taxpayer".

An important issue that the reader should bear in mind is that the ex-polytechnics did not become universities until 1992. Since the Jarraat Committee began their operations in 1985, new universities could not have been directly affected by their work.
The difficulties associated with establishing total acceptance, reliability, validity and credibility of PIs seems almost surprising to principals. But in designing procedures, assessment systems and provision of incentives are not always welcomed by agents. Therefore the possibility of conflict arising from the principal-agent relationship is a real one. It is clear that performance indicators can be used for numerous purposes, by different stakeholders and with the selection of indicators depending on the use to which those indicators are to be put. However, performance indicators do play a most valuable role in completing other forms of measurement used by institutions.

The concerns of organisations must be addressed when dealing with the decision making process. Management tools utilised during the evaluation process must show a degree of relevance to the issue raised. The next section considers the constituencies and users of performance indicators.

3.4 Constituencies and Users

The approach by government thus far has been to encourage the use of management tools that help connect quality and public accountability. In the management tools has become widespread. The Dearing Committee Report (1997) indicated that university governance need to:

"systematically review, at least every five years with appropriate assistance and benchmarks: its own effectiveness...... the arrangements for discharging its obligations to the institutions external constituencies; all major aspects of the institutions' performance......" (1997: Pg.163, HE in a Learning Society; Report of NCIHE).

Dearing (1997) encouraged the use of benchmarks in measuring performance. There is clear indication that the onus of discharging its obligations is placed on universities in terms of not just a duty but an obligation to external constituencies. Dearing (1997) suggested that universities should undertake
some form of comparisons every five years. The comparative results will enable universities to determine in which areas they hold a comparative advantage; the relative market position; progression rates and areas of major weaknesses.

PIs are also relevant to those involved with forecasting and developing corporate plans. Data enables universities to plan their marketing strategies within a market framework. But global conditions must be factored into these plans. It is necessary for universities to frequently review short and long term plans in order to determine if they are successfully meeting their targets.

Hence the reason why management tools must show that they are reliable and able to provide fast and effective information. Difficult, obsolete, complex or unreliable data is bound to create an aura of unpredictability. Hence the reason why evaluation of universities through indicators should be carefully handled and key obstacles removed.

Development and dissemination of information have not fitted easily into existing management practices. Mc Daniel (1996) has described the situation as a multi-user syndrome while Nedwek (1995) referred to this as a ‘coalition of elites formed to affect the policy agenda with calls for accountability and quality in higher education through implementation tools such as PIs’ (Pg.48). The scenario was described by Cunningham (1996) as ‘multiple audience’ operating within the higher education sector.

3.5 Policy Network Changes.

Relationship between elites, multiple audience and the political interests combines to effect change throughout the entire policy network. Who are they? What do they do? Nedwek’s coalition of elites refers to all stakeholders operating within a particular service, brought together and sharing common
interests. Their main purpose is to demand certain services and policies that will reflect their needs and wants. Therefore, the introduction of PIs as management tools was supposed 'to renew or restore public trust in higher education' (ibid, Pg.48). This was a key concern of the evaluative state. Other concerns were based on performance, trusting universities to manage and expecting them to produce goods and services acceptable by the state. Government and stakeholders imposed numerous demands on the public sector that would affect every aspect of its culture. So were the expectations. Whilst expectations continue to rise and pressures mount, policymakers are slow to match these with corresponding increases in resources. Yet this coalition expects an escalation in service quality!

Vast demands for information by the coalition of elites or multiple audiences means that institutions are to produce, collate and store large quantities of data. This has come to represent what Hood (1983) described as a 'policy instrument of information'. Really, what has multiplied is the vast amounts of quantitative data and management statistics in the public domain.

3.5.1 Uses of Performance Indicators
This research accepts the view that performance indicators can produce information about the present and future progress of an organisation. The quality of evidence is highly significant. If performance indicators are to be of benefit to universities then the information derived should be beneficial to the structure, system, and professionals. The data must facilitate decision making. It must produce a situation in which the different parts can interact with each other's work. At a time of increasing competition when survival is the watchword, there are signs of ruthlessness. Performance data, if applied effectively, should be capable of contributing towards this survival. But the approach must be well balanced, cautious and executed with great care.
Henkel (1991, Pg.194) sounded this warning:

"Few indicators could ever be regarded as providing absolute measures of performance, individual measures should never form the basis for conclusions about comparative performance with other(s)...... and should beware of allowing indicators of input and efficiency to drive out those of quality which not not be quantifiable".

This warning reinforces the position articulated in this research project: that information per se lacks value unless management can combine different sources to help inform effective decision making.

The Audit Commission (1986), in reference to work done on 'national models of performance' noted that 'performance indicators could provide uncomplicated short cuts to useful evaluative judgements' (In Henkel, 1991). Performance indicators should not form the only basis for decision making. This research submits that a performance indicator, as a comparator, should provide guidance to institutional managers. It is for managers to use other forms of complementary evidence to corroborate their decisions. It is my view that performance indicators should not seek to provide uncomplicated short cuts during the management process. It is sufficiently difficult for any manager to bring together the different factors of production. The above view is supported by Cave et al in their claim about the way that managers should proceed when performance indicators are used. They observed that:

"Indicators which can help institutional leaders identify, or at least raise questions about, strengths and weaknesses of comparable departments and programmes are welcomed"(Pg26)

The objective is to ensure that those within the organisation are maximizing resource use. This is not always the case since the use of PIs can be controversial. Controversy can be greater if it tends to show that government
intends to use them as a means of imposing greater public accountabilities and evaluation without effective consultation.

3.6 Controversy and Weaknesses

Performance indicators have become most controversial when the emphasis shifts from 'their use as one of the major inputs into effective decision making to using them as ranking devices to allocate esteem and funding differently' (Meek, 1995). Determining the rank of individuals and institutions is a complex matter and I am of the view that no one form of data can establish this. On balance, a fairer way would be to bring together a full assortment of data.

The scale of controversy surrounding the use of PIs were expressed by Cave et al in this:

"Everywhere the introduction of PIs is controversial. There have been various attempts at an official national state level or at a level of an institutional institution to test the validity and/or acceptability of different PIs by assessing the attitude of lecturers and other stakeholders toward them" (Pg.101).

The authors cited work done in the UK, Holland and Australia as proof of their wide interest in testing the acceptability of PIs. It was further suggested that no other issue in higher education had focused more minds and received such wide ranging reviews. Can the above view reflect interest in the use and development of those tools rather than the controversy that surrounds them? It is the identical sort of controversy which surrounds hospital league tables; transport; local authorities; schools and the police. No doubt they will indicate the size of the problem an institution faces but they do not offer solutions. Managers are charged with finding workable solutions.

Their use as a policy instrument seem nominal if the views expressed by Spee and Bormans (1992) are acceptable. They observed that:
"Indicators to date have played a relatively minor role in actual policy of national governments or of the institutions" (Pg. 139).

The above view does not represent current developments in higher education policy today. One only needs to look at the impact of the RAE and TQA in national assessments to recognise that this is not the case. The RAE tends to be seen by some as a barometer for measuring performance in both institutional and national research standing. The TQA, a later invention, is already used to measuring teaching quality and casting its reflections on national performance. Consequently, the RAE and TQA are fast becoming significant national policy instruments in their own rights. Universities themselves are now relying much more on these standings to strengthen their claims in the market place.

They might be controversial and resisted in some quarters, but many users are fast recognizing that they can prove helpful. In this study, it is crucial to examine the extent, despite the raging controversies, will managers and professionals accept PIs as forming an integral part of the evaluation process. Their acceptability by managers, planners, administrators, policy makers and professionals may well see their greater use in future.

3.7. Performance Indicators in use: Teaching

This section examines the major indicator of teaching performance in British universities. This is one of the main issues at the core of this research. Government policy emphasizes the need for trained and qualified teachers. It is a policy which seeks to ensure that professional staff remain accountable for the quality of work that they produce. Improving teaching quality is a good thing. But finding the right methodology to measure performance may not always be easy.
Cave et al (1997), in reference to the Joint Indicators working Group (JPIWG) (CVCP 1995 a) report observed that 'whilst maintaining its interest in developing robust statistical output measures, it warned against assuming that these could in isolation provide reliable evidence of the quality of teaching: inputs and processes must also be considered to provide a credible blend of qualitative and quantitative indicators' (para. 2.2).

The above informs us that the development of satisfactory performance indicators for measuring teaching poses its own difficulties. Again it highlights the problems that be faced when developing a set of indicators for evaluating a product or process.

### 3.7.1 Student Cost measures as PIs

Average cost per student or graduate provides universities with a natural performance indicator. This will incorporate both input and output measures. It is generally available and universities can use them for institutional comparisons. It is a widely used comparator of performance between universities. It can also be used when making intra and inter departmental comparisons.

### 3.7.2 Value-added

Value added is presented as a means of measuring the true output of universities. It is more commonly talked about in the former polytechnics than in the established, traditional universities. It tends to focus on the effectiveness rather than efficiency of a process and highlight educational achievements as well as social value. There are major problems in devising a realistic way of measuring value added.

Cave et al (1997) argued that the definition in terms of social contribution is quite broad. Accordingly, they noted:
"Education is the value to the individual in terms of the consumption benefits of undergoing it, the pecuniary advantages of increased earnings potential, and other benefits in terms of personal development. The benefit to society derived from having one more highly educated individual, which may be desirable in itself if society values education per se, and from any positive externality effects' (pg.124)

It is possible to argue that the significance of value added is derived from the information it can provide to managers in respect to the relationship between input and outputs. The more efficient the organization tends to be the lower cost of producing data.

The theoretical perspective may in practice prove more difficult to implement. I do not think that it is altogether possible to produce wholly satisfactory value-added tools that are fully reliable. However, I am of the view that they should not be discarded fully and that greater use should be made of them where they can help to clarify important issues.

Getting general acceptability among institutions about value-added will remain problematic. There are so many other unequal factors that could affect the point of entry into an institution and departure. This method assumes that all students enjoy an equal set of circumstances whilst at their institution. Student equity is a difficult thing to attain irrespective of which institution you attend.

3.7.3 Progression Rates
The first set of indicators proposed under teaching and research by the CVCP/UGC included examining wastage rates within the sector. JPIG in 1995 (CVCP19895a) indicated that in this area significant changes have been made in both conceptualization and analysis of the matters involved. Since 1995 there has been a shift away from wastage rates to a more student centred approach based on a broad analysis of student progression. This is an inclusive approach using data from input, process and output measures for institutions
wanting to develop evaluation procedures that would help them discharge their obligations to students. Increasing growth rates and diversity in the student population are likely to compound existing problems.

There are issues around linking these 'performance indicators' to policy and making sure that they are used in a manner beneficial to management. Managing wastage rates could give rise to issues related to quality control. At a time when government policy clearly emphasizes access and diversity, universities would be careful about the consequences of their policy in this regard.

But wastage/progression rates do provide an insight into a number of related areas. It allows universities to identify those who leave with qualifications; those who have left because of academic failure and those who have been forced out. Thus indicators of this type may 'enable institutions or indeed government to diagnose problems and to analyze their nature, they open up a number of possible lines of enquiry' (Cave et al, 1997, Pg. 139). This in itself is quite significant. It was reported that non-completion rates rose by 25% in the year 1992 (THES, 29th December, 1995). 'These figures if correct raise questions about what is and what is not in the control of institutions' (ibid). It raises issues around the management of resources, student selection, induction, counseling, staff-student contact, teaching quality, victims and whether assessments can help reduce better progression rates.

Increasing investments in higher education may help to better student retention. If progression rates are to worsen, then the State and institutions must examine its full implications for students and national policy.
3.8 Evaluating Research

Due to its contribution to economic development and for its dependence on state funding, university research has become an area of great policy interest. Mace (1993) suggested that 'government has in recent years promoted the idea that research carried out at universities should be more related to the immediate needs of the economy' (Pg. 13). He argued further that the Advisory Body to the Research Councils has also supported the idea that more applied research should be undertaken. Mace's observations are supported in this research. The State provides funds for universities to undertake research and there should be economic returns. The growing demand for information and knowledge is central to the new knowledge based society.

The focus on PIs in research seems a welcome development to some observers. Cave et al (1997, Pg. 207) expressed it in this way:

"By contrast with the assessment of teaching, the evaluation of performance and research is widely seen as providing a more acceptable focus for the use of PIs".

And this seems to be regarded as a widespread view. External agencies continue to emphasize research performance criteria in order to judge excellence among universities.

Adjudications are intended to produce the sort of quantitative indicators and the use of tools in the allocation of resources. Until a few years ago such practices were mostly based on US experience, but in reaction to market demands such performance tables are now published. Publication of university rankings could significantly impact and affect the perception of stakeholders: students; employers, government and international market. To many British universities their status in the international market is of paramount importance both in terms of demand and their reputation. British universities also depend on foreign markets and are able to generate substantial sums from foreign
students. The sums raised help pay for university projects and in a way help subsidize university cost.

It is beneficial to consider how the status of both old and new universities has changed since the RAE. There are differences in research status between the two groups. One of key areas is in the availability of resources. Mace (1993) recognizing a possible conflict of equity and efficiency between the two noted:

"If we have scarce resources, to achieve the best results perhaps we should allocate them to those already well endowed with human and physical capital and with a proven track record in research" (Pg. 71).

Mace’s (1993) argument makes economic sense. It suggests moving towards the sort of management efficiency which is desired by many in the public service. However, it further alienates those who are less endowed or have been recently elevated to university status. It goes against reaching out to the lowly placed institution and removing it from its financial difficulties. It presents a dilemma: How can universities that are different in many respects be subjected to the same tools? Having raised this issue, I want to make it quite clear that state funds should not be poured into a bottomless pit. That is, funds must be allocated to those that can demonstrate efficiency.

However, Mace (1993) later acknowledges that it may be inequitable, in that it gives the ‘haves’ and consigns the have ‘nots’ to ‘a position from which they cannot rise because they are starved of resources’ (Pg.71). It seems that the existing situation poses a real conundrum for academics and policy makers. It raises issues around finding the most effective way of allocating resources among institutions that are unequal in many respects. Should the State allocate special funds to boost the most deprived institutions? Would the same national mechanisms help to redress this imbalance? Or will the result of the evaluation
process cast institution still further apart? These are important systemic concerns that need to be looked at.

3.8.1 Indicators of Research

The number of research students, publications, citations, completion rates and employers response play an important role in determine research status and quality. Historically, in the UK two main interweaving threads contribute towards the development of PIs in research: the work of various funding councils/CVCP committees dealing with PIs in general; and the four RAEs - 1985-86; 1989, 1992, 1996. There was another in 2000. As a result the place of research in terms of control and public accountability was now well documented by policy requirement.

By Circular letter 45/88 (UGC 1988b) the following were to represent the criteria in determining university ratings:

a. publications and other publicly identifiable output;

b. success in obtaining research grants and studentships;

c. success in obtaining research contracts;

d. professional knowledge and judgement of advisory group and panel members, supplemented where appropriate by advice from outside experts (Cave et al, 1997, Pg 167).

The above criteria do emphasise output and the ability to generate funds through internal efforts.

Thus the quality of university managers, public perceptions, ability to secure contracts; generate funds; and the number of publications all add to this complex mix of determinants. Eventually, this information must be converted
into a five-point scale. This scale would reflect the degree of research excellence and possibly the future market position of the university.

3.8.2 Research Assessment Exercises

Research activity in universities is increasing (see McNay, 1999) because of two important factors: 1) funding and, 2) because of its evaluation. The RAE carry major resource implications for the university. A major function of the assessment systems was to ‘sustain stratification and selective state resource allocation between universities’ (Kogan, 1996). The RAE performs other major roles as well, such as, ‘to reduce the universities’ dependence on state funding and to instil market mechanisms into higher education’ (Bauer et al, 1999, Pg.242). The RAE represents a ‘quadrennial evaluation of activity and output’ (McNay, 1999). No doubt the policy was aimed at injecting competition between and within universities so as to get them more efficient.

The RAE tended to produce results that could be used by the funding council to inform and distribute research funds. The Sub-Committee on Research Indicators (SCRI) observed in its consultative document ‘Issues in quantitative assessment of department research’ (1989) that ‘relatively objective data can be used both to assist the forming of judgements and to strengthen their public accountability’(para.1). Significantly, as pressures built up in other areas of university management in the 1980s so were calls for developing research indicators becoming more firmly focused. Technical developments in the big sciences were attracting a sizable audience here in the UK. The journal of ‘Scientometrics’ took special interest leaving some of its researchers to claim that:

"the underlying objective was to test whether reliable research indicators could be produced which might help the Research Councils and other funding agencies in determining future policies”(Carpenter et al 1988, Pg.217)
The RAE introduced the sort of evaluation that proponents of selective funding and quality had articulated. Universities on such an occasion were asked to provide information about research plans, priorities, research profiles of individual subject areas and plans. Information about number of research staff and students, titles of books and other publications was requested.

There have been criticisms leveled at the RAE exercises. In 1986 most of the UGC rankings were being opposed by academics according to a poll carried by THES (5th June 1987). Criticisms raised included the extent to which the procedures laid down were followed. According to Zander (1986) it would have been virtually impossible for the UGC and its subcommittees to find enough quality time to appraise all the publications submitted by every individual.

McNay (1999, Pg.201) in a more recent work on the paradoxes of research assessments and funding noted that 'within some institutions, RAE was a distraction, taking a lot of effort away from other initiatives of from the development of more broadly based strategies for research development'. If this view is correct then certain areas such as teaching are bound to suffer. The examination of the TQA will illuminate that point. It does suggest that managers of research would find themselves under pressure to produce the level of quality that is publicly acceptable. I am of the view that this could either force some managers to put undue pressure on researchers or that some researchers end up producing sub-standard work. Good research needs time.

In summary, it seems that the RAE helped increase the tempo of evaluation in universities and provides a welcoming source of funds for the successful institution. RAE results can create the sort of aura around an excellent university that is beneficial to its position in the market place. But McNay (1999) did sound a note of warning:
"If the RAE is to be repeated, it needs to find its place in a more integrated approach.......A more open process, a fuller dialogue with all involved, in contrast to an image of an elitist, protective strategy" (Pg. 202).

The above view is echoed by those who see little hope of changing the status quo. Harris (1996, NAPAG) express the view that the RAE like previous efforts by an elite are ‘aimed at exclusion’. The Dearing Committee propose in its wisdom a sort of ‘set aside strategy’ in which universities should receive £500 per head for researchers who submit within RAE. The HEFCE (1997) considered ‘stake money’ which universities might submit with their bids and would be forfeited if any of the self assessed grading fell two levels below their claim. During the last few years steps have been taken to make the RAE a more effective instrument of evaluation.

This research submits the view that indicators should be used within an integrated approach rather than one that is fragmented. Thus the view espoused by McNay (1999) is supported.

3.9 Peer Review

Data used in conjunction with other systems tends to provide greater clarity of a given situation. Peer review and performance review can be used simultaneously to create a more credible system. Peer review does provide external validation to the internal self-assessments and initiate peer pressure towards making the necessary adjustments. It is indeed a way of sustaining quality within a system. It is necessary to establish the extent to which peer review is still used and its current status since the changes in evaluation process have been initiated. What contribution do they actually make to the management process? So how do stakeholders feel about peer review?
Peer review may either be internal or external. Kells (1992, Pg.95) in discussing the attributes and purposes of peer review noted that it is:

"Intended to validate the self-assessment and to raise any other needed questions, and it operates within a system which prescribed evaluation framework, which is usually a set of consensual standards. The team members are carefully selected so as to be relevant peers unbiased about working, history and reputation of the unit to be reviewed".

Most peers who undertake reviews in higher education or in the medical field are highly qualified. They know the subject matter, operating conditions, culture and are widely experienced within the specific area. Some are internationally renowned academics and researchers. In short they are world leaders. It can be argued that there is a strong basis for allowing such highly skilled and experienced professionals to evaluate their colleagues. But is this process likely to be too subjective? Would it tend to perpetuate the status quo? Or would others see some inequities in such methods of assessment? Peer review can be useful for the evaluation of research, teaching or as a mechanism for the evaluation of higher education institutions. In the UK its best ‘known forms before establishment of quality audit and quality assessment functions of the funding councils were the external examiner system and accreditation and validation systems of the CNAA’ (Cave et al 1997, pg. 146). .

3.9.1 Criticisms of Peer Review

Peer review as a mode of evaluation has been subjected to some major criticisms. Most of it relates to its subjective nature. Researchers have attacked its use at both teaching and institutional performance levels. Cave et al (1997) have indicated that at the institutional level they represent indicators of ‘reputation’ rather than ‘performance’. Conrad and Blackburn (1985) identified the problems associated with peer review as ‘bias’, ‘limited rated
perspective' and the 'frequent use of academic staff quality as a single evaluative criterion' (ibid, Pg.146). Scholnick (1989) commented on the potential of peer review for 'styling diversity and innovation'.

Johnnes and Taylor, 1990, Pg.148) reviewing the allied literature on peer review conclude that, in practice, measures based on the opinions of others in the field will inevitably be highly subjective and are likely to be heavily influenced by individual reviewer's personal research interest and his/her loyalties and affiliations to particular institutions. A possible criticism of Johnnes and Taylor (1990) is that 'those personal interest' and 'loyalties' have produced a wealth of experience that can be used to direct and develop the specific area in issue. Without loyalty to the subject area it is arguable whether any system would develop people capable of offering expert advice.

Peer review can help create a balance between the kind of information available to institutional managers. Cave et al (1997, Pg.204) noted that the 'moves towards PIs can be seen as implicitly representing a weakening of trust in peer review-a move towards displacing evaluation by peers with evaluation methods that managers rather than academics can master and control'. Of course there tends to be that shift away from peer review and towards evaluation methods that managers use. But how widespread is this? And how significant are such developments? It is indeed significant for this research to determine to what extent has these developments damage the use of internal management systems.

However, the use of PIs can also be seen as a way of informing and thus strengthening peer review. Performance indicators and peer review should, and must, complement each other (Sizer, Pg. 25). This view is predicated in the belief that the use of supporting systems will augment and strengthen PIs and I share it.
In this research project the collaborative approach is much favoured over the individualistic approach. It argues for a system of evaluation based on the coming together of various sources from which the most effective or informed judgement is arrived at. Therefore, it sees peer review as another significant source of evidence, given by experts in an area they know best. Accordingly, the way forward is for managers to harness the different strands into one comprehensive and sustainable system. I have no doubt that there are consequences associated with peer review but when measured against the benefits, the benefits outweigh their prejudicial value.

The consequences of peer review was further echoed by Johnnes and Taylor (1990, Pg.148) in this way:

"Ratings on peer review are also influenced by halo effects whereby the individual department acquires benefits from overall reputation of the institution as a whole. There is also danger that a judgement derived from peer review may be out of date. The reputation of a department can be considerably boosted by the presence of unproductive and eminent researcher".

But how widespread are the views expressed by Johnnes and Taylor (1990) and Cave et al (1997) among academics, planners and managers? Or are the thoughts merely the reflection of those who seek to promote the use of PIs? It is my view that over reliance on quantitative indicators will have a distorting effect on decision making if they are not supported by other forms of evaluation.

3.10 Academics, Autonomy and Management Interface
British higher education has seen 'amazing inroads into the high degree of institutional autonomy long enjoyed by its universities' (Neave, 1995, Pg.66). The case of universities being self-autonomous entities is no longer so. British government has strengthened its position by seeking to exert reasonable control
as long as it continues to provide funding. There is an apparent coexistence of regulation and autonomy at the same time. This may not work all the time because of the strong possibility of conflict, a situation some advise against. In the words of Maassen and Van Vught (1988):

"Certain forms of behaviour by institutions cannot be allowed".

Government expects institutions and individuals to support its reform. Conflicting behaviour are mostly frowned upon. This is right only if such behaviour is detrimental to public interest. Despite government claims about maintaining or enlarging the scope of institutional autonomy, the net effect is that 'academic autonomy has now mutated into what may only be described as conditional autonomy, conditional, that is, on institutional performances fulfilling the explicit national norms contained in performance indicators, whether they have to do it with cost, student through-put, exit trajectory, or research contracts' (ibid). Government support is predicated upon universities responding and satisfying the 'conditionalities'.

Product control lies at the centre of government strategy. This is clearly manifested by strong emphasis on standards. These products are now measured constantly by external agencies. Thus a link has been forged between quality assurance and institutional autonomy. 'Institutional autonomy is, then, conditional, since the exercise of the process control by the institutions is conditioned by institutional productivity in which various devices are at hand to punish the laggard or to reward the virtuous by discretionary allocations' (ibid, Pg.67).

Maybe, the issue of institutional freedom is only superficially present. So is the issue of autonomy real, faked or disguised? Or should every university be allowed it as of right? Neave (1995) sees it as a practical privilege on one hand, on the other, a reward, a spur, a lever of policy by which the strategically
thinking prince rewards these trusty institutions whose outstanding facts allow them to enjoy provisionally that perfect freedom that comes with service!

Freedoms to provide and receive satisfactory levels of allocations are tied together. The extent of autonomy and quality go hand in hand. But is it fair when universities are not equally endowed? A university’s wealth does not appear to be a significant consideration in performance evaluation. The trend seems to be moving in the direction of tying autonomy, funding and performance to a single mast. The Dearing Committee (1997) made reference to this issue:

“Large and powerful academic departments together with individual academics who sometimes see their academic disciplines as more important than the long term well being of the university which uses them. We stress that our universities are first and foremost corporate enterprises to which subsidiary units and individual academics are responsible and accountable. Failure to recognize this will weaken the institution and undermine its long term viability”.  
(Para. 3.14)

Dearing (1997) see the university as a ‘corporate enterprise’. Also, that universities are to hold academics accountable, otherwise the ‘viability’ of the university will be undermined. This supports the line taken by government and therefore paves the way for greater use of management practices in future. This would reinforce the argument for more reform in the sector.

3.10.1 Academics

University professionals are under constant pressure. There is the ever increasing workload of form filling, evaluations, administrative work and falling income in real terms. Becher and Kogan (1992) argued that there is ‘deep-seated belief among academics that worthwhile intellectual activity cannot survive in the context in which outside demands begin to exercise a dominating influence over choice and action’ (Pg.10). Constraints at the workplace are
likely to inhibit performance. It inhibits their freedom to undertake long term and sustained research.

Consequently, the relationship between the centre and university can be adversely affected if academics perceive that their jobs, autonomy and overall well being are under threat. Public policies to strengthen accountability and quality assurance have meant evaluating academics and their work. Work is subjected to contractual obligations. Students and other stakeholders are more demanding nowadays and there is the broader problem of increasing diversity. The academic works from pressures emanating within and without the institution. But if a manager wants an academic to be committed to the manager’s institution, then the institution must be committed to the growth and development of the academic. This could involve improved working conditions, less pressure and positive interactions between them. I am of the view that academics would feel liberated and ennobled by working for such an institution.

Analytical considerations of the use of performance evaluation in the workplace must have regard to questions of accountability, validity, reliability, dangers and weaknesses. Current developments suggest that traditional methods and values are now being put under the microscope. The growth in more centralized or local managerial accountability is changing the dynamics between the institution and academic. Management tools are making it possible for greater public regulation of what goes on within universities as universities seek to gain greater control of time, programmes and resources. But not all is yet loss and Cave et al concluded that:

"State mechanisms and peer review seem to be holding their own against the grosser intentions of the market, consumers and externally imposed quantitative management. At the same time, the difficulties of objective measurement"
and of fair allocative systems based on them have been exposed’
(Cave et al, 1997)

In spite of their apparent difficulties and dangers there are few signs of external agencies slowing down, or of media and public interest waning. So their weaknesses and dangers need highlighted and arrested whenever possible.

3.11 Dangers
There are inherent dangers and weaknesses associated with performance evaluation, especially with performance indicators. The dangers include the use of political propaganda; lack of decision relevance; possible to manipulate indicators to present a distorted picture (Williams, 1996, Pg.8); not being an absolute measure (Audit Commission, 1986) and lack of validity (Scheerens, 1992). Managers and planners in higher education cannot afford to overlook the dangers. Neither should policy makers lose sight of their reality. I submit, therefore, that performance tools should be regarded as a managerial aid that needs support from other forms of qualitative data. Some organizations’ belief in ‘quantification’ is so strong and inflexible that they are willing to fail students who otherwise could have passed. This involves the setting of high entry targets and controlling the number of successful students.

Professional organizations such as the Bar Council and Law Society will fail students short of one mark in the name of standards and quality. In many cases, students will fail even if overall score is above the cut-off point. In 2002 many students took up the assessment issue by petitioning the Law society. Such institutions will not consider any qualitative data in their decision making. I believe this to be unfair and that such inflexibility does not augur well for student evaluation.

Conclusion

In this chapter I have examined the use of management tools and assessments
as strategies within a performance evaluation framework. It focussed on the use of performance tools and assessments in the management of universities. Management tools are being utilized at a time when the higher education sector is in transition. It has shown that technological change; changes in the state-university nexus and increasing pressures from the policy networks have combined to create greater public accountability. The use of performance mechanisms of financial incentives and penalties to run public services measures represents 'an attempt by government to use market rather than bureaucratic regulation within a tight legal framework' (Williams, 1996). Government aims suggest that it is eager to deliver quality in higher education by influencing management and using regulation. Certainly the question is: what are the effects of those management tools at a time of great institutional diversity?
CHAPTER FOUR

METHODOLOGY

4.0. Introduction
This chapter discusses the research methodology and strategies used in examining performance evaluation and management of six British Universities. The selected universities comprise three from the traditional (old) and three from the post 1992 universities (new).

An appropriate data collection strategy must be used to collect reliable and credible evidence. To this end, a case study method of qualitative research was the preferred approach as it allows for an ‘in depth’ analysis of the chosen institutions. That enhances both the credibility and reliability of the evidence obtained. Further, consideration is given to the characteristics; methodological issues; ethnography; case studies; interviews and the research procedures used herein. Key informants and their relative positions are also discussed.

4.1. Purpose of Research
This study explores performance evaluation in its capacity to affect management decisions and in the regulation of universities. It explores the way performance based management tools and strategies have been used and developed in managing United Kingdom universities. It examines the development of those management tools within an Evaluative State framework. The overall purpose is to undertake a thorough examination of performance evaluation as used internally and externally in the management of universities.
The research focuses on the micro-management and institutional issues that confronts universities within a changing macro environmental framework. For universities to succeed in times of change, they must be capable of withstanding both internal and external pressures. Universities’ effectiveness may well depend on how well they respond to those pressures. Their response is a variable of this research.

The evidence gathered from universities is explored within the changing State-institution context. The state-institution nexus describes the relationships between the state and institutions and, the activities that flow therein. The views of managers, academics, finance officers, planners and registrars are sought to illuminate the research questions. A comparative analysis of the collected data is undertaken in order to identify possible benefits, practices, strengths, weaknesses, problems and the response of universities. Another aim of research is to examine and understand the social process in the course evaluating institutions.

4.2. Conditions and Design of Research

It is important when undertaking research to discuss conditions under which the process is being carried out.

First, the research began by asking the question: what are the effects of performance management tools and strategies on university management. The question does not amount to hypothesis testing. This thesis is not developed along the lines of hypothesis testing. It is mostly concerned with exploring facts, developing themes and theories. It specifically focuses on the use of performance indicators during the process. The use of performance evaluation has and will continue to remain a controversial matter. It is a growing area and is therefore ripe for investigation. Much of the literature developed
around the subject is available (see Williams, 1996; Cave et al, 1997; Mc Daniel, 1996) but the extent of their impact on university management has not been fully explored.

Second, the researcher has never been part of university management and the perspective is therefore that of 'an outsider'. The starting point is to use secondary data and other forms of circumstantial evidence to pose questions. The position of 'outsider' is maintained throughout the study.

Third, the PhD programme by its very nature necessitates taking a careful and sensitive approach to data collection. The 'sensitive' nature of the subject requires exercising great care and caution in obtaining reliable and credible data.

Fourth, the researcher was somehow reluctant to start with a theory developed outside the UK because the study involved institutions and actors in the UK. The idea was that such theories should be relevant and robust. Also, theories and practices that had developed in other public sector had to be treated carefully and that they satisfied the intended framework. In this regard, early adoption of arbitrarily selected theories might contaminate the data collection process.

After careful examination of the issues before me I concluded that externally developed theory can help in the illumination of my research findings.

Fifth, this research distinguished between 'new' and 'old' universities noting fundamental differences between them as this may affect the way each group perceives the use of performance evaluation. Decisions about which indicators and in what depth to use them tend to be significant. Since the research issues were likely to be controversial, the researcher had to find the
most effective ways through which the views and facts would emerge. There was need for procedures that would make effective use of the expressed views, facts and corroborative evidence. In this case, I favoured ‘depth’ over ‘breadth’ as an important consideration in the data collection process. The underlying reason was to avoid coming out with a survey of views at the expense of much needed understanding.

As a consequence, it was decided that research should be an exploratory, retrospective and ethnographic case study of selected universities and that the key ‘informants’ involved in the planning, administration and management of universities would provide the ‘views’ and ‘facts’ that may help provide answers to the research questions.

4.3. Paradigm of the Research

The choice of research methods depends on a number of different factors. Among them are ‘the nature of the research problem, and the data needed’ (Nachmias and Nachmias (1992) Pg. 198). Other considerations may include political factors, such as conditions placed by funding bodies on recipients of funding) (Daly, 1993). In social research, a division has developed between survey techniques which require quantitative analysis and ethnographic methods which are analysed qualitatively (Clyde-Mitchel, 1983) or designated either as quantitative or qualitative (Scott, D. 1995). However, while some researchers would subscribe to a single method of research, others have preferred the combined approach in a single research project.

Burgess (1984:143) commenting on the issues around the combined approach noted:

“No method is considered superior to any of the others for each has strengths and weaknesses
especially when considered in relation to a particular problem”.

Empirical research must be underlined by strategy as well as philosophy. It is the researcher’s duty to identify the kind of research design capable of providing beneficial data. Homan’s (1949) remark provides an indication of the types of things that are necessary in this regard. He expressed it thus:

“People who write about methodologies often forget that it is a matter of strategy, not of morals. There are neither good or bad methods but only methods that are more effective in particular circumstances. In reaching objectives on the way to a distant goal” (Pg.330).

So the research design focuses more on identifying and constructing an effective design than on a name for the process.

The belief in some quarters that quantitative and qualitative research represents the opposite views of the social world has been criticised by researchers such as Hammersley (1992) and Morgan and Smirch (1980). The single method, an integrated approach to a problem, is yet to be fully accepted. The debate surrounding the use of research methods has and will continue to evolve. Alan Peshkin (1993) in his contribution noted:

“....every method of data collection is only an approximate to knowledge. Each provides a different and usually a valid glimpse of reality, and all are limited when used alone”(ibid, pg. 28).

Peshkin’s view finds support in situations deemed appropriate (See Douglas, 1976; Sarantakos, 1993).

The use of ‘various methods’ of research or ‘triangulation’ has been advanced by some as one of the most effective ways of enhancing the validity of research findings. (see Denzin,1970). It tends to support issues around validity. The
idea of triangulation has become a salient feature of research methodology. ‘In this framework, validity is seen as having both internal and external aspects and the achievement of validity, and indeed of the research task as a whole, requires triangulation of research strategies’ (Mac Donald and Tipton, 1995 in Researching Social Life, 1995). Validity, especially ‘statistical validity’, is quite relevant in this research as it involves numerical considerations and quantity. ‘Statistically validity’ is relevant to the use and development of quantitative indicators. As quantitative indicators form one of the areas of research it must be considered, albeit briefly. Further discussions about validity can be found later in this chapter.

David Scott (1995) noted that researchers may seek to ‘triangulate their data’ collection strategy. He further noted that:

‘this is a measure of reliability, in which by using a variety of methods, (questionnaires, as well as observations and interviews), they can, if different sets of data are collected by different means correspond, be more certain of their conclusions. The use of such terms involves acceptance of a number of theoretical assumptions: first, that triangulation does allow like to be compared with like; that it is possible therefore to compare data collected by observation with data from a questionnaire. Second, the use of triangulation assumes that methods in use do not determine the type of data collected; that methods is in some sense independent and thus can be discussed, modified and manipulated in isolation from, and without reference to, those data’ (Pg. 68, 1995).

This researcher intends to ‘triangulate data’ by making comparisons and using a variety of methods including interviews, observations and other printed material.

In reference to the work of Denzin (1989), a list of five characteristics, in which he sought to distinguish ‘positivist’ from ‘interpretive’ and meaning based research strategies were noted by Scott (1995). He listed the following:

1. Objective reality can be grasped;
2. The researcher can remain neutral with their values being separate from the descriptions of reality they provide;
3. Observations and generalisations are situational and atemporal;
4. Causality is linear;
5. Inquiry is an objective activity (ibid).

It is worthy to note the available alternatives when reviewing different perspectives. This tends to give a more scientific approach to the process in which options are considered. The mere fact that this researcher starts from the position of 'an outsider' looking 'inside' the institution may provide grounds for arguing that this process is fairly independent and possibly neutral. It may be argued that as 'an outsider', the researcher is more likely to take a dispassionate view and give greater balance to his findings.

4.4. Ethnographic Studies.

The terms 'ethnographic', 'qualitative', 'phenomenological', 'anthropologic' and 'participatory' research are used as synonyms in some of the literature (Wilson, 1977:245; Kirk and Miller, 1986:9, and Burgess, 1985a:1). In this research, ethnographic research is utilised for explorations with a similar purpose.

It was earlier indicated that this research consists of ethnographic case studies. But it does not aim to produce an ethnography. What the study does is to borrow from the robust approach offered by ethnography as an alternative to the 'hypothesis testing' approach.

What transpired in this research was partly articulated by Kirk and Miller (1986):
"......the fieldworker is continuously engaged in something like hypothesis testing, but that effectively checks perception and understanding against the whole range of possible sources of error. He or she draws tentative conclusions from his or her current understanding of the situations as a whole, and acts upon them. Where, for unanticipated reasons, this understanding is invalid, the qualitative researcher will sooner or later find out about it" (Pg. 25).

The above suggests that an ethnographic researcher is both a 'fieldworker' and 'qualitative worker'. It highlights the continuous nature of ethnographic research, starting from an indefinite theory and developing into a research design, information gathering, data analysis and conclusions. It is based on the discovery of 'themes', 'facts' and 'theory' rather seeking to test hypothesis. Conducted effectively, ethnographic research does allow for 'concept building'. As Woods (1984) has argued, 'concepts emerge from the field, are checked and rechecked against further data, compared with further material' (Pg. 51). In this regard, the quality of the field is a highly critical variable when undertaking empirical research.

Hammersley (1992) offers three criteria on which an ethnographic study should be based. Scott (1995) in reference to these criteria noted:

1. 'That we should not distinguish between alternative methods or paradigms. Qualitative methods should be judged purely by criteria used to judge all forms of scientific behaviour.

2. The scientific model which positivist researchers adopt is inappropriate both for the study of natural as well a social reality.
3. The study of the social world is substantively different from the natural world, and therefore different methods should be employed to capture these different activities. (In D. Scott’s Resource Book, 1995)

Arguably, the abovementioned criteria raise issues that suggest possible tensions within the field of social or evaluative theories. I take the view that investigative research methods for researching social institutions should vary from the type of 'evidence based research' utilised to study natural sciences. But research methods are not an exact science and it is for the investigator or explorer to approach the task in a valid and credible manner. However, it may be unwise to exclude solutions which do not ‘fit’ a particular model of research or perception. If the solution can be supported by other methods, it would make sense not to discard it totally unless a better solution can be found. In my view, corroborative data from numerous sources would enhance the reliability of the evidence.

Current literature on research methods suggests that there are different views about what constitutes ethnographic research. Some see it as being committed to fieldwork (see Burgess, 1985a, pg 1), as participant observation but there are cases where this is impossible or inappropriate (Cohen and Manion, 1985:122-124). The expressed view in this research is that ethnographic research is a term in methodology rather than a technique used for collecting data. It better describes the methodology utilised in exploring a specific context. Some researchers also argue that ethnographic research utilises a variety of methods (see Woolcott, 1980:E-4; Goetz and Le Compte, 1984, 1984:3).
The intention of this research has been stated as one to generate 'themes' 'concepts' or 'facts'. Thus the method used should enable the researcher to discover, generate theories or themes (See Glaser and Strauss, 1967). Overall, it intends to make sense of the data gathered from research activity.

4.5. Case Studies
Using case studies involves making decisions about sites. 'Choosing sites on the basis of their fit with a typical situation is far more preferable to choosing it on the basis of convenience, a practice that is still common' (Schofield, 1993:209). In order to improve the potential and generalisability in qualitative research, the typicality of the site of study in relation to research variables is a more important consideration than the researcher's own private comfort. Applying the framework articulated by Schofield (1993) it was decided that the choice of institution in this case should be based on 'typicality' and 'convenience'.

Case studies have been categorized into many groupings including studies of individuals, units and organisations. Yin (1989) referred to 'holistic case studies' and 'multiple case studies'. This researcher is convinced that there are serious reasons for undertaking research from both 'multiple' and 'observational perspectives'. Robinson's (1993) framework is considered to be an effective one. It encompasses:

"A conceptual framework, a set of research questions, a sampling strategy and methods and instruments for data collection" (pg. 148).

The conduct of case studies is significant if the evidence derived is to be credible, relevant, valid, reliable and of sufficient weight. The researcher must be aware of the likely problems associated with using such an approach. They include the following:

1. That people can lie, or be mistaken or misinformed.
2. Actors in the process can be biased.
3. The research environment can fluctuate or vary on a daily basis.
4. Actors may communicate facts or descriptions in different ways.
5. The researcher may ask the wrong question or misdirect the respondent as to the nature of the discussion.
6. Inability of the researcher to perceive key facts that do not fit the researcher's perspective. It is imperative that the researcher verifies all assertions, observations and corroborates the evidence. It must remain an integral part of the process that the exact message or response is documented either through observations of body language, intonation, field notes or clarifications. This enables the interviewee to corroborate evidence gathered elsewhere.

It is essential for a researcher undertaking ethnographic research to enter the field with an 'open mind'. In carrying out research it is significant to remain free from preconceived notions as often as possible. As Malinowski (1935) explained many years ago, the ethnographic researcher does not merely 'spread his nets in the right place and wait for what will fall into them' (Pg. 7). This is equally true today. The researcher must do what is necessary in pursuing information that will 'contribute to his picture of the community under study' (Cohen and Manion, 1994). Recognising the need to carry out research in a professional manner is paramount. And this should be borne in mind especially when generalizing findings from qualitative data. The predictive value of qualitative data is fairly limited. Generalization is not qualitative research's strong point, although this does not mean that results from qualitative findings cannot be used to discuss or illuminate judgements over other similar situations (Schofield, 1993).
4.6. Choice of Universities

The selection of research sites is quite important. The choice of universities was based on a number of key determinants.

Firstly, on the sources and availability of data. I mentioned earlier in this Chapter that performance evaluation is by its very nature controversial. The source and availability of data was extremely crucial. Obtaining the right sources of data could pose real challenges to a researcher starting from the position of an 'outsider'. Establishing contact with ‘key informants’ was a major priority. Issues around ‘key informants’ are dealt with later on in this chapter.

Second, accessibility to a single research locality was indeed an important factor.

A random sample of ‘new’ and ‘old’ universities based within the London area was made. A choice of new and old universities would tend to give greater balance to the views and facts expressed. The three new universities in the sample gained their status after the abolition of the ‘binary line’ in 1992. The literature survey had indicated that the ‘ex-polytechnics’ had in the past used performance indicators and had been subjected to assessments. Thus it is fair to argue that new universities had some experience in this area. The three old universities are colleges of the University of London. The universities were selected primarily on the basis of access, time and the amount of funding available to the researcher.

4.7. Procedure

From the review of literature a list of questions was drafted to reflect some of the substantive and relevant issues associated with performance
evaluation. These issues were discussed with my supervisor on numerous occasions. They were administered first as a preliminary study in order to determine possible difficulties that may be encountered and consequently, to develop a strategy of how best to embark on attaining research objectives. The study was administered in one university involving a financial officer, planner, academic, senior manager and registrar. The group was selected primarily for administrative convenience and because they reflected the sort of 'expert' data which I was interested in.

The findings from the preliminary study should help the researcher to re-examine his initial proposition and list of topics. The preliminary results can also help guide the researcher towards discarding any area that is likely to be problematic, overly controversial or do not yield useful information. Thus the preliminary study can help 'to gather basic information about the field before imposing precise, and inflexible methods' (Fielding, 1996: 137). For the researcher, it represents a time for reflection, adjustment and direction. Having regard to the above, I sought to use the preliminary information for such purposes.

Analysis of the preliminary list indicated an understanding of the major substantive issues to be covered in future and therefore necessitated few modifications. From these issues a final list was developed and sent to senior managers of the selected universities. The final list and a personal letter were mailed to all those taking part in the research. This was usually circulated seven days before interview. A list of the topics can be found in Appendix 1.

My field work ran from June 1997 to March 1999. During that time I established contacts with other researchers in the policy field, attended relevant seminars and made presentations to staff and students about my
research project. The research proposal was discussed with some other research students in the policy field.

On the whole my research experience was exciting and enriching. This was aided by the encouraging support I received from senior managers, administrators, academics and other staff. This research would not have been completed without their support.

However, I had to deal with a major problem. That was, gaining the 'trust' and 'confidence' of 'key informants'. This became necessary because as an 'outsider', someone without a designated role in the universities, I was trying to obtain data from people who hold high but 'sensitive' positions in those universities. By showing a good prior knowledge of each university and with a promise of 'full confidentiality', I was able to successfully overcome this problem. Therefore, a positive and significant relationship was established from which to pursue my research objectives.

4.8. Some Methodological Issues

Given the lack of definite shape to ethnographic type research, issues emerging in course of research could not be fitted in a nice, neat bundle or standard formulae. It was, therefore, imperative for me to examine some of the key methodological issues that emerged in course of research and explain how they were dealt with.

4.8.1. The 'outsider-insider' issue.

Earlier in this chapter I noted that a research aim is to examine and understand the process of performance evaluation and regulation in universities. The researcher faced actors in a process who carried with them not just knowledge, skills, opinion but also values. In a way, it is a reflection of the type of 'culture' that is unfamiliar to the researcher. The
researcher had to devise strategies that would enable him to approach those issues effectively. For example, showing strong interest in subject and institutions, building trust and seeking to impress informants about my knowledge of the subject. As mentioned in the preceding paragraphs, the nature of the relationship that developed between the 'outsider' and 'insider' would tend to influence the success of the research.

Thus the case study methodology, facilitates just that sort of research. Such an approach enables the researcher to gain access to 'institutional culture' and the 'social setting' of a specific group that is being examined. This is best achieved in 'participant observation', when the researcher gains access and becomes an 'insider' of the organization or group or process. Thus the research process expects the researcher to be associated with, and simultaneously to remain as far removed from, the group or process being studied (see Sandy, 1983).

Conversely, it could be argued that the 'outsider' status provides some benefits. It could become a major advantage to the process if the 'outsider' does not enter the situation with preconceived ideas. Consequently, the 'outsider-researcher' is well placed to use his/her strength to exploit the research process and negate possible shortcomings. In the case of the management process or for that matter performance evaluation, insider observation is nearly impossible. The other possibilities are either that the researcher undertakes some form of 'covert operation', an unlikely possibility, or remains in the position of the 'outsider'.

In this research, the 'outsider position' limits the capacity of the researcher to explore every aspect of the process but gives him the prerogative of an impartial 'third party'. There are advantages to be gained by being removed from the institutional setting.
Many informants gained confidence in the research process to express views such as: 'I can express my views freely that way'; 'My position prevents me from expressing my views openly'; I hope I can have the opportunity to read your research'; 'Talking about performance evaluation is rather controversial' or 'What are your research findings to date?'

The above suggests that if a position of 'trust' is created between parties engaged in research then it's quite possible to derive some good out of it. However, the researcher is aware that the process must be carried out with great caution, sensitivity and care.

4.8.2 Key Informant Interviews: Their Appropriateness

The major body of research was done through semi-structured interviews. They involved twenty-six (26) key informants from the old and new universities. The twenty-six fully recorded interviews were undertaken at different managerial and academic levels of the universities. Relevant field notes were made. They included observations of the interviewee expressions, mannerisms and in a few instances thoughts expressed that were not taped. They were not taped because the interviewee had so requested. The interviews were conducted to elicit data about the present status of performance evaluation in universities with emphasis on the mechanisms used; policy changes; assessments; presence of external agencies; role of academics and of government.

In addition to conducting the interviews, the researcher obtained documents from the universities that substantiated and elaborated in greater detail some of the points outlined in course of interviewing. The information was related mostly to government policy reports, institutional evaluation and quality assurance policies; costs; and reports by HESA or HEFCE.
Most interviews lasted for approximately fifty-five to sixty-five minutes. The informants were allowed, if not encouraged, to explain in whatever direction became necessary. The intention was to reduce the degree of 'manipulation' or 'intervention' so as to allow the scenario to develop and unfold on its own. Every bit of information was examined in order to determine its relevance or significance.

To start the interview, the researcher introduced himself, stated the purpose of the research and outlined other conditions under which the interview is to develop. At that point the 'confidentiality issue' was raised and discussed. It must be said that when the 'confidentiality issue' was raised, informants were all keen to ensure that this remained a paramount condition. The Registrars and senior managers appear to be keener. Most managers explained that the subject was a 'political one', 'highly controversial' and they would not like to 'express their views publicly'. I regarded these concerns as important and significant as they can affect the outcome of this research project. It should be noted that the time used for preliminaries was not part of the interviewing time. Thus 'anonymity' offered the route through which those 'experts' would provide 'insights' and help illuminate the topic.

Once the formalities were over and the tape recorder was switched on, the researcher always used this opening question: Do you use performance indicators or are you in any way involved in the performance evaluation process? All informants answered positively to that question. In spite of the positive answers, there were moments when the interviewer was asked to define the 'performance evaluation' concept. The informants were all satisfied at the explanations offered.
Key informants were eager to speak about their 'insights', sometimes using examples to corroborate their evidence. Their insights provided the opening through which data, values and facts were gathered. The use of 'insights' in research has been well supported in the past as a way of collecting data (see Yin, 1983: 83). Many informants were able to provide quite interesting 'insights' to new ways that were not previously thought of.

The probing nature of the research determined the sort of approach to data gathering. Semi-structured interviews allow for the development of necessary questions and discussion as the research progresses. It offers an opportunity for the researcher to 'probe', 'tease out' and 'tap' information from interviewees. Close contact between interviewee and interviewer can help both parties to better understand the process at hand. It provides for an approach that is described as 'symbolic interactionism'. For the interactionist, 'the interview is a social event based on mutual participant observation' (Fielding, Pg 151).

According to Fielding (1995) the 'data are valid when a deep understanding has been achieved between interviewer and respondent'(ibid). Most interactionists reject the standardized form of interview in favour of the open ended and developed kind. The semi-structured interview allows respondents to 'use their own particular way of defining the world, assumes that no fixed sequence of questions is suitable to all respondents, and allows respondents to raise considerations that the interviewer has not though of' (ibid).

It is highly significant to pay attention to some problems that are likely to emerge in course of a non-standardized interview. Fielding (1995) in reference to the work of Denzin (1970) noted the following:
'the problem of self presentation, especially early in the interviews; the problem of fleeting encounters to which uncommitted, leads to possibilities of fabrication; the respondents are relative status of the interviewer and the respondent; the context of the interview' (ibid).

The views expressed herein carry great significance for my research. The status of the relationship between interviewer and interviewee is highlighted. It also raises the issue of power. In this research, the key informants are all in a powerful position. They are in control of virtually all the information that the researcher wants. By implication, the researcher remains at the discretion of the key informants. It is therefore advantageous for a researcher to ensure that the correct procedures are observed, good relationships established and the requests by the interviewer are reasonable both in terms of time and support.

This researcher found no instances where informants tended to exercise their power. In fact, all informants were quite helpful. The only 'power' display that I observed was in their vast knowledge, skills and 'insights'. These could only benefit my research. It is the view of this research that the semi-structured interview is a potent vehicle through which to collect good quality data to help answer research questions. The interviews must be handled cautiously having regard to both perspectives, the informant as well as the researcher.

It allows the researcher the opportunity to 'explore', 'tease' or 'tap' the relevant information from respondents. Thus it is an appropriate strategy through which controversial and political topics, such as performance evaluation, may be examined.
4.8.3 Senior Key Informants

Those participating in this study have the formal qualifications, experience and skills that have been acquired over many years of professional experience. Thus the evidence which they provide can be viewed as ‘expert evidence’ or ‘expert opinion’. In this research, the expert opinion/evidence produced by key informants is admitted as knowledge well within their competence. In my view, the key informant can speak on any matter he/she is qualified to speak on. In this regard the due weight can be given to their evidence on the ultimate issue.

The key informants in this research may not only give opinions or facts perceived by him, but also based his opinion on facts related to him by others. Therefore, key informants may rely on documentary evidence, research notes, government reports, and their academic experience. These would certainly enhance the credibility and reliability of information provided by key informants.

Key informants can be seen as ‘experts in their field’. Experts in their own field are likely to equal those in any other profession. What they offer can help illuminate various issues of research. This view is well supported by Giddens (1984) when he observed:

"we cannot describe social activity at all without knowing what its constituent actors know, tacitly as well as discursively" (n D. Scott, pg. 120)

The views of Giddens (1984) are supported by Scott (1997) when he observed that as researchers it is:

"Incumbent upon us.......to give due regard to the descriptions actors of their intentions, plans and projects. To do otherwise would be to fall into the trap of conceptualizing the human actor as the unwitting dupe of structural forces beyond their
The calibre of interviewees in this respect is fundamental to the quality and outcome of research.

Key informant interviewing can be expressed as the process of seeking a large volume of specialised information from specific informants (Woolcott, 1980, E 4). They are not participants that just respond to a specific question or stimuli. Rather they help the researcher to understand and interpret the process through the former’s eyes (Spradley, 1979 : 25-34). In this respect, rather than trying to eliminate the presence of subjective data (subjective because of the informants), the researcher has sought to embrace them.

The locating of informants in the present research started with an examination of brochures and other information from the respective universities. Thereafter, key names were noted from the chosen universities and contact established by letter and later by phone.

4.9. Reliability

It is often argued that research using ethnographic/qualitative methodology sometimes suffer from low reliability. This researcher had to ensure that the existence of such a situation was minimised. Low reliability can be a consequence of the natural setting and/or the ‘personal’ nature of such research. Regard must be had to any internal or external problem of validity that is likely to arise.

In the present research all interviews were tape-recorded. This was an attempt to preserve the attitudes, the tones and the languages of all participants. The use of field notes to further corroborate evidence will
enhance the research findings. Full text of the recorded interviews was transcribed and copies sent to participants for verification. The researcher kept the original copies.

Research reliability was also enhanced by 'triangulation'. In the interviews, very often more than one informant referred to similar matters, although sometimes with different views. Informants may sometimes collude with each other. Where this happen the quality of the evidence becomes 'contaminated' and its reliability weakened. However, such a scenario does provide an opportunity for a researcher to 'probe further' and 'verify' facts where the situation makes this possible. Throughout the research process the above issues remained important aspects. The researcher would ask for clarification or corroboration of an issue without telling the informant as to why.

Qualitative methods do allow the researcher to remain close to the empirical world (Blumber, 1969), and their design are intended to ensure that the data reflect reality. This research does adopt 'triangulation' for both internal and external validity. Thus the approach adopted in this research favours what Silverman (1993) has articulated:

'if social science statements are simply accounts, with no claim to validity, why should we read them' (pg. 155).

Internal validity is much more of an issue of self reflection as observed by Sommer and Sommer (1986). They observed that internal validity is:

'the degree to which the instruments or proceedings in a study measures what they are suppose to measure' (Pg. 286).

I noted earlier that the findings of this research are not generalisable. This may partially affect the external validity of research. External validity is
mostly concerned about 'generalisability' (Campbell and Stanley, 1963; Schmitt and Klimoski, 1991).

4.10. Reporting Data

If interviews provide the means through which data is gathered then, a comparative framework offers a model through which data can be analysed. The diverse groups involved in this research should provide a challenging episode to the researcher as he makes sense from a variety of 'thick descriptions' (Owen, 1982: 7-9)

There are issues of confidentiality and ethics that arise out of reporting data. The issue of confidentiality has been dealt with in the preceding paragraphs. There are numerous sources of information about research ethics (see Homan, 1980; Humphreys; 1970; Homan and Bulmer, 1982). Ethics is quite a serious issue and I am minded by this fact. Hornsby-Smith (1995) expressing support for 'situation ethics of the field' (see Punch, 1986: 71) noted that the:

"Researcher is obliged to act responsibly and make up his mind in light of professional codes of ethics or guideline, and given the specific circumstances of his or her research problem and field"(Pg. 65).

The onus shifts now to the researcher navigating carefully as there are no easy and simple solutions in any given situation. One of the first tasks facing the researcher was to construct a 'coding system' that allowed 'anonymity' but yet offered basic information about the system. A coding system was necessary so that key informants and institutions would receive the kind of protection that was agreed to by the parties.
Table 1, headed ‘Interview Code’ enables the reader to understand how the information was put together.

**TABLE 1**

**INTERVIEW CODE**

<table>
<thead>
<tr>
<th>LETTER</th>
<th>POSITION/STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>VC</td>
<td>VICE-CHANCELLOR</td>
</tr>
<tr>
<td>P</td>
<td>PLANNING OFFICER</td>
</tr>
<tr>
<td>F</td>
<td>FINANCE OFFICER</td>
</tr>
<tr>
<td>M</td>
<td>MANAGER</td>
</tr>
<tr>
<td>A</td>
<td>ACADEMIC</td>
</tr>
<tr>
<td>O</td>
<td>OLD UNIVERSITY</td>
</tr>
<tr>
<td>N</td>
<td>NEW UNIVERSITY</td>
</tr>
</tbody>
</table>

The Code is constructed in the following order:

| STATUS | UNIVERSITY SECTOR | UNIVERSITY |

The following example provides an explanation:

The above example, F.O.C. indicates that this interview was given by the finance officer from an ‘old’ university from C.......(name of university).
4.10.1. Analysis of Data

The tape recorder and notebook remained my main tools of recording information, though each method possesses its own limitation. The tape recorder was effective as it allowed the interviewer to record the evidence contemporaneously. It is the tape recorded interviews which form the basis of research. However, whilst the tapes provided more reliable information than my notes, I found that it only represented what was spoken, and generally omitted non-verbal communication. In the course of the research interviews I remained constantly aware of the need to record gestures or behaviour that was not likely to be tape recorded. Some of these notes were made during or immediately after interview or, as soon as practicable. There were other instances where statements were made to the interviewer but asked not to record them. The latter usually occurred at the end of interviews.

In analysing my data, I first looked for 'meanings', 'facts', themes' or 'theories' emerging from the data. The interview transcripts were content analysed by observing similarities, differences and contrasts in responses. I tried to categorise my findings with a list of items that was identified from the literature review. The original list sent to the interviewees was used as a 'guide' to the process. New facts or data were duly recorded.

The content analysis of performance evaluation is laden with difficulties, not least in identifying appropriate criteria and in reducing subjectivity. With the aid of my field notes, where certain key observations were recorded, I was able to produce a 'framework' to reflect my findings.

I then started to explore those findings in order to identify possible associations between 'themes' and 'facts'. I also utilised concepts from new public management, politics, administration and policy to illuminate
meanings in my evidence. Further, I used empirical studies and published reports to make sense of my data. What dominated my mind was the ways in which the current literature helped me to 'read' and 'glimpse' meanings present in my data. My paramount concern was to make sense of similarities, differences and contrasts between the existing literature and my research findings.

The ‘themes’, ‘facts’ or ‘theories’ have largely been informed by new management theory, but I could not identify any general theory in educational policy to account for every finding.

Appendix ll reflects the tenor of the interviews conducted. This interview was conducted on 18\textsuperscript{th} March 1998 with a manager in one of the ‘new universities’. The relative emphasis placed upon key ‘themes’, ‘facts’ or ‘theories’ are highlighted throughout that interview. This is intended to demonstrate to the reader some of the consistent themes that emerged throughout most of the interviews. It must be borne in mind that other themes emerged from other interviews that were not represented here. For example, how is academic culture influenced by performance evaluation. The information in Appendix ll helps briefly to illuminate the issues presented in Chapters 5 and 6.

\textbf{Conclusion}

In this Chapter, I have presented my research methodology. My main research findings are based on interviews with 26 staff at the ‘new’ and ‘old’ universities. This is augmented by some field notes and published reports obtained in course of the interviews. Those field notes were made contemporaneously or soon as was practicable.
The thesis explores performance evaluation in British universities. It does not seek to answer hypothesis, rather, the study seeks to explore facts, develop and develop theory and themes. In this regard, I argue that the smallness of the sample does not invalidate my research findings. It is crucial in this case for the data produced by 'experts' to be of good quality and relevant.

In Chapter 5 that follows, I examine the interview data by considering the use of tools used in the measurement of performance nationally and, how they impact on performance evaluation. I also explore the involvement of external agencies in the performance evaluation process.
CHAPTER FIVE

MONITORING NATIONAL PERFORMANCE

5.0. Introduction

In this chapter, I use interview accounts to examine how government and external agencies have developed and imposed evaluation on universities; how universities make sense of the use or misuse of indicators; ways in which institutions respond to evaluation strategies and utilise internal strategies for dealing with them. It is the first in a two-part presentation of the research evidence on the response of universities to evaluative mechanisms. Theories associated with the ‘rise of the evaluative state’ form the basis for this Chapter which deals mostly with externally imposed indicators, assessments and external agencies.

This Chapter examines four key research questions. Firstly, does state policy ensure all universities, ‘old’ and ‘new’, benefit from the use of external assessments? Secondly, were attempts by government to generalise national assessments part of the drive for greater central control of universities? Thirdly, what is the overall impact of these changes on the overall administration of universities? Finally, what are universities doing in response to these government pressures? The questions outlined in this section deal with those stated in chapter one and form part of the nucleus of this study.

Responses from managers, administrators, registrars and academics are analysed. Demands for large amounts of quantitative data are not the only problems managers and professionals face. There are peculiar problems associated with the RAE and TQA. Problems of collecting data; assessing data; procedures and of converting qualitative information into quantitative scores tend to arise.
Escalating demands mean less time for academic work; greater pressure in the workplace and tension between groups. If the pressures, tensions and uncertainty are consequences of government ‘steering policies’ then this could problematise the national performance evaluation process.

5.1. Politics of Performance

The tendency by government to exercise greater central control over universities is central to this thesis. The rise of the evaluative has generated new policies and procedures aimed at making public institutions, such as universities, more publicly accountable. The focus on university performance is a significant measure for achieving public accountability. Measuring university performance involves political considerations. It involves groups such as state agencies, funding councils and other stakeholders.

Developments over the last two decades have imposed pressures on the higher education system mostly through the creation of new policies and institutional frameworks. These pressures have made the task of evaluating performance more complex. External evaluative structures and mechanisms have developed to ensure greater public accountability and to distribute resources. Simultaneously, universities have had to find fresh ways of adapting themselves to the new initiatives.

Universities are confronted by an environment where political values shape distinct institutional practices. What sort of perception has been created among the different sets of actors? As the political pressures intensify so will universities have to compete and survive within a diversified market. Diversity calls for fresh approaches and a strong will to adapt. Hence, universities have tended to exist within a situation of growing diversity and a complex relationship with the centre.
There are signs that central government is now more involved in institutional affairs. Higher education has become an important battling ground for political parties in the UK. Political involvement in the debate about higher education will influence the way in which the sector is financed and administered. Political ideology will shape the direction in which management and administration develops. Respondents did indicate that they saw political ideology as one of the major underpinning principles that have driven performance evaluation.

The influence of politics on the evaluation process is evident from the following statement by a manager from an old university:

"Quite a lot of what happened was due to hierarchy and driven by political anxiety and political rhetoric" (MOC.2)

There is strong feeling in both sectors that the use and development of performance evaluation is driven by political ideology. Key informants indicate that this is so under both Labour and its predecessors. Carter (1994) noted that the Conservative government had been confronted by the idea of reducing the role played by the centre but 'yet confronted by the paradox that decentralisation requires tighter central control' (Pg. 217). This makes it problematic for those who believe that government should take 'a back seat' and yet seek to control activities. It is the sort of dilemma faced by policy makers in their desire to design and use managerial tools. In my view, the design and use of performance evaluation marks a major 'shift' in political thinking towards greater control of the periphery by the centre.

Changes in political thinking have resulted in increased pressures at different levels within the system. A Manager opined that:

"I think we have been put under more pressure. Obviously it has been political...It is all connected to the diversity idea. The government wanted more universities and never realised it was going to cost more money. And that is why
they have brought in the question of standards. It's politically levels workload" (MNE.1).

People construct meanings out of a situation commensurate with their own logic and experience. The issue of excess pressure featured prominently throughout this research. The pressure comes from politicians; bureaucrats; media; parents and students who make new demands. Changes in government policy towards greater openness and transparency have resulted in greater political accountability. Growing political accountability is also causing greater institutional accountability. The effect of all this means that public sector organisations, such as universities, are currently subjected to immense scrutiny. If that is a transitory period then universities will need to satisfy themselves that the right types of structures, systems and approaches are in place in order to meet those growing demands.

5.1.1. Steering from a distance

Researchers have noted that government steering forms part of the control mechanism. Maassen (1996, Pg. 61) explains:

"Government steering [defined] as the influencing, adapting, and controlling by government of specific decisions and actions in society according to certain objectives and by using certain tools or instruments"

Performance evaluation, whether used internally or externally are changing the way in which universities administer themselves. They must account to more layers of bureaucracy, audits, inspectors and provide much more quantitative information. Sowell (1980) noting the increasing levels of control in management and funding observed that:

".... framework of rules within which other decision units can make decisions within which other units determine substantive choices, the government making its own forces available to defend established boundaries" (Pg. 145).
The degree of accountability in higher education is on the increase. This reflects similar trends that are evident within other parts of the public service. Governments over the last two decades have attempted to set policies to guide public sector institutions. These are some of the set 'boundaries' which Sowell (1980) referred to. These 'boundaries' are what government often fights to defend.

Modernization of higher education is seen by government as an important political goal. Modernising the sector includes better working practices; a more slimline organization; efficiency; flexibility within the service; taking up new tasks; wage controls (wages often pegged to inflation levels) and, a willingness to announce performance levels publicly.

By setting out those measures that are considered priorities, government is in effect seeking to 'influence' what goes on within the organization. It is seeking to influence indirectly institutional behaviour. In so doing, it allows government some form of 'indirect control'.

In my view, this form of 'indirect control' is 'subtle' with those seeking to initiate it rarely stating this is the case. Most of it is in the form of 'hinting', 'policy announcements', speeches, interviews and newspaper articles. It is 'slow', incremental but nevertheless present. It is carefully orchestrated to prevent subordinates from accusing government of 'interference'. But expectations are fostered among government ministers and bureaucrats about the standards and quality that institutions should ensure. Does the increasing use of performance evaluation give any impression of control?
There is no evidence to suggest a policy of direct government intervention in universities. But the evidence indicates a more 'subtle approach' is being taken. A Manager explains:

"Government is now operating through hints to HEFCE which then hints to the university. So that's the way they are operating their influence....I think the problem is not that the HEFCE does not support us, the government does not support us" (MOC.2)

New Labour was accused of maintaining Conservative policies in higher education with increasing interventions. Another respondent noted the continuing 'shift' since the 1997 general elections. He said:

"It began under Thatcher who was anti-intellectual and its being continued under NewLabour which is not explicitly anti intellectual but is certainly itself intellectually impoverished" (MNS.1)

The above accounts point to increasing concerns about government steering since the 1980s. There certainly is an expectation that New Labour would change some of the Conservative policies. A Manager queried:

"What has happened to the great slogan of Blair? Education, Education, Education. They are now ignoring universities" (MOC.1)

A management consultant observed that some sort of shift has taken place. MCN.1 argued:

"The Conservative governments were very keen on their efficiency gains.....This government is rowing the access boat. Clearly, these performance indicators go up and down in importance in terms of the government view of administration. There is no doubt that if the Conservative government was in power they would continue to row their efficiency gains boat".

A senior academic from a new university supports the above view. He observed that:
"This government (Labour) actively reversed some of the decisions about efficiency gains and funding" (ANS.1)

Accounts from new universities appear to support Labour policies. The old universities seem more critical and but cautious. But does the use of evaluation and a desire to control increase tension between institutions and State? There is a view that this is 'bound to occur'. A Finance manager thinks so.

"You cannot have policy makers getting away without comment. And some of the comments have been fairly voiceferous from the [old sector]. This must be expected. You are dealing with a fairly intellectual bunch of people" (FOC.1)

Use of performance evaluation may well be based on the view that universities are too valuable to be left under the control of a few managers and academics. But major differences can lead to tension. A Professor admits that there is tension:

"Tension is between the college and government which is plainly trying to force universities to conform to its preconceptions of what they ought to be doing"(AOB.2)

There is an apparent conflict between universities' preconceptions and what the government thinks. The evidence from this study tends to suggest that universities think that they are capable of managing themselves effectively. The development of numerous internal systems and indicators seems to suggest that universities will undertake steps to redress their problems. Forcing them to 'conform' to government 'preconceptions' will only serve to heighten tension. Tension affects the state-institution relations. The relationship should be one of partnership and collaboration rather than of friction and tension. A relationship free of tension will help both parties concentrate on the task of raising standards and quality.

State involvement in performance evaluation is regarded as central to control by
government trying to solve the Principal-Agent problem in its favour. To this Manager it is:

"An attempt by a higher sector to seek to exercise control over a lower sector...a case where a lower sector was giving away power" (MOI. 1)

This suggests a major weakening of the 'subordinate institution. It may be assumed that such loss of power may not go down well with institutions so accustomed to large degrees of institutional power in the past. It suggests an inclination by the State to develop a 'standardized system' based on national priorities. Key informants feel that not enough support is given currently by government. To be fair, the New Labour government has and continues to inject substantial sums in education and other public services. The question remains whether 'throwing money' at the problem will bring about the sort of effective structure, economy and efficiency that are being demanded.

5. 2. A Fragmented System

Sowell (1980) has observed that British universities are pressurised through government 'influence and control' in a changing environment. Government appears ready to set up forces to defend boundaries' (pg. 145) to achieve its aims and objectives. There are increasing roles for external agencies like the QAA, HESA, and HEFCE. External agencies are given substantial leverage in 'policing' and in maintaining compliance of boundaries.

Superficially, the presence of various organisations in the delivery of a single service gives an impression of 'fragmentation'. Fragmentation must be managed in such a way so that the different units can enjoy the benefits available within the system. But is it the case with the university sector?
5.2.1. Problem of Approach

Because the use and development of performance indicators are not mandatory, except where external agencies demand their production in order to fulfil some statutory condition, or as a condition of the allocation of funds, institutions enjoy a degree of autonomy. The autonomy is in deciding what notice to take of management tools. Management tools are introduced at different rates; emphasise different things and enjoy different degrees of recognition. So the RAE and TQA represent ‘national factors’ (Maassen, 1996) in the evaluation process. That is, the RAE and TQA are nationally standardised processes utilised in the state evaluation of universities. They represent common, underlying objectives to which all public universities must subscribe. The framework within which they exist appears to be ‘fragmented’. Some informants argue that this remains the biggest problem in implementing performance evaluation. As one informant remarked:

"It is not done enough in a holistic way such that one could say that is what we are trying to measure that is what we will measure, this is a reasonable expenditure of resource. Any third party looking at what we are measuring could say that is a sensible use of resources. That is giving you good management information to inform decision making. You are not going over the top.... It is a dynamic world we live in. As soon as we get to it changes. We are measuring something else" (RNE.1)

In these circumstances, a problem of measurability has been identified. Measuring and interpreting things are not always easy. The correct interpretation depends on how well we measure what we are supposed to measure.

Producing the right system and approach is a daunting task. A Department Head agrees:

"Evaluation is lacking a holistic approach to it. It is too piecemeal. There are too many layers in operation... At the moment they are not coming together. We are being hit
constantly by new demands on time ...I think I can see no overall improvement in standards" (MOC. 1)

Perhaps this is a clear indictment of the system. It comes from a Professor in one of the leading UK universities. Support comes from a senior academic in another university. It was observed:

"It is impossible to measure what benefits appraisal has had on people's performance". (AOB.2).

The present approach to implementing performance evaluation seems problematic. Interviewee accounts reflect a 'lack of totality', 'piecemeal', 'loose' and 'fragmented' when describing the system. Systematic problems can create lack of confidence in a system and affect the way in which managers and professionals respond. Scepticism and uncertainty will not help. Cave et al (1997) have also identified these problems:

"Uncertainties about definition, their potential, and even their continuing identities have if anything intensified".

And these uncertainties are felt in other places. A Finance Manager reflects this in his comment:

"Not in a formal sense. Having said that the environment in which we operate is one where funding is determined by a number of PIs and so essentially we have to operate within a framework imposed upon us. And essentially we do so for the purposes of the Funding Council and DFEE" (FOC. 1).

The foregoing indicates a policy approach that appears loose and incremental, much of what Becher and Kogan (1992) and Birch et al (1983) refer to as an incremental approach in the use and development of PIs. It describes what many actors have referred to as 'lacking in totality'; 'too fractured'; 'ad hoc'; and 'too fragmented' and as 'lacking a holistic approach'.

Most practitioners would find the following quote refreshing.
"If the monitoring process works properly, then there is value in the monitoring process. It is possible to achieve extra value in the monitoring process by using the monitoring process to feedback to good practice" (AOB. 1).

Of course every successful system need to provide effective feedback. Ability to synchronize the different parts can help maximize resource use in a manner beneficial to all parts of a system.

5.3. Context of National Agencies in Evaluation

National agencies have a duty to maintain confidence in the evaluation process. The role of agencies in the development of national strategy in evaluation is vital because their location helps to act as 'conduits or as agents of the political process'. They offer the means through which government will make known their policies through 'hints' and other means. But there is much evidence to suggest that the information produced externally is not always used. For example, HESA produced data not read or used in internal decision making.

Actors felt that they were pressed for time and couldn’t bother reading them. Some actors noted that they could spend their time on something more worthwhile than on 'digested data they might never use'. Another major reason was a 'lack of trust in those statistics'. It appeared that some of the information presented by external agencies was incorrect, something that took a very long time to redress. An interviewee observed that:

"On three separate occasion I complained about evidence of errors made and received no communication on the issue" (ANE.3)

Revitalizing the system and restoring confidence should be major aims of the national agencies.
5.3.1. HESA

HESA is not an evaluation agency and as a monitoring agency it is not parallel to other agencies such as HEFCE. In practice HESA is the statistical arm of the HEFCE. Its’ monitoring function is subordinate to the Funding Council and the institutions which own it. It is engaged in collecting, collating and in disseminating data. Its’ statutory function brings it into direct contact with universities. HESA requests data from universities for the purpose of presenting sector wide comparisons and performances. Much of it comes back in the form of figures and graphs. The information is intended to facilitate university decision taking.

I found a high degree of complacency and a general lack of information among respondents on key external agencies in higher education. Many respondents appeared to have little knowledge on the role of HESA. They argue that it is not their ‘business to know’, or this ‘has nothing to do with me’, or simply ‘take little interest’. A manager described HESA as:

“A collecting base, but its political role and its role in policy making is not clear. It maintains data which we ourselves have also.....who owns the data and who is responsible for the policy which underpins the request for data” (MOB.2)

Thus there appears to be a certain lack of clarity as to the status of HESA in policy making. A certain degree of ‘greyness’ surrounds its exact role and functions. Consequently, some universities seem to ‘take everything that comes out with a grain of salt’. There is also the issue of ‘ownership of data’. Some respondents argued that HESA had developed a marketing arm that sells data to the public. The point was made that newspapers such as the Financial Times obtain most of their data directly from HESA. Respondents noted that the data was later used to construct league tables that do not often present ‘universities in a positive way’.

But while managers and professionals are in agreement about voluminous
information, there were disparities in the way groups saw the benefits to management. Many just don’t know about benefits and how information use can be maximized. In this case HESA is widely criticized:

“I have nothing to do with HESA. I am not at all clear what the consequences of this is, or the benefits of this are” (AOB. 1).

Another similar observation was expressed:

“I don’t feel they know enough about higher education. From my experience, they have not worked in higher education. They sit on the sidelines.....I am not particularly impressed by those and my finance director colleagues ain’t particularly impressed.”

A Registrar did not find the presentation of the data any more useful. He argued that:

“You have limited time and what you need are easily digestible data, performance indicators. And you don’t get very much time” (RNE.1)

The presentation of data appears to limit its use. If data is not presented in a digestible form then it is reasonable to argue that it lacks usefulness. It is also argued that there is quite a large amount of ‘duplication’, a suggestion that the data returned to the institutions are no longer useful. I also found a large number of actors lacking knowledge on the key functions of HESA or even how the information is distributed within their university. It gave an impression of people ‘not wanting to know’ or just being ‘indifferent’. Some would only offer ‘I have nothing to do with HESA’ or ‘It is the central administration that deals with HESA’. Some actors had not seen or were being asked to address the issues in circulation.

Not all interviewees find the information ‘useless’. Some in the finance departments took a more ‘positive view’. FNE 1. observes that it is possible ‘to pick up information from it’. A few had no complaints about HESA since it was ‘not a
Perhaps some of the negative attitude to HESA could be explained by what some argue as no ‘clearly defined political and administrative terms’. This group claims that it is a fishing expedition, seeking to collect anything and not knowing what the end product is or will be.

They say that demands are ‘excessive and consume too much time’. This is what a Registrar said:

"The demands are grossly excessive..... The task of collecting the data and putting it into a data base, managing those data bases in order to deliver to them the data they require is, I think is a public scandal. Large amounts of it which are difficult to obtain and process are simply not yet being used and unlikely to be used" (ROC.1)

There are three discernible concerns:

1. HESA is engaged in the collection of large amounts of information whilst unable to convince universities that it is beneficial and useful in their management.
2. The apparent cost and pressures associated with the collection of data tends to make universities very resentful.
3. The information provided is late and sometimes inaccurate.

The evidence shows that universities are on the whole dissatisfied with the quality of service provided by HESA. In my opinion, those who criticise HESA do so on the basis that in collecting, organising and storing information ‘too much pressure’ is placed on them. Many are unable to see a balance between cost and benefits. To many respondents the exercise is both excessive and unreasonable. There seems to
be a view that managers and professionals would like to see put in place a system that capable of observing and interrogating the performance of HESA and to construct their own sense of its performance.

5.3.2. Trust in a Culture of Denial

The apparent lack of trust and the perception that demands are 'unreasonable' seem to produce a 'laissez-faire' attitude to evaluation. If universities feel that the process is not beneficial to their administrative needs then, they are less likely to treat it with respect. More so, they are less likely to find alternative ways of developing strategies that can improve on the present situation. While government continues to press ahead with assessments and evaluation universities seem intent to 'deny that it is working'. This suggests that actors cannot see signs of immediate progress.

The feelings expressed by main actors suggest that information demands are excessive and that only an 'impressionistic' view is taken of the process. Informants feel that HESA has gone 'overboard'. One informant viewed it that way:

"I think they possibly have gone overboard. They are collecting far too much information without knowing what use it's going to be. It has got to the point of measurement for its own sake" (AOC.2)

'Going overboard or making excessive demands' tend to accentuate the feeling of over reliance on quantitative data. In this case it establishes the strong emphasis which external agencies place on quantitative data. Interviewee responses suggest that there is great in both old and new universities. Performance data should not be seen as just another source of information but as something which has great utility for the decision making process.

There appears to be a general lack of interest in and appreciation for HESA. In part of this may be due to the demands for quantitative information and the resulting
pressures from the process. Through its marketing arm it can make ‘chunks of data’ available to members of the public which can affect the public standings of universities. HESA is already supplying data to the media thereby endorsing their drive towards the construction of more league tables. Thus the sector must find ways through which it can work closely with the agency to bring about a more dynamic data gathering environment. At a time when information demands are on the increase, the university sector cannot afford to lose out in the information war. HESA works within the ‘spirit of the rules’ that created it but those in universities think it should do much more in presenting data. From an informant’s perspective HESA effectiveness is questionable. In my view, HESA produces an array of indicators that can be beneficial to many stakeholders. But in a ‘culture of denial’ HESAs work appears of little significance. It needs to do things differently. And HEFCE needs to revisit this area of evaluation.

Neither HESA nor HEFCE can participate in an evaluation system in which information is key and yet find that collectors and users show limited interest. HESA would have to work closer with universities through increasing communication and more advice on the ownership and wider use of data. Otherwise large quantities of potentially relevant data risks going to waste.

5.3.3. **HEFCE: Doing it Differently**

HEFCE’s role is paramount to higher education as it manages government funds. HEFCE’s primary role is to allocate public funds to universities and to ensure that they remain financially accountable to the state. In terms of the development of performance indicators, HEFCE in conjunction with other funding councils and government departments, ‘develop suitable indicators and benchmarks of performance in the higher education sector’ (PISG, 1999. Pg. 1).

Many respondents held positive views about the HEFCE. Though generally seen as
an agency or conduit of government', the role was regarded as dynamic and 'more helpful' to institutions.

A Director of Finance in a new university thinks that HEFCE's demands are made 'at a reasonable level' and are not 'too excessive'. HEFCE plays a pivotal role in the evaluation process as its activities affect funding and the capacity of institutions to expand their teaching and research base. It also plays a fundamental role in the provision of data for the development of performance indicators. Thus, HEFCE lies at the centre of evaluation process, a major link between government departments and universities. HEFCE was perceived to have:

"Brought about enormous change, far more openness, far more communication, far more contactability. They are immediately accessible and the relationship between Funding Council now and the institution in my experience, is a constructive partnership.....It has progressively developed and continues to develop your management style, your management techniques, your approaches, your analytical approaches, the need to present regularly your strategic plans and your financial prospects over a period of five years"(ROB.2)

A sense of 'contactability' reinforces what government has been encouraging in terms of greater openness and transparency. A similar remark was made about HEFCE capacity to influence universities by another Registrar:

"A lot of institutions would never get around to achieving what they have now in terms of management procedures, processes, planning, if they were left to their own devices. I am sure what they have achieved has been due to the HEFCE"(ROC.1)

But compare the above to what a finance director from the same university had to say.

"HEFCE attempts to manage an institution when it is
job of management of the institution...You don't want HEFCE people coming in and telling you how to run your university....We feel we got enough experience to be able to manage the institution". (FOC.1)

'Purse strings' can be used by HEFCE to exercise control on institutions.

"I'm sure as an external paymaster it will impact internally....All of these external things must impact, control and chart what goes on in individual institutions" (ROC.3)

The need for a 'constructive partnership' has developed out of the availability, communication and the new transparency that characterises the relationship between universities and HEFCE.

According to the above Registrar the relationship has been:

"more constructive and supportive than any of its predecessors"

Some informants thought that the relationship between UGC and universities was 'too cosy' 'friendly and operated like a gentlemen's club'. Present conditions under which HEFCE operates are markedly different and it is a reflection of the changes taking place within the wider environment in which everything has to be inspected.

The monitoring activities of HEFCE are seen to be beneficial as it also helps to identify lazy and unproductive people'. In terms of the RAE:

"People have gained confidence in it...it is quite refined, fair and honest....It is the same judgements that any other reasonable informed person would have formed..... (AOB.2)

However, some respondents offered contrasting views in which they suggested
that the vast sums invested in the monitoring process could be put to better use elsewhere. That the process has developed into 'too much paper work'. HEFCE has developed too much 'bureaucracy' and sometimes 'simply too intrusive' There is the potential danger: finding the correct balance between the needs of stakeholders and maintaining individual freedom.

A Registrar said:

"It (HEFCE) has an uneasy relationship with institutions. Uneasy in the sense that it wishes to get more involved in telling institutions which see themselves as autonomous how they might manage themselves better. It is constantly trying to think of ways of saying that is good practice....the emphasis seems to be on value for money and also to point mistakes of some institutions" (ROB.2)

Two other informants supported the above view of HEFC being 'intrusive'. They see this 'intrusion' as an affront to institutional autonomy. The broad view in all these cases is that the work is widely seen as of good quality and beneficial to the university. But these managers and academics seem disinclined to welcome the 'prying eyes of HEFCE'.

In management terms, some see the external agencies, especially HEFCE as trying to 'run the universities' from a distance. 'Bureaucratic tendencies' had grown within HEFCE that is highly influenced by political dogma.

"Sometimes they are fairly bureaucratic but on the whole it's a necessary evil. You must have certain layers of bureaucracy" (MNN.2)

These comments indicate that though there is fragmentation, bureaucratic tendencies still remain. Nevertheless, these views remain 'fragmented' and need not be pursued. The above informant does not agree that 'you must have certain layers of bureaucracy'. University managers expect HEFCE's role to focus much more on 'processes and procedures and making recommendations'.

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Some appears to believe that HEFCE:

"can get too involved in the decision making process....They have got to be assured there are right checks and balances in place"

They are forced into pushing state policy and presenting lines offered by governments.

"They are much with government. They are much more responding to their masters comparison with HESA. There are issues around them becoming involved with management of institutions. A lot of people would suggest that they do attempt to manage institutions. They interfere too much in institutions academic autonomy".

The co-ordinating agencies have direct links with universities and are well placed to influence institutional activity. The behaviour of managers and professionals is likely to be influenced by decisions taken by external agencies. An emerging view within both sectors is that HEFCE is performing its role in resource allocation creditably, but it becoming 'too involved in managerial activities' and 'too interventionist'.

My evidence suggests that in many ways HEFCE is providing some effective advice on institutional problems; to help sort out administrative problems; and sometimes to help sort out financial problems, especially, in the course of a merger or takeover. Simultaneously, it takes a more 'hands on approach' in the management of universities.

The above view is supported by a senior administrator:

"I think it (HEFCE) is a useful body. It is becoming increasingly attentive to the views of its community. Its consultative exercises are genuine consultation exercises. And they are responsive to the points we make" (MOC.I)
HEFCE is good at responding to institutional problems. Its' approach is more collaborative than that of HESA.

The above examples suggest varying degrees of support for HEFCE. Those who support HEFCE appear to do so for the following reasons:

1. That HEFCE controls the purse strings and can give help [financial].
2. HEFCE tends to listen in cases where universities are experiencing problems. One case was where two institutions were about to merge and called upon HEFCE for advice.
3. HEFCE has over the years reviewed its procedures because of previous concerns.
4. HEFCE is seen to be listening and takes a more collaborative approach.

Alternatively, some criticise HEFCE for the following:

1. That they do not trust HEFCE because it is a government agent and not on the side of universities.
2. It is intrusive and seems to interfere in the management of institutions.
3. Anecdotal evidence suggests that new universities feel that HEFCE operates on the practices and values of the traditional universities. For example, the research assessments are based on traditional values.

Whatever the justification of either group HEFCE remains an integral part of evaluation process in universities. Its power and influence will continue to
dominate the higher education landscape for the foreseeable future. It is likely that HEFCE's role will get more prominent as the range and diversity that characterises higher education become even more distinctive.

5.4. Managing Indicators of Research

Previous discussions already involve research activity. If informants have positive notions about HEFCE, then it would be reasonable to expect them to hold positive opinion about research indicators. After all, HEFCE has a strong interest in the production of research indicators. A powerful way in which research production is measured is by the Research Assessment Exercises (RAE).

The RAE is a major HEFCE activity. The scope for such an assessment activity is explained by Ian McNay (1999):

"The instrument for the policy was a quadrennial evaluation of activity and output conducted by the higher education funding councils in the UK, the results of which were used to inform the distribution research funds administered by the councils" (Pg. 192)

Research performance is likely to impact on the behaviour of managers and professionals. Cuthbert (1999; Pg: 316) noted that after the 1992 RAE:

"It is clear that a high RAE rating had a 'halo effect' which extended far beyond its quantitative or financial significance. Increasingly, new university staff formed the view that RAE ratings also strongly influenced assessments of teaching quality, whatever the protestations of HEFCE assessors to the contrary".

The apparent linkage between research and teaching quality is significant. Does this suggest that a university with strong research activity will equally produce good teaching quality? McNay (1997) found that all 'focus groups highlighted a fuller consciousness of the place of research and research performance among institutional leaders' (Pg. 194). According to the research results 63% 'thought that research was better managed and supported'. When it comes to managers,
53% agreed that ‘research work is now focussed on a smaller number of prioritised topic areas.

Disappointingly, only 24% thought their own work was better organised because of RAE pressures for efficiency.

The Mc Nay findings are supported by those of Williams (1999) on the 1992 exercise where the ‘main impact is on institutional policy, procedures, and management. Of heads, 75% said the exercise was used as a lever stimulating major strategic review across the institution’ (ibid, Pg. 196). Informants see significant differences between old and new universities in terms of their capacities for research. One informant argued:

“Let us be clear. They chose to turn themselves into universities. They chose to play on a pitch, in some cases for over 100 years they had chosen not to play on. They said we have a real valuable, distinctive function. We are not universities.....Now they turn around and say we are being compared with universities who have committed all their resources to a particular form of education” (ROB. 2)

A key area is in their status as research universities. Abolishing the binary line mean more institutions are now universities and building their own research base. The ‘old universities see such developments as an ‘unwanted intrusion’. As the competition between universities intensifies and government allocations in real terms decline, universities are seeking more innovative ways in which to attract funding. ‘Standing still’ is not an option. A manager made this point.

“There is a competitiveness in research which is not necessarily healthy. Not necessarily healthy because it is a catch 22. The number of missions if you like is being increased all the time. You need to improve your current performance before you can stand still” (ROC.1)

Universities must improve every time on their current positions otherwise
'failure' is seen as 'regrading from a first rate to second rate institution'. The above informant thinks that this has 'gone too far'. Standing does not only affect a university's capacity to attract funds but also the number of students; position in league tables and its international reputation. Fierce competition on the national market means that British universities are becoming more dependent on the overseas markets. Excellence and a good reputation will play well with overseas students in any recruitment drive. The next respondent recognised this trend. He remarked that:

"...research is always going to be competitive because you are always competing for external funds" (POI. 1)

However, there is a 'limited pot of funds'. The funds should not be distributed 'willy nilly'. Only those universities that have demonstrated good research capacity should benefit. 'High quality' is seen as key:

"high quality research. Most people would want research funds to go to quality teams that have got a good reputation, use money well and so on" (MOC.2)

However, he added the caveat:

"....that research funding should not go to some sort of cartel that excludes people who want to get into it and who have got something to contribute" (MOC.2)

There is broad consensus among managers and professionals that quality of research indicators are improving. However, there are some concerns:

"Government is at the moment a bit concerned. It is trying to broaden the basis upon which assessments are being made; the research quality; and trying to reduce the impact on people on being poached by one institution to another"(MNE 3)

The competitive atmosphere creates a dilemma. The nature of the dilemma was expressed as:
“In one sense the RAE have engendered quite a lot of competition. But research has always been a strange combination of competition and collaboration. So you have a number of people working together across institutions. You have papers published with a series of institutions names and at the same time you have people clearly wanting to get ahead on an individual basis” (MNE 3)

So research brings about competition, stimulation and collaboration. To some informants in the new universities there are ‘frustrations’ and ‘unfairness’. The concern of new universities was allocation of research funds.

A Registrar from a new university noted:

“I wish you could argue ....that if you are not doing well you need the initial resources to improve. If there is a resource weakness then you should be using money to bring the weaker ones up to the performance of the best rather than widening the gap still further” (RNE.1)

A policy aimed at allocating funds had to take into consideration both the economic needs and quality. Even on the economic side the amount available for distribution is limited. On the quality side it can be forcefully argued that research funds should be invested where it would bring the best returns and the highest quality. New universities would fail to convince on both sides of the argument. This in itself gives a ‘lopsided profile’.

According to the Guardian Higher (Tuesday, July 13, 1999, Pg. 5) new figures:

“Show that research funding in Britain’s universities has an increasingly lopsided profile”.

The research figures show a growing trend towards ‘super league’ consisting of Cambridge and Oxford, the Imperial College and University College of London. It would seem that Imperial College has finally ended the dominance of Oxford by attracting some research funds. The ‘Big Four’ between them account for
over 25% of the entire research income.

"The sources of funding have become more diversified, including research councils, charities, government departments, industry, European Commission, books, patents and private companies. The research income base seems reflecting the increasingly pluralistic nature of university funding" (ibid)

Measuring research activity is never going to be easy. As the PISG (1999) noted:

"The measurement of the extension of knowledge through research is particularly difficult. Output measurement depends on counting units which can be taken to be equivalent, yet by definition each extension of knowledge is different from another".

Who is to judge which unit should be allowed the dominating role? The above suggest that a test to determine equality of output remains controversial. There is an unequal distribution of research funds. But does this matter as long as those in receipt of research funds do use it effectively?

5.4.1 Research Assessment Exercises: Old Universities

Despite problems with the allocation of funds, informants in the old sector recognise the RAE as a ‘welcome development’. In other words:

"If you ignore them, you ignore them at your peril" (FOC.1)

This message is self-revealing. This was felt right through the old sector. Informants argue that the RAE help produce research activity which benefits the economy in the long run.

Another group of informants agrees that the RAE is a better measure of performance and quality than the other numerical indicators published by external
agencies. An academic told me:

"...people have gained confidence...it is quite refined, fair and honest. After all, it's our own academic colleagues that are forming the judgements......It is the same judgements that any other reasonable informed person would have formed" (HOB.1)

This suggests that peer review is viewed favourably. Another senior academic said:

"Its advantage has been where we have had colleagues who have been unproductive, lazy; it has made people actually produce more research. And it has made people actually think about the purpose of their research, and also organizing their research within their own assessment area (AOB.1)

Not everyone in the old universities sees the RAE as being wholly beneficial. There is a view that the exercises are costly, and this is money that could be deployed efficiently in areas with greater need. Others see it as ‘far more paper’, ‘lots of bureaucracy’ and simply ‘too intrusive’.

One Registrar thinks the whole assessment culture has gone ‘too far’. He argues:

"Now there is too much of it. The pendulum has swung the other way. We are over assessed and over audited" (ROB.1)

Some respondents feel that there is too much inspection. The above respondent feels that the pendulum has swung from a situation of there being ‘too little inspection’ to one where universities are being ‘overassessed’. The above respondent described it as the ‘culture of the inspectorate’.

Although the RAE was seen in a positive light, the extra work it generates is not always welcomed. There are some negative feelings about it. A Manager said:

"I think of them as a necessary evil. I think they have done a certain amount of good and they have done a certain amount of harm within the university context.....I
think from an administrative point of view all they have
done is to generate a vast amount more work for already
hard pressed administrative and academic staff” (MOC.2)

The use of research output as a performance indicator tends to cause some obsession and manipulation. Research evidence suggests that researchers have tended to become over exuberant in their quest towards satisfying deadlines and therefore engage in what is often referred to as ‘salami slicing’ and ‘recycling’ with a negative impact on quality and standards in some areas. A senior academic described this growing ‘research obsession’.

“*The absolute importance of research in institutions... and the obsession for most people is simply research*” (AOB.3)

It is noticeable that the informants hold different views about the value of research. There is no doubt that some are better placed than others to exploit existing circumstances. Cave et al (1997, Pg. 188) have argued that:

‘*Using research income as a measure of relative product competitiveness exploits the concept of market share. The relative competitiveness of research may be indicated by the willingness of the awarding body to provide funds. The best products therefore obtain the most research income, and as a result the level of research income allocated...... may be taken as a measure of its relative competitiveness*’

The competition for research income has intensified. The better the quality of research output the higher the income. Higher income will also make it easier for universities to diversity their research base.

**5.4.2 New Universities**

Generally new universities place less emphasis on research activity. New universities historically have been teaching institutions. So research has not been a major activity. However, since becoming universities their perspectives have
broadened to include research. This would certainly add to diversity, competition and choice. Diversity and competition mean that new universities must show themselves capable of developing the right research portfolio. A manager observed that:

"We look at our research portfolio against objectives set, improving that, broadening it, achieving it" (MNN.2)

New universities seem in the throes of developing the infrastructure for their own ‘research niche’. The attraction of millions of pounds to the new universities, sums that can improve and transform an institution is well worth bearing the risks.

New universities are getting ‘frustrated’ about their inability to compete successfully within the research industry. Some in the new universities are of the opinion that currently there is ‘biased system’ deliberately designed and maintained for the benefit of old universities. New universities accuse old universities as behaving like ‘cartels’. However, the more resourceful in the new sector are keen at developing indicators of research income; research awards; academic output and seeking to increase the number of research students.

Those who engage in the discourse of frustration argue that research does not form a major part of their mission statement and therefore should not concentrate the minds of managers in the new university sector. A Vice-Chancellor (VCNS.1) from a new university expressed his frustration and feelings:

"The feeling within new universities is that the research based universities, the Russell Group, dominate the spending; dominate the research activity; and that is the area in which in a sense the new universities are having great difficulty in getting a foothold in because in the past the allocation of funding has been heavily biased towards the old universities".

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Various factors contribute to the ‘feelings of frustration’ experienced within the new university sector.

First, the new sector is not currently allowed a ‘fair opportunity’ to develop its research capacity. This means that they compete on the same criteria as the experienced, traditional sector. Secondly, mid-ranking universities have in the past ‘squandered’ research money with very few sanctions levied at them. They, the middle-ranking universities, have not derived useful outputs from the external injection of funds. Thirdly, there is little value-added to outputs in terms of degree results, resource allocation and increased quality.

The traditional universities in this research argue that new universities are ‘good in parts, they have some good departments, but also some are very bad’ (MNC.1). Also, new universities have been fortunate to receive help after their first RAE. A Planner from an old university explain such fortunes as:

"Pump priming......when there was no real evidence of research capacity there at all"(POL.1)

Prior to 1992, research was never a main priority of the polytechnics. That is why some in the traditional sector describe the present thrust in research by the new universities as ‘waste and just duplication.

"One senses that the RAE have engendered quite a lot of competition, but research has always been a strange combination of competition and collaboration. So you have a number of people working across institutions"(FNE. 1)

And of course as researchers increase their publications using the institutional seal so are they also seeking to establish national and international reputations. It is a measure of how individuals in research can improve their ‘reputational rankings’ and at the same time improves on the university standings.
There is evidence from this research to suggest that problems can arise if research performance is taken as a measure of performance. First, the two sectors have different experiences and historical backgrounds and therefore might not share the same cultural and institutional activities. Secondly, some new universities are now developing research departments so as compete and share the ready market in research. Thirdly, anecdotal evidence suggests that a few old universities attempt to ‘discredit’ new universities undertaking research. The basis of this claim is that new universities are not ‘up to the standard’.

Also, there are claims that a clear line of division must be established between research and teaching institutions. In effect, going back to the pre 1992 binary line.

New universities must identify areas where they hold comparative advantage and seek to generate research growth. Areas such as the arts, design, engineering and technology could form their new focus. Government steering may have a role to play in reshaping research activity. If government were to identify possible research area, say in the sciences, engineering or design and provide extra support for new universities, this may be of help. Many science departments are either closing down or are merging. This is especially so in the case of Physics and Chemistry. Huge operational costs form part of the problem. The research evidence points to:

1. Different feelings among old and new universities as to the direct benefits of research.
2. Researchers' feeling ‘over audited, over assessed’ and thus adding pressure in the workplace.
3. Allegations by some new universities about ‘equity, fairness and the usefulness of research as ‘an unbiased national system of evaluation’.
4. Evidence which suggests that the use of performance evaluation in research is consuming too much time; therefore affecting the quality of research; preventing researchers from taking a long term view of research proposals and, creating a research economy where only the best equipped can benefit.

Informants suggest that the time has come for government 'to lighten the load'. In effect to reduce the pressures, workload and slowing the pace of change.

5.5. Teaching Quality Assessments: An Uneven Playing Field?
Teaching professionals in Britain have been under the constant gaze of the State. They are now required to respond both to the language and practices of evaluation. It has been noted in the previous sections that professionals tend to be sceptical of managerial tools and techniques for assessing performance. In primary, secondary and colleges, teachers have been inspected by OFSTED. Higher education is now subjected to the TQA. Undoubtedly, there is a growing 'inspectorate culture' where the performance of professionals are monitored.

The second external assessment selected to inform this research on the use of performance evaluation in higher education is the teaching quality assessments which, now reviews teaching performance. The Teaching Quality Assessments [hereafter referred to as the TQA] assess the teaching processes in universities and are conducted in a qualitative format. However, these qualitative or discursive judgements are converted to quantitative scores in the end.

Most of those interviewed in the old sector think that 'categorization of institutions into teaching only' and 'teaching and research' institutions will help to maintain quality and raise standards. Supporters of demarcation argue for
research institutions and teaching institutions within higher education. Those who argue for a division advocate breaking up of the system into fragments based on 'role', 'functions and performance'. And the division line was quite clear 'old universities' should perform both roles and functions, while new universities should remain 'teaching only institutions' The TQA and RAE together form major planks in government policy and failure to forge a link between the two may cause doubts about the efficacy of government policy. The PISG (1999) recognising these problems observed that:

"The possibility of deriving an indicator or indicators from the assessments of teaching quality....and a number of problems were identified"

The PISG (1999) identified problems with changes in the 'methodology'; differences between the teaching quality assessments 'with other established means of categorizing institutional activity'; long time in which to complete the assessments; and some of the self-assessments which still remain. Based on some of the underlying problems, the Group (1999) 'continues to discourage the creation of overall summary statistics'.

Further, it has been established that in Britain, as 'elsewhere, it has been conventional wisdom that it is much more difficult to establish indicators of teaching than of research performance' (Cave et al, 1997 (Pg. 103). This seems to suggest that developing appropriate teaching indicators can be a difficult task. And this may even prove more challenging where a 'systematic external assessment of teaching quality to be made' (UGC, 1985b).

5.5.1. Old Universities

Evidence from this sector indicates agreement that 'a university must earn its keep.' There is also agreement that accountability can exist to protect public investment. However, new initiatives must be allowed time to 'bed into' existing
internal systems. Hence the reason why some actors argue for a 'lighter touch to be introduced' as soon visible signs confirm that the sectors are responding favourably to policies such as the TQA. To others, the current appraisal system is 'sheer nonsense'. But how have respondents from the old sector responded to this relatively new government initiative?

5.5.2. 'Overassessed' and 'Overaudited'
Criticisms about the procedures and execution of the TQA are levelled at the macro level of operation. The principles that underpin the TQA are sometimes welcomed. Some informants argue that in the civil service appraisal are carried out by line managers. The appraisal system used by universities in the past indicates a 'developmental mode of appraisal' that involves quiet discussions among colleagues with contents likely to remain confidential. Some informants argue that the confidentiality element can give rise to 'corruption' thereby affecting both confidence and credibility of this system. To some respondents the appraisal system needs to be improved. It is felt that previously the appraisal system operated with little transparency and accountability. It is alleged by some that the assessment process was carried out 'behind close doors'. That is to say that the process was not sufficiently open.

If appraisal and auditing are undertaken 'behind closed doors', then the structure which sustains these practices is even more suspect. To many senior managers there is a 'creeping bureaucracy' aimed at instituting greater accountability. To others there is an apparent 'lack of faith' between institutions and the centre. Thus a serious issue of trust arises in the long run. An informant noted:

"There is enough accountability with statutory audits and there seems to be an absolute obsession from central government especially in my view of the TQA with the need for accountability" (POI.3)
There was a contrasting view to the 1980s:

> It was far from bureaucratic. It was effective; it was efficient; but what it didn't do was to guarantee delivery of value for money; nor did it necessarily deliver competitiveness. Nobody was asking for indicators for the value of money; nobody was asking for competitiveness. That was an aspect of the business plan that simply didn't exist”(AOB.2)

The stratagem has since changed as government continues to demand value for money. External agencies such as the HEFCE and QAA make demands for greater compliance. And this adds to the pressures. The evidence seems to indicate that once the thinking becomes endemic in the system and the attitude is in place, then the ‘strain and share volume should be lightened’. The lesson that can be drawn is that in principle the TQA sounds like a good idea but the accountability it brings is not.

5. 5.3. Recognizing Principle

Despite the ‘sheer volume’ of work involved some respondents believe that there are benefits in developing a system such as the TQA. Some see it as having focussed ‘minds on the tasks ahead’ and focussed thoughts of participants:

> “What I am suppose to achieve? How I am trying to do it? Is this really the best way? Might there be another way which might be better? And how do I know, how can I be sure that what I am intending to teach is actually achieved? If I am, I would like to assure myself that I am. If I am not, I would like to analyze why I am not”

(ADB.1)

The above respondent seems to suggest that the system allow time for self appraisal and reflection. It involves thinking through a particular task in order to determine the objectives and possible results.

According to the following respondent this offers an opportunity for self
evaluation. The lecturer may ask whether he is being:

"too ad hoc, too unaccountable, that you are not being professional and whatever you are doing, you are being incomplete" (AOB.3)

Every system is likely to have its critics. A new system will also be subjected to criticisms. Thus some argue against the TQA. The following respondent noted that:

"When it started it [TQA] was very controversial. There was a lot of criticisms of it... all this inspection machinery show only a tiny proportion was unsatisfactory. The first inspection show only a tiny proportion was unsatisfactory.... No it was not necessary". ROB2).

This second response seems to suggest that the TQA exercises were basically unnecessary. It presupposes that the quality of teaching in British universities is sufficiently high and does not require assessments to motivate it.

I am not sure that critics of the TQA are wholly justified. Today, the medical profession is under immense pressure. Local authorities and schools are under the same sort of pressure. Why should university professionals be exempted? The undergoing changes taking place within the public sector is not likely to reduced or stopped. Both major political parties argue for a more accountable public service. What's' more, each party is seeking to demonstrate in whose hands the public service is safer.

Evaluation and assessments are always going to be controversial. Opposition to the TQA is based on 'waste', 'being sheer nonsense', that the time and effort put into this activity could be used to increase productivity elsewhere. This certainly raises issues around opportunity cost. This includes cost in terms of time, finance and effort on the one hand and the output. In the quest of developing indicators for teaching, it is instructive to reflect on what Cave et al (1997, Pg 103) said:
"In Britain, as in elsewhere, it has been conventional wisdom that it is more difficult to establish indicators of teaching than of research performance". (See also Birch, Calvert and Sizer (1977)

The scale of the problem was recognised very early when in 1985, the UGC, in a circular letter informed universities:

"Research can be assessed through peer judgement and a variety of performance indicators, but there are few indicators of teaching performance that would enable systematic assessment of teaching quality to be made" (UGC 1985b)

In the past university academic performance has been evaluated by peer review. I am not sure that quantitative indicators are suitable for assessing teaching quality. In this regard, the view expressed by the UGC (1985b) is supported. Putting ‘flesh on the bones’ of quantitative data with more discursive information would help. But I have found that the university sector is a ‘bit wary’; ‘indifferent’ almost uncaring, ready in some cases to throw out TQA measures. It is a part of the evaluation strategy which appears more likely to get under ‘institution’s skin’. Unlike the RAE there is no extra money for high performance.

5.5.4. Procedures and Methodology
The current methodology suffers from major deficiencies that include the following:

1. There is need to build trust between assessors and assessed.

2. Those in the old universities argue that there is need for assessors to have the same profile. This is linked to the idea of trust whereby the assessed feel that their assessors should possess the necessary skills, knowledge and
confidence.

3. The need for assessors to understand the tension that exist within the different sectors. The culture and micro-political elements are sometimes vital in determining institutional performance.

4. Assessors should show a degree of expertise in the subject area. Some assessors were tended to be seen as inferior especially if they were perceived to have come from less prestigious institutions.

5. Fifthly, there was a sense in which assessors appeared to lack training and seemingly at loss as to the task at hand. Another contentious issue relates to degrees of subjectivity which entered into the performance equation. I came across two institutions that had formally taken up their assessment scores with the QAA. Many felt that the assessments were too long and involved too much preparation time.

5. 5. 5. TQA Visits

The environment in which TQA visits are undertaken is not always cordial. They were punctuated by animosity about answering some questions where subjectivity can come into it. Evidence emerged of institutions planning to ‘defeat’ the purpose of a particular visit. This may be done by making it ‘possible to pull the wool over some assessors’ eyes. A senior manager outlined two methods that could be used for achieving this.

1. Not to allow certain classes to run at the time of the assessments.

2. Having less effective lecturers take sabbatical leave at the time when the assessments are being conducted.
Such methods amount to 'subversion' of a legitimate process. The above respondent observed that he has a 'strong feeling' that some institutions are using such methods. However, he could not provide direct evidence to support his allegations. Attempts to subvert the TQA raise serious issues about the conduct and organisation of the evaluation process itself. Neither should those responsible for the TQA stands aside and watch the assessments be destroyed. It should be remembered that there is no corroborating evidence to support such allegations. This researcher argues that strong negative feelings against the TQA can make this possible.

An academic told me:

".....the way they run are not effective... It could be more rigorous, but if it were, its hard to see how it could actually work....it provides just a snapshot"(AOC.1)

There are allegations about assessors not being on the same 'wave length' as the administrators and academics they are sent out to inspect; lacking knowledge in the subject area; poor professional judgement and sometimes rather patronising.

Many respondents felt that those carrying out the assessments were either 'less qualified' or came from 'an inferior institution'. Some in the old universities regarded it as an affront for someone who was less qualified to be involved in evaluating them.

5.5.6. New Universities
Informants in the new sector did not perceive the TQA in as controversial a manner as those in the old sector. However, a manager thought that the assessments are putting unfair pressure on new universities by having to compete against the old sector. He expressed the view that:
"We are all fighting the same, we are all trying to move on with the TQA, subject review exercises. Because we all play by the same rules then inevitably universities become increasing alike, we are being forced down straight jacket by the assessment exercise". (MNE.1)

Another manager expressed the view that:

"There are good and bad things about the TQA and what it provides institutions with. The process of assessment is very long winded, time consuming and costly in all sorts of ways.....having said that, it highlight weaknesses which institutions have to address and its clearly to their advantage to address them" (MNN.2)

The TQA seems capable of identifying in which areas are standards falling and which needs action to redress a deficient situation. But certain interrelated problems arise such as the compatibility of the national system with that of the local university and how well the 'fitness for purpose test' is being satisfied. So a period of 'settling down' and 'bedding the new process' into that of the institution needs to be allowed for.

Allegations of 'biasness' towards the old sector often emerged. A Vice-Chancellor explained:

"I don't think you can argue with the TQA although the problem with those is that there is a linkage between teaching quality and the RAE. You are not going to sit by an internationally renowned professor and give him a 2 rating.....So the principle of the TQA is a good thing though the measuring instruments are not perfect, and its biased towards the old universities to get better scores" (VCNS. 1)

5.6. Criticisms

Some in the old universities accuse the new sector of 'lacking in vision' 'complacent', 'a failure to assert themselves' and caving in when placed under
pressure. Another problem seems to be a growing culture that has become ‘measurement crazy’. The system seems to conform to what Dill (1995, 1996) has referred to as ‘an information deficiency model of quality regulation’. It drives a system aims at providing massive amounts of information to customers so that they in turn can make informed judgements. This is what a Manager said:

"I think there is a culture growing up, nationally in all sort of places, that you have to have inspectorates to go and inspect. I am not opposed to that. I think the public service should be subject to quality and quality levels. But I think it is a very delicate balance to ensure the monitoring of the quality does not adversely impact on the delivery of the service being measured" (MOB.1)

And that is the crux of the matter. Finding the right balance in the monitoring process is extremely crucial.

5.7. Academics and Evaluation: A Culture Shock

Professionals must respond to targets and account for their teaching time more than ever before. The TQA adds to teaching staff accountability. The evidence suggests that they are operating under enormous strains. Academic culture in British universities has not escaped change. The context in which academics work has resulted in a major ‘culture shock’. Culture was expressed as a unifying force within the organisation, that there exists a universal homogenous culture, and the task for the researcher is to discover it (Meek, 1988. Pg. 456).

Two different views about culture emerges: the functionalists view which says that culture is displayed in organizational behaviours, implying, amongst other things, that the organisation is the legitimate level of analysis (Maassen, 1996. Pg. 17).

Another view and the one I identify with, expresses culture as:

"Believing,... that man is an animal suspended in webs of significance he himself has spun, I take culture to be those
webs, and the analysis of it to be therefore not an experimental science but an interpretive one in search of meaning” (Geertz, 1973, p.5)

Culture has gained increasing attention of higher education researchers in terms of its impact within a government steering strategy. If culture is interpreted as ‘webs of significance he himself has spun’ then the position of managers who argue that current changes in British universities are the results of academics ‘own doing’ is understandable. Some informants are of the opinion that the perceptions of academics were in some respects:

“....bizarre. They did not understand needs, objectives, priorities, emergencies. As administrators, they were amateurs” (ROB.1)

Accordingly, such attitudes needed a ‘culture shift’. Conditions at the time had lapsed, there was waste, things were not well enough to manage, there was inefficiency and in some respects there was serious risk of chaos. This laid the basis for the introduction of new public management backed up with calls for greater openness and public accountability.

Current policy is more inclined towards market based techniques which in effect tend to alienate academics. Business techniques may prove counterproductive (Dill, 1982:319) argues:

“they may do little to increase productivity, commitment and the loyalty of the academic staff”.

Clearly, academics are likely to feel more comfortable in an organisation where their needs are looked after and their problems listened to. Management efficiency will depend on the co-operation of all academics. Managers in general expressed the view that of course efficiency is desirable but we have now experienced a quarter of a century of efficiency gains. Some express their ‘scepticism’ about the concept as it reflects much more of ‘central savings’.
Some in the old sector argue that in some cases cost per student had fallen over the last six years by as much as 24%. That such efficiency savings have not been achieved by any other sector in the public service.

A Finance Manager said:

"Tell me another sector that could achieve that kind of efficiency and effectiveness in unit cost" (FOI. 3)

The pressures on managers to make efficiency gains have resulted in major austerity measures. Cuts have been made to administration budgets, staff and ancillary services. Contractual arrangements imposed have changed working conditions for academics. Consequently, tensions have emerged between management and academics in a few institutions.

"I feel that academics are by their nature outspoken people and critically positive and negatively analytical. Whatever system you have some people will be positively critical and some negatively critical. One thing about academics is that they will not keep their views to themselves. They will make it public" (FOC.3)

The above respondent seems to suggest that academics will criticize situations that affect them loudly without taking sufficient time to analyze the issues involved. In fact, the respondent feels that academics will always want to voice their views. But it must be added that academics, especially those in universities, are qualified and well read. Most of them perform advisory and consultative roles for both private and public sectors. They are deeply involved in researching major issues that affect society.

Whether it is about access or efficiency gains, the role of academics in delivery and system maintenance is of crucial importance. More students mean more work for academic. Efficiency gains do not mean splashing them on increase salaries. Large assets do not mean spending them on salaries or improving
working conditions. Financial managers prefer to invest their wealth in new residences, property acquisition or other business like ventures. Thus managers are more apt invest in property than in human capital.

Reducing investment levels, questionable working conditions and external pressures combine to put this profession under siege. An informant insisted that:

"pressure has increased on academics...The sheer workload, because these are external vetting processes like the TQA for one. So they impose burdens like the RAE and other burdens".

Most of the changes flow from policies introduced since the Thatcher years. The New Labour government has increased public sector investments and higher education has benefited. Further, a limited set of fees has been introduced which tend to benefit universities. Nevertheless, evaluation pressures have not decreased.

Academics are expected to generate new sources of income. Some university departments rely on the potential and capacity of most academics to generate finds. This tends to influence recruitment policies as more employ nationally and internationally acclaimed academics to do the job. These academics may not be effective administrators but good enough to work as consultants. A finance manager acknowledge this:

"Academics are forced to go out generating their own income and that they have done by quasi-academic activity, consultancies or working outside"  (FOC.2).

Academics in some universities generate as much as 25 M for a department’s benefit. This in turn ensures that academics merely ‘survive because they bring in external income’. A lot of it goes to central administration.
Research evidence gleaned through observation, tone and physical expressions point to differences in approach when dealing with issues associated with performance evaluation. Those in the old appear more ‘aggressive’, ‘more individualistic’; ‘more business like’ and ‘pressuring and wanting greater autonomy’. Academics in the new universities speak ‘more about collaboration’; ‘request more loyalty’; wants ‘greater co-operation’ and appear ‘less sure of their positions’. The difference in approach is visible from the following:

"People who cannot easily be dictated to. These are the highest intellects in the land and they have a view as to what should be the objectives. These objectives in many cases might differ and management might fail these objectives. They definitely will have different loyalties" (MOC. 3).

This statement aptly describes ‘culture’ in a pressurised environment where daily academics are becoming insecure and uncertain in their respective positions. Setting up of objectives; developing performance indicators and writing corporate plans are sometimes highly complex activities.

Academics do feature in developing some areas of the strategic management plans. But the new climate might find academia gravitating towards new loyalties and not necessarily that advanced by an institution:

"their discipline, next to their department and somewhere removed from the institutions. And there is not necessarily a direct convergence with what they may see as their interest and what may be in the interest of the institution They have their own goal, their own agendas" (POI.3).

The issues of ‘agendas’; ‘dissemination of information’ and of ‘sharing a common vision’ are paramount to the university success. The model of sharing information and participation is well represented by Mintzberg’s (1979) paradigm of ‘Professional bureaucracy. This is a ‘market based model’, and one that facilitates the downward movement of the institutions vision from the
centre and the transmission of academic views upward to numerous functional committees.

Purely, communicating institutional missions, plans and vision would enhance considerably the plight of academics in universities. In regard to the academics well being, researchers have often warned about the necessity of taking seriously the idea of loyalty.

"An academic's loyalty to his or her discipline can sometimes elevate sectional interests over the needs of the university as a whole". (Shattock, 1994, Pg.3)

Not all managers feel sympathetic towards the plight of academics.

"...they don't like it...it's a fact of life. And it won't go away. And I think with reluctance they have had to accept it. But some of them hate it". (ROC.1)

He sees the introduction of PIs as having direct impact in many areas of academic life. Some academics believe that all these changes to quantitative measurement are a waste of time and good effort. There are pressures to life which have become much tougher. The pressures to produce for the RAE and scrutiny adds to major concerns.

The above registrar thinks that everyone within the sector is under pressure. He insists that:

"...everyone is under scrutiny now and all the time. Your teaching is watched over, we have peer observation where a number of colleagues go and hear each other teach. You can't hide anymore. So students evaluate and fill questionnaires. So staff is constantly under the spotlight and it's a major culture change...pressure means less staff time, less free time, less time at their disposal...There is a danger that this formalised assessment will discourage some from pursuing eccentric research. It may even discourage the geniuses"(ROC.1)
Multi-dimensional sources of pressure from the state, managers, public sectors and main stakeholders combine to exert 'weariness' and 'uncertainties'. Some British scholars are finding pressures to publish, administer, participate in assessments and research almost unbearable. Alternatively those who are against scrutiny would want the status quo to remain. They might want the status quo to remain in order to protect and further their self interest. If their self-interest is not favourable to the institution, then it is quite right for the state to act to redress this.

And the number of student demands has increased. The economic pressures combined with structural difficulties make managing the national system quite problematic. The 'evaluative state' has introduced into institutional management tools of management that many are finding difficult to reconcile themselves with. It may be unreasonable to expect so much. 'Academic cloning' may never be possible!

Current changes leave a feeling among academics that 'an intrusion into their lives' is taking place. They describe the feeling as being 'too tired' from constant shifts and shuffles in expectations of them. As one professional said:

"There is a feeling of tiredness......They would like a period of consolidation because over the last decade we have really move along way in terms of the rigour of audit; quality assessments and other procedures.........
Unquestionably, academics are being asked to become more professionally inclined and t be more accountable for our research time. We are also being asked to be more accountable for our teaching team" (MOC.2)

Academics are not the only profession that is currently being subjected to external pressures. Doctors and nurses within the public service are finding themselves being subjected to high level of public complaints. The sort of public or media pressures that those who work within the health service are currently
subjected to are not currently reflected in the university setting.

However, I take the point that increase documentation and evaluation within higher education have increased the intensity of work pressures.

Measuring the processes within the sector has imposed a sense of accountability. I observed from the interviews a degree of 'impatience' bordering almost on a strong desire to be left alone. The RAE and TQA with their accountabilities appeared to have made teaching a more onerous task. To some, the changes represented a loss, 'loss of freedom'. There are other key variables seemed to have affected institutional culture.

The major factors that seemed to have combined to make academic work more onerous:

1. Salary levels have remained low while workload continues to rise. This acts as a disincentive because in real terms salaries have actually decreased. The starting salaries for new recruits appear 'pitifully low'. When salaries, especially starting salaries, are compared with those of other professionals doing an equivalent job it can be observed that major differentials exist. This in itself cannot motivate competent and highly qualified individuals to join the sector.

2. There is a feeling that public respect has gone down. It was made clear by many interviewees that the media is partly to blame through its unintelligible reporting of policies affecting universities.

3. A growing need for professional training in sometimes unrelated areas such as stress, ethnicity, student
counselling and conducting seminars.

To many academics the pace of change leaves them feeling beleaguered. But is the increasing concentration in other areas likely to deflect from the more traditional role of academic work? Or for that matter, does it affect the academics relationship with students? There are differing views.

5. 8. Academics and Students
The character and composition of the student population are changing. There are more mature students; a larger population of students; and many more students with economic problems having to work and schooled full time. Students are more likely to assert their legal rights and appeal against a particular exam score. Thus the student population does present a fresh challenge to the academic culture thus creating a need for professional advice and a sense of duty of care.

"It will not affect relationship with students... student welfare is paramount and the commitment to student time absolute.....But it has certainly eaten up the research time available"(AOC.2)

ANE.1 responsible for PIs in a new university indicates:

"Yes. I think that without a doubt...I think it's a difficult balancing act"

The above represent contrasting views. In the latter case, the answer was unequivocal but tempered by the need for a balanced view. The increase in the duty of care can be partly explained by the growing demands made by students of their rights to appeal and of the need for greater transparency. It would seem that changes in institutional evaluation have increased the amount of student evaluation. Many universities employ policies whereby students are allowed to evaluate courses; academics and services. This has developed into a kind of 'student power'; the power of letting the client determines the effectiveness and
efficiency of institutional activity.

The rise in state evaluation and other procedural impositions on academic culture does bring about 'groans and moans'. Some academics think that the changes are beneficial and in the longer run will benefit the entire community. Thus, the changing environment has brought about tensions. But tensions between whom?

Others argue that this should be a reflective period in which academics must ask: Is it being delivered? How well is it being delivered? The macro environment which surrounds academic culture could be characterised by what Barnett (1990) referred to as self-critiques, which was defined as:

"a cycle of self-reflection, self understanding, and seeing [universities] themselves in a new way...that is achieved....for and by themselves"(Pg. 190)

The reflective period should question what exactly does external scrutiny demand that we do. The academic community will be in a position to see how far they have gone and what extra effort is necessary to achieve those demands. In my view, the academic profession has been put under lot of pressures and has been responsive to many of the demands made upon them. In implementing change it is necessary to allow time for review of progress and to make any adjustments where necessary.

5. 9. Academics and Change

In the 1980s terms such as planning, deadlines, objectives, targets, corporate strategy received quizzical looks from academics. Today, there is evidence that suggests that the young academics are more amenable to change.

"Today, it is much easier to bring in the young ones as you can point out that this the way we are; this is the way the whole system is; this is what you have got to fit into". (MOC.2)

Labour flexibility and competition mean that certain rigidities have all
disappeared. The new academic is beginning at a time when job security cannot be taken for granted and academics are somewhat limited by choice. Institutional culture has changed.

This cultural shift in balance impinges greatly upon philosophical arguments about academic and institutional freedom. (MOB.4) sees it thus:

'It depends on what you mean by academic freedom. If you mean the autonomy of the institution it is true that the institution in a sense is indeed more autonomous. But of course it is being put into competition and when its budget is restricted in any way your freedom is restricted. It is a very conditional freedom if you don't have the resources to do what you want to do......I never thought of that......These were people who trying to protect their own positions. I think balance has to be drawn'.

'Conditional freedom' means a period in which the academic must adapt and adjust. There is evidence from my observations that academics appear frustrated and spends considerable time on administrative activity. In the words of a senior academic:

"What has been affected is the amount of time I have to devote teaching. I am less free and that's it".

A Provost responsible for quality in an old university lamented the effects of change on the behaviour of academics since the 'procedures became more codified and rigorous'. He graphically describes instances of:

"People ticking all the right boxes, but they are not spending the real time, the quality time with the students....They all have meetings ticked off but they have not had time chatting with the students" (MOC.2)

This is viewed as a 'great worry'. The loss of autonomy and the tendency for external agencies to dictate to academics seem not to be going down well. But the impact of change on academic culture may not have the same intensity everywhere. Some argue that change was necessary because 'the cost of
academic activities in the old sector was a culture shock. It was the introduction of efficiency checks in the old sector that has caused the real paradigm shift.

I am of the impression that the resistance to change is strongest in the old sector. That view is supported by a Manager in one of the leading universities in the United Kingdom. He says:

"The idea of performance indicators in the academic areas was a terrible culture shock. I think by and large its still being absorbed and on the whole academics don't like it.....The whole parphilenca of what is sometimes called the instrumental approach to management with performance indicators, appraisal, performance pay which coincided with reduction in funding were being seen as helping save money" (ROB.1).

However, there is a feeling of resignation, a sense of powerlessness, frustration and sceptism within the professional community. Most seem convinced that managerial tools remain an evil but they are here to stay.

Conclusion

In this, I have argued that external agencies and national assessments are now important components in the framework for monitoring national performance. It highlights the role the RAE, TQA, the external agencies of HESA, HEFCE and of their involvement in performance evaluation and regulation. The evidence points towards a sector in which managers and professionals appeared 'sceptical' about the changes being foisted upon them. The major conclusions are as follows;

1. National performance measurements are perceived as being driven by 'political ideology' and the 'anxieties' of politicians. Government has become more 'entrepreneurial' (see Issaac-Henry, 1997) since the 'rise of the evaluative state. It has become more willing to tie
funding levels to improvement in standards and quality.

2. The national evaluation system is viewed as 'fractured' and 'fragmented' thereby limiting the effectiveness and efficiency of the evaluation procedures in university management. Accordingly, fragmentation tends to impose certain cost, resource demands and structural difficulties on universities.

3. External agencies, notably HESA, are seen as imposing 'excessive demands for data' which impact on finance, time, labour and management in universities. Managers and professionals see the pressures as having a negative impact on the 'human dimension' in universities.

4. Many interviewees offer a positive view of HEFCE. Their view seems to be based on a perception that HEFCE is now 'far more open'; involve with 'more communication with universities'; 'greater contactability'; and 'willingness to give advice and offer help'. There are some actors who see HEFCE as becoming 'more refined'; 'honest'; and 'fair'. Consequently, there is a feeling that a 'constructive partnership' is beginning to emerge between HEFCE and universities thereby creating 'greater confidence' in its' role and functions.

However, some 'patchy evidence' suggests that HEFCE is seen as 'interventionist', and 'too involved in university management'. This view, albeit from a small minority, is expressed mostly by interviewees from the 'new universities'.

5. Informants were highly critical of the TQA, suggesting
that it was helping to create 'an inspectorate culture' (See Dill, 1995 on his view that the TQA falls within an information deficiency model of quality regulation'). Many argue that the process is still 'too ad hoc'; 'wasteful'; and tended to add to the 'pressures' already facing professionals. The principles on which the TQA are based seemed acceptable but many its procedures are regarded as 'unacceptable'. The majority of interviewees submitted that some 'fine tuning' is necessary before the TQA can have any significant impact on the evaluation process. However, it must be also noted that many universities use TQA scores to attract students to their institutions. Evidently, there is some benefit to universities despite their concerns about its overall ineffectiveness.

Monitoring national performance involves national structures, processes and outcomes. The monitoring process aims at improving standards and raising quality. Institutions are being asked to be more publicly accountable. Within the national system, it is the 'scrutiny', 'searchlight' and 'pressures' which lead to the 'indifference and 'uncertainty' within the sector. The performance evaluation process must address the concerns about 'fragmentation' and 'mistrust' and build on the 'positives' within the system. The feelings about the 'lack of ownership', 'control' and 'autonomy' among those responsible for delivering the evaluation process must be dealt with. Evidence indicates that performance evaluation is tied to 'conditional autonomy' and other 'conditionalities' (See Little et al, 1999) set out by the State. The national performance evaluation process poses problems for those engaged in dealing with universities in transition. Evaluation and regulation of universities through national indicators are making external evaluation problematic. While there may always be a role for external evaluation,
there may be no alternative to placing greater reliance on internal evaluation or management.
CHAPTER SIX

MANAGING WITH PERFORMANCE INDICATORS

6.0. Introduction
What follows in the rest of this thesis is an interpretation of my data to indicate in some detail the use of performance evaluation and indicators in universities, and how evaluative procedures incorporate and apply management tools. It explores the use and development of performance indicators in the internal management of universities. This Chapter seeks to address the following questions: Is the use of performance indicators beneficial to the management of universities? If so, what are the internal and external ‘influences’ which impact upon them? How are universities responding to all the external pressures? It should be noted that the term performance indicators and evaluation are used broadly to represent the different tools of management used by universities.

In this Chapter I use interview accounts from key informants to show how performance indicators have been developed and used in response to ‘government steering strategies’; how they are used in pre-1992 and post 1992 universities; to what extent they are integrated in the management process and whether there are significant differences or similarities in the way they are used within ‘old’ and ‘new universities’. In analyzing the experiences of key informants that are involved in different positions within the university, I have used internal indicators to reflect the micro management aspects of the performance evaluation process.
League tables are fast becoming an important barometer for measuring institutional performance. I examine the development and use of league tables and the role they play in the management of universities. I examine their sectoral use and investigate some of the major similarities and differences between them. The role of the media in their development is considered.

Performance indicators, in evaluation terms are far, 'from being largely externally imposed government initiative, they have been incorporated into the management of higher education at a number of different levels' (Cave et al, 1997; Pg:1). Hence the reason why I will explore indicators at various levels: national, institutional and individual. Development of performance indicators is inextricably linked to a broader national system of evaluation, with university performance closely tied to state funding. Poor performance threatens major loss of income.

6. 1. Types of Indicators
This section examines the sectoral use of performance indicators in the management of universities. I examine whether there are systematic differences within and across institutions and sectors. I also discuss the actors' perceptions of PIs and possible variations that may be present therein. Once an organization grows beyond a certain rather small size it is very difficult to manage positively, without a considerable amount of management information enabling the manager(s) to have a clear idea about how to effectively and efficiently each part of the organization is performing. The university is no different in this respect. The question is whether the information is hidden and implicit or open and explicit. For many reasons, the larger the organization the greater the need for openness. In this sort of culture and context the information generated by performance evaluation can be a means of both
6.1.1. What is a Performance Indicator

When the idea of PIs was first introduced, they were greeted with mixed reactions. PIs were welcomed by some in higher education whilst others remained pessimistic about their likely effects. Cave et al (1991) sounded an early warning about the type of environment that existed at the time. They alerted me to this problem:

"Uncertainties about their definition, their potential, and even their continuing identity have if anything, intensified." (Pg. 208)

However such indicators can:

1. Provide accountability to stakeholders and,
2. Benefit internal management.

The introduction of PIs in British universities was undoubtedly due to the interplay between political ideology, changing economic conditions and technological developments. In the process their identity, potential and definition gave rise to concerns. The longer those concerns remain the greater the sense of anxiety, 'uncertainty' and 'scepticism'. Performance indicators created their own controversy and uncertainty in the minds of professionals and administrators.

One administrator philosophized:

"If I cannot measure it then I can't manage it basically.....there is greater danger in not having agreed performance criteria than having them."

(AOB.1)
One Vice Chancellor [academic] explained PIs as:

"Objective measures in principle which are a good thing to have. It's getting the right one that remains the problem" (VANS.1).

Both commentators suggest that performance indicators involve the use of 'some criteria' or 'objective measure'. They allude to possible dangers if the right indicator is not used. However, some degree of 'caution' appears necessary when managers utilize indicators. It seems, therefore, that certain comparisons against predetermined targets are essential. But such a process must be executed cautiously and objectively.

What is important is the appreciation that some form of agreed measure is necessary for the effective management of institutions. To some in higher education objective measures are indeed a good thing, but can comparisons ever be deemed objective if all information cannot be included and comparisons made fair?

A Registrar commenting on the use of criteria for making comparisons observed that:

"....it is a sort of rule of thumb rather than any scientific one." (RNE.1)

Setting up the acceptable criteria seems problematic. Objective criteria are a major element in any effective evaluation framework. Performance indicators disclose public information about the 'health of an institution' and improper information will give rise to anxieties.
Thus a Registrar argued that:

"We are not happy with numerical indicators...we have been arguing very strongly for discursive report rather than numerical marks which seems to us to be inappropriate and not very helpful." (ROC. 1)

A Manager agreed:

"You can't add little comments that offer any kind of explanation.....Just sheer numbers with no explanations." (MNE. 2)

These examples show how some senior managers in British universities are 'unhappy' about the use of quantitative performance indicators. They would like to see quantitative indicators supplemented with some form of 'discursive information'. They suggest that quantitative indicators in their present form tend to be of limited practical use. Supplementary descriptive data could help facilitate decision making.

The following accounts do indicate some sort of 'mixed' feelings about quantification. Because of their different roles, respondent tends to react differently.

An academic observed:

"It's a term I don't normally use. These are just statistical indicators which we use but I have not thought of them collectively as PIs." (AOC. 1)

But a financial manager welcomes the PIs:

"They are objective indicators of your success or lack of success in achieving certain objects.....they are a benchmark to say how good we are at what we do." (MOC. 1)

Another senior academic noted that:
"You cannot set the whole context....it is not clear to me when you publish performance indicators you can include all the information in a way which make a fair comparison." (ANE. 1)

The above responses indicate that there are wide ranging perceptions held about PIs. Some respondents accept the view expressed by Cuenin (1986) that performance indicators are 'numerical measures' that can be used to assess performance. But such a view is not universal and critics point to their inability to contain sufficient information on which to base credible decision making. Clearly, it is evidence that suggests a division between those who see indicators as beneficial against those who point to their limitation. What the above at least show is the controversial and uncertain nature of PIs when used as measuring instruments. In this context, a degree of caution should be exercised and PIs seen as 'signals' or 'guides'.

Cuenin and the UGC saw PIs as:

"Statements, usually quantified, on resources employed and achievements secured in areas relevant to the particular objectives of the enterprise, and there is a further suggestion that emphasis be placed upon indicators as signals or guides rather than absolute measures."(CVC/UGC, (1986, Pg.1)

Using PIs as 'mere guides' or 'signals' will point an organization to a particular direction but not necessarily to provide answers. Lack of uniformity or consensus about the nature of PIs will affect ways of interpreting data and the weight given to it. Interview responses vary from 'yes', 'we just consider them', 'we don't use it' or 'never use them collectively'. The information points to a practice whereby different terms are used interchangeably for PIs. Among the terms used include 'management information', 'management statistics', 'benchmark' or just
'information'. Both 'old' and 'new' universities show that there is confusion about the term 'performance indicator' or of its purpose. It seems true that quantitative indicators do provide 'coarse' and 'rough data' that should be used with care.

6.2. Sectoral Indicators in British Universities
In dealing with indicators developed and used in British universities a classificatory schema is useful (Cave et al, 1997. It provides an interesting starting point in which analysis of research findings may begin. By classifying indicators into groups I was able to examine similarities or possible differences in their use in universities. This should enable me to determine variations and likely effect on the performance evaluation process.

6.2.1. 'A' Level Scores as an Indicator
Entry requirements in UK universities tend to vary within and without universities. This tends to be the case both with number and quality of A level scores. It is fair to say that this is not the only entry requirement used by universities. Most entry applications go through UCAS. Universities keep records about their UCAS performance. I found this viewed as important in two of the three new universities in this research. It may be argued that A level scores remain an important discriminating criterion in determining university entry.

Therefore, they are deemed to be useful 'comparators' of intellectual ability. Few would argue against intellectual ability being a relevant criterion for university study. The key issue is how does this comparator feature in the measurement of university performance. In short, what role and function do A level scores play in determining ultimate performance. Further, it is to be
determined whether there are significant variations in their use within the different sectors or departments.

Helen Connor (1999) in examining the issues around 'different graduates and different labour market' observed that:

"Almost 30% of entrants to full-time degree courses now have non-traditional qualifications (i.e. not A levels or Higher but BTECs, GNVQs, professional or access qualifications). Access students are concentrated in subjects like social studies and subjects allied to medicine, while vocational qualifications are more common in business and administration and computer science." (Pg. 96)

Connor (1999) further argues that 'quality intake, as measured by A level points, varies considerably by course and institution'(ibid). Thus it is expected that different UK universities will have different policies toward entry qualifications. This difference in entry qualifications may contribute to the ultimate quality of degrees and to the quality of student output. This in turn will impact on the way employers regard students coming from particular sectors or institutions. In a highly competitive education market, the quality of entrants will ultimately affect the calibre of graduates and in general, the performance of universities.

Use of A level scores can potentially discriminate against certain groups of students. Students with high A levels may want to attend the top universities. In considering this issue the practical and logistical problems of the selection process have to receive careful consideration. Popular universities are inundated with applications. In such an event the university has to make an assessment on whom to offer entry and the quality of A
level score will play a fundamental role in the decision making process.

A levels are a means through which universities can maintain their ‘niche’ within a highly competitive market. That is, successfully appealing to a specific group or clientele. It provides an opportunity for ‘good’ universities to gain market share. Top universities can target those with the best A levels and maintain a top market position. Less prestigious universities may find themselves having to target or deal with less able entrants. In a way, this may help create a student market based on academic qualifications rather than on other variables. A levels are in some respects objective measures of selection. That they are in principle awarded on the basis of predetermined standards and are assessed by national examination boards regardless of institution attended by the student. There is a serious question: if universities are not expected to consider nationally recognized examination results then what other yardstick would they use to measure pre entry performance or future potential?

The place of A level score as an important PI for universities is, however debatable, especially if considered only as an entry score. The initial range of performance indicators proposed by the CVCP/UGC (1987) working group did not include them among the list. Cave et al (1997, Pg 51) described it as an ‘interesting omission’. According to these authors a statement acknowledged that ‘it is known that the relationship between entrance score and degree class is weak’ (ibid). New universities prefer to view their entry policies as ‘giving opportunity’ or ‘increasing life chances’ than on a predetermined standard measure. In my view such a process is likely to be too subjective and wasteful. There must be some ‘benchmark’ or yardstick on which to base all entries.
Major philosophical differences in belief and perception among stakeholders emerge between old and new universities. This is evident from the responses that were offered by my respondents. It suggests a much more polarized view of what each sector is about and of the 'real function' of the university. Differences in perception highlight key variations in mission and of what the quality argument is about. It results in more controversy about value-added and its use as an indicator of performance. I will deal with the value-added issue later on. I now deal with A levels and other entry scores.

6.2.2. Old Universities

On the whole I found old universities still closely attached to A level score as an indicator of entry. They place strong emphasis on the quality of A level scores. They develop central statistics and records and monitor entry scores for departments. Entry scores are not always uniform across departments. Different A level scores are attached to different subjects. There is a general feeling that the quality of A level scores has risen over the last five years. A level entry score seem to vary year on year and department by department. There is an apparent adjustment of A level scores to the national performance as a whole. On the whole I found old universities still closely attached to A level score as an indicator of entry.

One Registrar observed that:

"A level scores represent a major quantitative indicator and one in an area where the gap between new and old universities appear to have become irreconcilable. To the old university it remains a major area in which to fight the corner for excellence and quality." (ROC. 2)
Difference in perception and belief is again obvious:

"If you have 2 A's and a C you go to the old university and anything from C you go to the new."

(AOC.3)

The above interviewee further observed that 'access institutions' were 'causing a dreadful situation'. There is no doubt that a feeling of superiority and 'elitism' exist within old sector of the university system. The above reinforces the idea that old universities see themselves as superior and will remain like this for the foreseeable future. It also highlights the fact that in an industry such as higher education, competition for top quality students will continue to remain fierce. A senior manager thinks that greater clarity is needed because the present system is now muddled. Abolishing the binary line is regarded as the prime cause for this. He says:

"People don't know what a university is." (ROB. 1)

As an afterthought he continued:

"........really that is not true. We do know what a university is. The trouble is that we got institutions called universities which are not universities. This is where the whole idea of nomenclature come into play because we should never have called them [i.e. the new universities] universities. And I think that was a mistake.......It was all about hierarchy and driven by political anxiety and political rhetoric of envy."

(ROB. 1)

The above interviewee further suggested that it would have been much better if two different types of education were maintained for the post 17 and 18 year olds. This is an indication that some in the old sector still continue to believe in a 'hierachical system' of higher education. It also
reinforces the sort of argument that has been advanced that those with top quality A levels should go to top rated universities and less academically inclined to the new universities. An administrator summarized the position within his university as:

"Most other universities do not have such high criteria as we do. People who come to... have a high level of achievement anyway. They have to because it is very competitive to get in. Not like the University of North London with an entry score of 12." (AOC. 2)

Many interviewees appeared eager to point out that poor performances are usually associated with new universities. Many respondents named Thames Valley University as an example of an institution where standards had fallen and this had become a major national concern.

Some in the new universities expressed the view that it was 'this university doing it different' or 'it may have been stupid but he [principal] was experimenting into something new'. Such arguments do not help the cause of new universities as they fight against allegations of 'dumbing down quality' or 'it was a mistake to make them universities'. The pressures upon universities come from many sources including parents and the wider public. New universities have yet to prove that they can achieve the kind of performance noted in many of the old universities. This is in spite of the progress made in some new universities.

It is undoubtedly the case that old universities continue to place great faith in the traditional gold standard: the A level. Institutions monitor their 'current average level point score' over time to help them identify trends. Such trends help identify whether scores are rising or falling. For example, it became
apparent that two out of the three old universities would adjust their entry scores depending on the type of subject area. It was observed that in certain subjects such as law, economics and medicine higher entry scores would be necessary to gain entry than in 'chemistry' and 'physics'. Flexibility of this sort may not be seen as being associated with pre-requisites for subject or academic area. New universities see this as a direct strategy to gain comparative advantage in the market place. This point will be dealt with later.

Currently, A level score remains an important national barometer of student performance and will continue to influence university recruitment policy both nationally and internationally. School leaving examination scores are a common denominator of post 18 education in many countries all over the world. ‘A levels’ are used by many international students to help gain entry to UK universities. As an indicator of performance, old universities are able to use them for recruitment, assess and monitor student performance and, ensure that departments are taking in and maintaining student quality.

6.2.3. New Universities
The use of quality indicators such as A level scores helps new universities pitch themselves at a particular point in the market. Universities gaining a high reputation for quality will hold a special place in the job market by employers. The combined factors will certainly influence public perception of these universities and indeed, is likely to impact positively on student numbers.

Many in the new universities are aware of the need to attract and maintain student numbers. This highlights the capacity of a university to sell its services satisfactorily to clients. In fact, some in the new universities argue that the old universities spend too much money on glossy brochures and other types of
advertisements. Informants in the new university sector argue that their concerns are now shaping the current political agenda. The Labour Party's intention to move the participation rate from 30% to 50% means that the traditional A levels may not be the only entry qualifications to be considered. It is argued by some in the new sector that this is the beginning of the end for the 'traditional gold standard'. For example, there is strong need to look at experiential learning, access programmes and other forms of entry criteria. A senior academic stated:

"If you have a political agenda which said that you got to increase the number of students desirable for the economy and so on..... You've got to go through the route of the .......... Obviously that is anathema to the old universities with their A level requirement."

(ANN.1)

This shows a different attitude between the old and new universities and implies that students with good A levels choose not to go to the new universities. It implies that new universities see themselves as being more capable in training manpower for the new economy. But new universities need to recognize that even if this was true their quality of training would be subjected to quality assessments and evaluation. There is no excuse for turning out graduates of inferior quality. Major differences in student characteristics between old and new exist, but the new must ensure that in their own way the their performance will match the top anywhere.

A large number of the student population that tends to go to the new universities is 'mature students'. Such students tend not to have many formal qualifications. Thus it is argued that A levels point system should not be used to measure entry quality. Such an argument is likely to gain momentum as the
student population gets more diverse and government seeks to expand on skilled and qualified personnel in the labour market. A Registrar argued that:

"A level points are not a great measure at all......... About one third of students come through the traditional A level route. We don’t really like it because it doesn’t seem to measure the right thing. So it sets institutions up that got different missions to be judged by basically the gold standard criteria of traditional universities." (RNE.1)

The above interviewee supports the case for other entry qualifications instead of the traditional A level. Nearly 67% of students entering this university comes with different qualifications. As a result it is expected that their performance will vary quite markedly from an institution which has used a more uniform system. This is not the view of some in the new universities. They argue that students with A levels will not always produce superior degree results. A manager indicated that:

"...our analysis to date has shown that if you compare students coming in with the traditional A level entry qualifications against students who are in with non-traditional qualifications... the distribution between 2:1 and 2: 2 degree classification is very similar." (MNN.1)

This interviewee questioned the validity of arguments that suggest that students coming in with non-traditional entry qualifications were leaving with lower levels of achievement. She argues that it is quite clear what each non-traditional entrant has achieved since they have come in with very little. According to this interviewee there is a ‘normal distribution of those students’.

Analyzing the major differences between sectors:

"That is the problem with the old sector as opposed to
the new sector. The traditional sector has had a history of not recruiting students with non-traditional entry qualifications. They work by the gold standard. They stay with the gold standard. The new universities have taken students from broader backgrounds, different educational backgrounds and provide them with an opportunity. The old universities will argue that the new universities are dampening down standards....they will always argue that old is better."(ANN.1).

Conclusion

Entry scores tend to be relevant to performance evaluation as old universities and new universities argue in support of their respective positions. Both groups seem to think that in one way or the other, the quality of A level will impact on their institutions. This attitude is manifest throughout the sector. Both old and new universities appear to have ‘set out their stalls’. The old universities tend to favour the traditional and more established A level score. To the old universities, A level scores represent the ‘gold standard’ and an appropriate measure for testing academic ability before entry in higher education. Critics of A levels regard them as ‘elitist and class orientated’ and tending to support the established traditions of the old sector.

New universities appear reluctant to challenge the old universities on this issue. They appear more inclined towards the ethic of higher education and equity. There is little doubt that they are both important. But in a climate in which excellence, value for money and evaluation dominates, acceptable level of performance is the major criterion. There are suggestions from the New Labour government of possible modifications to A levels. But the status of these replacements will be determined by
stakeholders, including the employers, parents, students and the universities themselves. In the long run, students may lose confidence in the capacity of universities to offer quality. On the strength of the evidence it seems that A levels will continue to remain an important academic indicator despite the increasing diversity within the system.

6. 3. Value-added as Indicator

Many new universities argue in favour of value added as an indicator of performance. Whilst the old universities argue about 'output quality' and 'standards', the new universities are aligning themselves 'to opportunities in life'. New universities regard value-added as a performance indicator which might be used to evaluate their activities. But it is recognized that there are numerous difficulties when attempting to convert value added information into usable performance indicators. Value-added would be an alternative to degree qualifications as a PI and not as an alternative to A levels.

The value added concept embraces the multivariate approach with strong emphasis on the 'contributions of higher education to change in students, although indicators could be applied at a number of different levels: the institution, the department, the programme or the entire sector' (Cave et al, 1997, Pg.126). It seems to me that is all embracing and one which examines inputs as well as outputs. Taken together, these accounts show some of the major obstacles that value added measurement can put on managers. Later in this section I will deal with some of the main difficulties.

A view that evaluation should considers all circumstances was expressed by a senior academic:

"It needs to recognize universities that have made
substantial achievement starting from a low base. Therefore, some recognition of value-added would provide the right signal and would encourage everybody in the sector that there is something to play for.” (ANE.2)

The above interviewee argued that if a proper baseline was used then some of the following questions could provide the basis for addressing the issue of value added. They are:

1. Where has the institution come from?
2. What is the nature of the students they recruit?
3. What do they achieve?

This view suggests that evaluation agencies would first recognize that some kind of achievement has taken place and openly reward this achievement. Comparisons can be made both within and outside of institutions. It will involve more paper work, many more assessments and ultimately increased cost. Such a system would help identify which universities are significantly contributing to the total development of the student.

The ‘baseline argument’ seems to involve criteria set out by each institution. The education system would end up with over a hundred different ‘baselines’. Attempts to standardize the evaluation process would be difficult. There would not be a common yardstick on which to base real increases in standards. Undoubtedly, this would complicate the evaluation process in the following ways:

1. Different universities would wish to set their own standards.
2. Comparative evaluation of universities would
become almost impossible.

3. Such a system would increase cost

4. University managers and professionals would become bogged down even more in administration and assessments.

The old universities are accused of interference and wanting to stifle debate about value added. A manager observed:

"...they will not go along with the value added arguments because they don't want their view of the difference between the old and new universities dismissed."

(MNN. 1)

But not all administrators in the old universities believe that they represent an obstacle towards the development of value added as an indication of performance. A senior professor said:

"I have a great deal of sympathy for that view. When you are starting with problematic, basic material if you can achieve any value added you are really achieving something. I think the far more challenging one is what is trying to be done in the new universities."

(AOC.).

The above interviewee indicated that social background will influence achievement. He noted some differences between students in the two sectors. He said:

"We have highly trained, highly prepared students from independent school background... they go out slightly better than they came in..... that is some form of educational function." (AOC.2)

This is a major admission and a significant one that reflects the realities of the two situations. The above respondent suggests that students coming to the
traditional universities tend to come from a higher social class. It seems to imply that those students are already better trained and highly motivated. On those assumptions it can be tentatively concluded that less work is required to turn them into finished products.

Further, the old universities have been established longer and are generally wealthier. Actors from the old universities believe that these help to attract students from the upper and middle classes. Those students tend to be young with very few financial problems. Students tend to be self-motivated with their sights set on a career long before they enter higher education. It is very difficult to match the sectors against each other. A case can be made for the new universities on the basis that increasing diversity within the sectors will pose problems which no single indicator can effectively measure. Measuring performance by a single indicator will not do justice to the various facets that form part of the system. Performance indicators, in all their forms seem limited by the increasing diversity within the sector.

6.3.1. Value-added: Some difficulties
Indicators of performance can sometimes remain difficult to measure and may sometimes prove elusive. Value added is a case in point. A view emerging from the new universities suggests that value added should form part of every matrix constructed that is constructed to measure university performance but there is not total agreement. Inability to develop an acceptable measure for measuring value added continues to frustrate managers in the new universities. However, to many present evaluation arrangements are 'unfair', 'biased', 'deliberately skewed towards old sector dominance' and organized on a 'class basis'.
The arguments about 'bias' and measuring traditional values should be revisited. The entire conception of value added and output measurement is fraught with difficulties as evidenced from both literature and interview responses. The difficulties associated with acceptance of the value added approach were articulated by Astin (1982) from over 20 years of study. He claims that:

"Funding agencies have never had much interest in supporting value added studies and what little support there is seems to be waning. The arguments here is not that these national studies have not proved useful or that they not continue...... However, such studies frequently take a long time to produce useful results, and the results are often so general that they are difficult for individual institutions to apply to their particular institutiong." (Pg. 13)

This may not reflect the exact situation in the UK today. Managers in the new universities argue for making value added a key strand of any evaluation system. Astin's 'observation seems to identify clear difficulties that are likely to confront a system as it seeks to integrate general results into specific indicators'. PISG (1999, Pg.34) lends support to the above view and noted that:

"Different authors use the term value added to mean different things. A true value added measure take account of maturation. Even if this was assumed to be unimportant, there would still be need for a common measure, with an interval scale, at the beginning and end of the course.....It is difficult to see how this could be......a basis for performance indicators"
New universities and supporters of value added face another difficulty when dealing with the cohort dynamics. It would be for the university to find an effective determinant when ascribing a value-added tag through a whole cohort. Thus problems with entry qualifications and coding must be attended to. Increased diversity in entry qualifications will also compound the problem. A pertinent question is: How do you say how many points an access student gets on entry for an A level grade or life experiences? It is a question of equity and parity. Equity, because the access system raises moral issues such as providing a place for a student who otherwise would not have found one in the traditional university. New university managers see this in terms of 'giving life chances'.

In my view, value added still has a long way to go before it becomes a wholly functional indicator. A few managers and academics in the old universities tend to 'show sympathy' to some of the views expressed by those in the new universities. But I found no one in the old universities willing to endorse value added as an indicator. Respondents from the old universities only showed 'sympathy' because some new universities were making an effort to improve standards.

Managers and academics in the new universities are confident that the Labour Party is already providing support. A manager told me:

"Rowing the access boat........Administration of different hues put different emphasis on different performance. The Conservative government was very keen on efficiency gains.....Whereas this government actively reverse some of the decisions.” (MNS.2)

It is clear that respondents from the new universities would like to put value
added back on their agenda. They seem confident that in the near future value added will become an integral part of the evaluation system. Their new confidence hinges on the fact that a Labour Government is in power and is more likely to be responsive to their views.

6.4. Progression Rates

Progression rate is another indicator where there are major differences between old and new universities. The new universities argue that the methods used to calculate progression rates are ‘unfair’ and tend to favour old universities. New universities argue that some of their best endeavours remain unrecognized. In short, a major area of performance is not being evaluated effectively. Alternatively, the old universities see progression rates as not a problem for them.

Like the value added argument, new universities are of the view that the entire structure of the evaluation system is ‘stacked against’ them. Is there any evidence to back up claims made by new universities? Analysis of the responses from the two sectors shows one common theme: that the new university sector is unhappy at the way HESA and other external agencies calculate progression rates. Instead some interviewees see low student satisfaction as the underlying cause of poor progression rates in the new universities. There were no such arguments from the old sector about this.

A senior manager in an old university pointed to high rate of student satisfaction and a low drop out rate in many old universities. In contrast, he argued that new universities have ‘an enormous drop out rate’. Accordingly, this affected both the system and individual. He said:

“It is not so much a waste of money, it’s just that we could be
creating a generation of people who failed...this can have a deep, psychological effect on the unsuccessful individual' (MOC.1)

This highlights some of the problems that poor progression rates can cause. A student who enrols on a degree course and fails, whether because of financial, family or poor results, would be financially and psychologically affected. Such scars may remain permanently with this unfortunate student. However, failure to take any action to redress the situation will have long-term effects. Whatever the point of view, some drop out rate 'is deeply worrying'. And 'drop out' is not a good option for many new universities.

As the higher education system becomes more diverse so has the issue of student progression continued to raise anxieties. Interviewee feedback suggests that the issue has grown in complexity with a wide range of variables impacting upon it. Some of the areas found to have compounded the problem include:

1. Increase and widening of access.
2. Increased flexibility as a result of the increase in access provision.
3. Modular systems to encourage life long learning
4. The fact that progression rate analysis has often focused very much on identifying a cohort going through the traditional three years full time undergraduate programme.

The problem of the present system of analysis is that anyone dropping out within a year is regarded as a failure. New universities argue that failure to
progress could be for various reasons and new universities should not be penalized.

Cave et al (1997) recognize that indicators of progression can be of value and observed:

"On the assumption that the function of these indicators is primarily that of enabling institutions or indeed government to diagnose problems and to analyze their nature, they open up a number of lines of enquiry." (Pg. 139).

There is indeed great anxiety, and figures for (1992-93) show that there was an increase by 25% in the drop out rate during that period (Times Higher Education Supplement, 29.12.95). This growing trend is likely to give rise to issues about what a university can do to control within and what lies outside its sphere of influence. It raises the issue about the capacity of new universities to successfully implement a programme aimed at widening access and simultaneously increasing quality.

Undoubtedly, progression rate related problems can adversely affect public perception of an institution; graduation time; employment prospects and act as a general drain on public resources. Resource management remain a significant concern among all universities. Thus every university must pay close attention to problems of such magnitude. They tend to be quantitative indicators used to measure 'wasted inputs'. A senior administrator noted the scale of the problem. He said:

"You cannot set the whole context.......we as a university have amongst one of the worst figures in the country. We are not proud of it. But there are some particular circumstances that don't help us."
(ANE. I)
This was indeed a major admission. This is the same university that MOC.
3 identified as possibly failing its students. The above interviewee did note
the following circumstances as major forces contributing to the dire
situation at his university. He continued:

“For example, the recruitment of a high proportion
of mature students who are more likely to have
financial problems, and in some cases single
mothers.” (ANE. 1)

Differences in student characteristics between old and new universities
partly explain the problems relating to progression rates. Part of the
explanation seems to stem from differences in mission between old and new
with the new universities focusing on ‘widening access’. The problem seems
to be educational, social and institutional location. For example, it is
accepted by both sectors that A level entrant points tend to be lower at the
new universities than the old.

Very poor progression rates have a financial impact. An interviewee
specifically charged to look at the problem explained:

“One of the problems we find is an institution
like......... which put a lot of money into its students,
inevitably has some of its students fall by the way side.
What in fact happens is that it affects student
progression so much that on one hand we struggle to
get student numbers up and at the same time we lost
an increasing number of students and that has a
direct financial impact on this university.” (RNE. 1)

The university featured above created a post of research fellow to study on the
following:

1. Develop accurate student progression statistics
across the institution;

2. Respond to any HESA initiatives.

This account shows how a new university has attempted to redress a major problem. It highlights how progression rates as performance indicators can help institutional managers correct clearly identified problem. Further, the account reveals how some in the higher education sector respond to external intervention by state agencies.

However, interview accounts suggest that there is still a big problem of methodology. An academic insisted:

"We have found some serious problems in data collection. So much so that they thought the university had something about 7-9% lower figures than we had."(ANE.

The matter of progression seemed to range from not just the complexity of the student body but also to the time students enter university. The attitude of some who manage the system seem to contribute towards the problem. The management consultant said:

"I will not say that HESA is doing much on progression rates. My personal opinion is always that there is too much collection for HESA. And that too many people are poking into and taking selectively from that pool of data with very blunt measurement instruments. Very blunt." (CNS.1)

The above interviewee saw the use of progression rates and performance indicators as 'very blunt instruments'. The interviewee thought that the data collected from universities twice a year was indeed too much. He noted further that this was a major concern to his university as the analyses they do
don’t go deeply into PIs at all. It is difficult to do a professional analysis. Some in the new universities accuse the old universities of being insensitive and of failing to see that they are at least ‘morally right’ in giving some students a ‘chance’ which they would not otherwise have had if their selection policies were based primarily on A level entry points.

"I am happier in that context defending a high drop out rate rather than a low drop out rate. We don’t recruit people with no chance whatsoever, but we want to give people a chance." (VCNS.1)

New universities feel that they should not be penalized for giving students ‘a chance in life’. This argument is ethical and may receive little sympathy from some advocates of narrow economic efficiency and nor does the argument that the sector’s mission is different. Once again, it highlights the difficulties of using standardized performance indicators in a system of great diversity.

I would, however, argue that the new universities featured in this study express great concern about their future. There is an anticipation, a period of waiting that the current New Labour government agenda will be influenced by the needs of new universities. They see progression rates as one of the major ills inflicting serious damage to their cause. They regard A level entry scores as likely to impact on other indicators such as progression rates. Respondents from the new universities suggested that low A level scores are likely to exacerbate the progression rate as many entrants fail and drop out of the system. They argue for more diverse entry requirements, use of value added and less emphasis on progression rates. Accordingly, they see HESA’s preoccupation with progression rates as being detrimental to their approach to the problem. New university managers seem to think that their students do receive the type of training that makes a direct contribution to the economy.
A senior academic seemed to think that the situation is about to change and argued forcefully:

"If you have a political agenda which said you've got to increase the number of students desirable for the economy .... You've got to go through the route of the new universities. Obviously, that is anathema to old universities with their A level entry requirements."

(ANS. 2)

While quantitative indicators such as progression rates and A level scores feature in assessments at both sectors, there is clearly a major difference in emphasis. Old universities are emphasizing high A level grades while the new universities rely on a mixture of entry qualifications. Also, the old universities are eager to explore the top segment of the market, the new universities seem more concerned about numbers and survival. Cultural, philosophical, economic and educational factors are major determinants in a system where wide disparities in performance exist. It is highly significant to enquire whether a single system of indicators or indicator is sufficiently valid to measure so many disparities.

A further point in support of this diversity or even maybe division can be observed from what is stated here. A Professor in an old university explained the difference in standards:

"It is absolutely true. The standards are not the same. The complexity of the teaching programme is not the same. The expectations are not the same. We are not looking at a standard system across the country. In spite of external examiners, in spite of all other things which we have, we are really looking at institutions with different missions in different ways but not achieving the same standards." (AOC .3)
The above account represents the views expressed by many in the old sector throughout my study. That, the new universities 'are not good enough' and that they are 'dumbing down standards'. As long as the lingering doubts about the capacity of new universities to offer excellence, quality and raise standards remain, they may never be able to deal satisfactorily with the progression rate problem. Public perception is key in the battle to draw, keep and maintain clients. It is something which new universities must be more willing to accept.

6.5 League Tables

The growth in public sector accountability means that demands are being made by stakeholders. In higher education 'these demands were fueled by the emergence of guides and league tables such as The 'Times Good University Guide' (Cuthbert, 1999, Pg: 314). Cuthbert argues that such league tables 'purported to rank all universities, old and new, on a range of criteria such as volume of student accommodation, as well as quality of teaching and research' (ibid). The league tables were actually composed of various sets of figures purposefully fed to members of the public in an attempt to broaden participation and awareness. This was an attempt by the media and interest groups to force students and other stakeholders to change the 'benchmark' and exert greater pressures on universities. 'League tables', as broader indicators, were being used to measure wider areas of performance that were previously free from any sort of assessments.

They now feature in sports; markets; public services; examinations and in government audits. And their popularity seems to increase all the time. Official university league tables seem to be getting more prominent in their use. Such indicators form an important component of university life in the USA.
Some interviewees warned against a creeping US practice in higher education here in the UK. And it can still be argued that league tables as indicators are yet to become an established, integral part of decision making in British universities. They are currently resented as business principles encroaching upon the practice of university management. In a sense, interviewees seem to suggest that league tables are ‘oversimplistic’ and that they tend to be constructed in a way which artificially accentuate differences, and tend to sensationalize points where real differences don’t exist. Thus it is advisable that users act with ‘caution and understanding’ in using them.

The accounts reveal enormous doubts about statistics themselves. There appears to be doubts about how the statistics were generated, how the statistics are collated as different institutions can respond differently to questionnaires or surveys. I will now examine interviewee responses in the old sector.

6.5.1. Old Universities

Evidence shows that the traditional sector [old universities] currently sees league tables as playing an important function in marketing. The interview accounts from the sector indicate that they see themselves more in a national and international context. The general feeling is one of positive growth when league tables are utilised in administrative and managerial processes. Maybe the traditional sector sees this indicator as an important barometer in measuring expectations of stakeholders. A department head said:

"League tables are obviously important to a university. I mean.....if we plummet in the league tables we would not be happy. We think we are one of the elite institutions and we are capable of attracting high quality researchers and students. This is our
aim in life... I think in this day the customer must have an objective view about an institution." (MOC.2)

In this case it makes sense to reach the customer with an 'objective view' in as many ways as possible. Certainly, this is good publicity and an effective strategic tool. At a time when competition among institutions is reaching feverish pace, it could be argued that league tables offer a credible outlet. But there is a warning to users of performance indicators when considering the reliability of league tables. The above interviewee noted:

"We have to live with those things. They don't show everything. Providing people read them with caution, they deserve them. They are a valuable tool to judge one way or another....But still you have to be careful." (MOC.2)

League tables are produced with certain outcomes in mind. They are directed at the consumer and thus tend to be sensational. Consequently, some see them as creating doubts and tensions within the higher education sector. Some interviewees refer to 'big fish in a small pond' or small fish in the 'big pond'. The two responses suggest that size and its effect in the sector matters. Size can arise both in terms of financial capacity or position within the market. Large and powerful size sometimes lead to 'cartel like behaviour' as some universities continue to flex their muscles. A senior academic:

"I have personally an enormous tension between promoting excellence and promoting individual potential...I do actually have a personal, social conflict and difficulty in handling things which constantly aim at trying to get to the top of the scale."(AOB.3)

But this conflict seems to have a more fundamental ideological slant. The real essence of the view expounded by the above interviewee is:
"I think it's more than just a tension between old and new universities. I think its tension between an elite small group of universities, maybe eight at the top...there is clearly at the bottom of the second half, those 1992 universities, and there is another area of relatively old universities that ain't elite......there is a clear fragmentation of university system in that kind of way".

The message is quite clear. The use of league tables is presented as being responsible for the 'fragmentation and tension' which exists within the system. Significantly, this interviewee suggests that some in the middle group of the league tables, some old universities, are themselves struggling. Obviously, the missions and priorities of new universities would be different to that of their old counterparts. My feeling about this particular episode is that league tables are helping to highlight certain aspects of an existing situation. It is submitted that those in charge of managing universities 'at the bottom' should use the evidence emerging from league tables to highlight their needs to government and sector alike. What league tables do is to 'indicate' rather than 'evaluate' a situation. It is for administrators and managers to use the further information in order to question their managerial approaches to higher education.

Evidence emerging suggests that league tables should be viewed with 'caution' and taken with a 'pinch of salt'. This is because of the differences that remain significant in their interpretation. The caution underlines the view that the data and evidence used to produce them can sometimes lack credibility. Quantitative evidence throws up favourites, helps identify some top quality institutions and sometimes unintentionally condemns a few.

Major differences between league tables were stated.
"...there are league tables and league tables. You can set up a set of criteria for league tables for whatever you wanted it to be. So in a sense how reliable are league tables?" (AOC.1)

This interviewee travels to South-East Asia to recruit students and described his experiences with mothers and fathers, potential students and educational administrators about how they have come to form a view about top ranking UK institutions. He noted that many had approached him and said:

"You are a very famous university. I would like my child to study there. We know all about you."

This particular university is famous with or without league tables. The point is that league tables can help identify the relative positions of universities that would benefit clients in their decision taking. Most students would like the opportunity to attend an internationally renowned institution.

This account reinforces the point that many students, parents and other stakeholders are increasingly relying on league tables in their decision making. The fact also that the above respondent was quoting evidence from outside the UK suggests that maybe league tables are becoming widely accepted as a viable method for assessing the performance of universities in the marketplace. Recognition of this fact means that universities would have to consider the impact of league tables both within the national and international markets. As a result league tables have become part of the university recruitment strategy. They become important because they are always in the public domain.
UK universities rely on the economic fees paid by overseas students. Economic fees paid by overseas students help in subsidizing home and EU students. But the interesting thing is that overseas students like British universities. As a student who has studied and lived overseas I am well aware of the high premium placed on British qualifications by overseas students. Therefore, such markets must be nurtured and preserved. So in view of the importance of the overseas market, every effort should be made to serve them with top quality information using the most effective means of achieving this. It is a strategy which the above interviewee has embraced. Accordingly, he observes that:

"They [league tables] are part of the recruitment strategy. They become important because they are in the public domain. We can't get around them."

The media can play a formidable role in the marketing of higher education. With HESA operating its own marketing arm and seemingly ready to sell data to the public, including the newspapers, there is a feeling that league tables are 'here to stay'. To others they are potentially 'dangerous' and 'divisive'.

6.5.2. Dangers of League Tables

While it is admitted that the use of league tables in university management is on the increase, there equally are major concerns about the dangers which they pose. League tables will be used to compare institutions; to plan and develop marketing strategy and make comparisons between departments. More and more managers are integrating them to form part of the management of information. So why and how are they dangerous?
The way in which the media used data was heavily criticized. One senior academic said:

"......the other problem is the present miserable state of the media. This makes the problem worse....I'm referring to the unintelligible treatment of the data by the media. These crazy headlines. You get it in context of the schools.....in the treatment of universities." (AOB.2).

Another senior manager described the system as 'massaged'. This has caused him to become highly 'sceptical' about their use. He said:

"The Times ran a report about the best departments. Now two years ago my own French Department came out as No.1. in the UK on the basis of the RAE and TQA results. The following year, we went down to no.5 with no new PIs published. This was because people were factoring in other things which weren't if you like analysed in the same numerical way e.g. number of computers and halls of residence." (POC.1).

There were other examples where different bases were used at arriving at a particular score. It would seem that methods of compiling data are not sufficiently robust and therefore lead to serious questions about the quality and credibility of league tables in the public domain and are produced by the media. The feeling is that the media tends to 'senstinalize raw data' for their own ends.

The above interviewee stated further:

"People are constantly manipulating those league tables. I wonder what their purpose is".

In conclusion, it may be argued that league tables are still viewed with some degree of 'scepticism' in the old sector. They are seen as being open to 'manipulation and capable of being massaged'. This end to negate
confidence in a system that promotes too readily the use of league tables as part of their strategy. So serious questions are raised about their credibility and validity. However, some in the old sector noted their significance in marketing and in making comparisons. In my view, league tables will continue to be resisted by those who see them as an imposition of business practices on universities by anxious politicians.

6.5.3. New Universities and League Tables
Reliability and validity are seen as significant limitations on the use of league tables. Validity can be measured against pre-set criteria. League tables are a broad indicator of what is good or bad. Some informants think that their structure and basis favour the traditionally assessed institutions. They claim that things they measure are based on the aspects of higher education that the traditional universities emphasize. Earlier discussions suggest that some in the traditional universities also argue that certain things are 'factored in league tables' without any proper performance indicators being published. Examples of items identified in this regard were halls of residences and computers.

There are suggestions from the new universities that most of the elements incorporated into league tables are not beneficial to them. This is based on a view that the missions of the two sectors are somewhat different; difference in assessment methodology; and in the financial capacity to compete. One Vice Chancellor insisted that league tables and PIs:

"... are measuring traditional values in the university system" (VCNS.1).
He argued that new universities are seeking to achieve something different. In his view everybody is fishing in his own pool. He argued against new universities attempting to imitate Oxford, Cambridge or Harvard. In his account he emphasized the need for a correct matrix to be used in measuring the performance of universities. The above account suggested that the only correct matrix had to be value-added.

Finding the correct matrix may prove quite elusive. In the previous section I described how some stakeholders were using league tables in making choices between institutions, and already they had come to form part of a marketing strategy in some cases. But some still see league tables as either representing a fundamental ideological shift in what higher education is about or a failure to measure correctly what higher education is about. A manager told me:

"My view of league tables generally is that they are not helpful. But there are good and bad league tables....I think the current problems with league tables is that they are currently produced and continue in the myth that the value of A levels as entry gold standard; in a 3 year full time undergraduate programme; and they rank institutions by A level entry points." (MNN.1)

The idea that there should be a particular indicator tailor made to fit the needs of new university is difficult to sustain. It is my view that A levels represent a good yardstick from which universities can measure initial academic standing. However, this research advances the view that where an equivalent yardstick is constructed then equal priority should be allowed. The evidence to date from both the traditional and new universities is of a tendency in developing indicators more suitable for an 'elite system'. Also,
the methodologies tend to be ‘crude’ in the way they rank by very traditional measures.

6.5.4. Ranking

I found some in the new universities vehemently opposed to league tables on the basis that they are used to create a linear ranking system. It raises issues of differences in ideology and emphasizes a class system being maintained in higher education. The concept of fragmentation was also raised by a few from the old sector in their interview accounts. Some reject the system of evaluation which says that ‘Cambridge is on top’ and the rest below. The current system has been likened to the Premier Football League where:

"...you are ranking goals against goals. Nothing is different. Everybody is the same. It is a level playing pitch. And we should be ranked as if we were which is what they do at the moment." (MNN.1)

Another person who supports this point of view is Diana Warwick at a CVCP Conference (2000) where in her opening speech it is alleged she had said:

"All universities are being ranked by measure of a few. They are all being ranked against Cambridges' and that is not appropriate."

This interviewee seems to suggest that an identical ranking system is currently used to measure ‘old’ and ‘new universities’. The above interviewee seems to suggest that this ‘yardstick’ is not the best. Contrast the above with the view of a senior interviewee from an ‘old’ university in which he noted that:

"...new universities do not like league tables. They
know they would be hammered with research. They thought they would do quite well with the TQA. As it happens, they have not actually. They had the confident belief that the old universities would do well in research and they would do well in teaching. It has not happened." (AOC. 1)

And there is growing frustration in the new sector about its' inability to influence developments. There is a 'sense' that new universities are finding it difficult to get their message across and to effectively compete with the more established traditional sector.

"We talk about how to influence things and get the message across. The positive things that new universities are doing never get across. And its a great frustration." (VCNS.1)

The inability to influence the methodology of evaluation leads to claims of unfair competition.

"It isn't clear to me why you publish league tables you can include all that information in a way that make it a fair comparison." (ANE. 2)

The second interviewee wanted to include in the league tables the financial position, status and family background of its students. If a university is ranked very low down in the order it is for this university to at least seek to improve on its performance. One can use Bath University as an institution that was granted university status in the 1960s and which is now ranked very highly. New universities can learn from such examples and see how best they can attract top quality staff and students.

League tables are seen to be 'excessive'. They are regarded by many in the new universities as elitist and based on traditional values. Many new universities want to be up with the old universities. At this moment in time
Some of the excessive competition and excessive league tables can be traced back to the Thatcherite philosophy of competition and markets. This seems to be continuing under the New Labour government. Furthermore, the media's role in disseminating information has increased public awareness. It is my view that most of it does not reflect a depth of understanding about the education process. Their productions are 'oversimplistic', 'broad' and sometimes misdirected. The media's obsession with evaluation helps to sharpen the debate on public accountability.

The 'negative' approach adopted by many respondents is supported in the growth and popularity of league tables. In spite of the seeming dislike by many, league tables continue to mushroom in many parts of the public sector. Maybe the Registrar (ROC.1) who drew the analogy between the programme "Blind Date" and League tables should be kept in mind 'nobody admits to watching it, but you cannot avoid it..........that they don't mean anything but, everybody reads them'.

The production of league tables and their public appeal cannot go unnoticed. Maybe, the scepticism that still surrounds league tables is based on the possible embarrassment of having to admit publicly that people in fact do consider league tables.

6.6. Gaining Comparative Advantage
Performance indicators in management provide a mass of information from which institutions can plan, compare and make future comparisons. Both Dearing Committee (1997) and the First Report Of the PI's Steering Group
(PISG) suggests that comparative evaluation can be beneficial towards greater management effectiveness. The PISG (1999) indicated in their report that 'NCHIE recommended that appropriate performance indicators and benchmarks should be developed for families of institutions with similar characteristics and aspirations' (Pg 8). The recommendation was made within the context of institutional management and governance. Thus a ‘similarity test’ is a fundamental aspect in the application of PIs in the quest for comparative advantage.

6.6.1 New Universities

Institutions within this group compare themselves with one another. There seem to be some 'basis' where they compare with each other. The evidence revealed that there is 'no scientific approach’ used but ‘rather a sort of rule of thumb’. The plethora of data from organizations such as HESA and HEFC make it possible for institutions to engage in the process. So what criteria does the new university consider when seeking comparisons?

A Registrar explained:

"It has to be from polytechnics in the London area....That the selected institution is most similar in size and cohort.....And directly convenient in the sort of market." (RNE.1)

Comparisons have not always been possible in the past. Previously, information was more difficult to obtain from other sources since compilation of such data was not always possible. He admits that the situation has improved and that it may:

"Very well be that since performance indicators have come into the market environment it may be ..... a move back to a more collaborative arrangement."
The prevailing competitive environment in higher education has contributed to this deliberate search for comparators. With funding levels tied to performance, universities are seeking ways through which their comparative advantage can be identified. This study found evidence of universities keeping a watchful eye on their competitors. A Manager indicated the sort of barometer used:

"A group of institutions who in their student profile and history are comparable to us...we tend to focus on those differences which are likely to give us a bit more information... we are more interested in differences." (HNE.1)

This strategy focuses on institutional differences such as student profile, history, cohort and student background. Financial performance of an institution is also regarded as a worthwhile 'comparator' as this may indicate the degree of financial activity and viability. It appears that comparisons are made on an 'ad hoc' basis, and there is no real 'time frame'. A Manager said:

"When information is available and to some extent what particular interest we have. We might do it early in the budget to help discussions taking place." (MNE.1)

It seems that present circumstances will determine within which 'time frame' a university will make comparisons. Further, the process takes place between institutions within a specific locality and size. Case history is not the major influence. It may be submitted that performance indicators are used to make comparative judgements, but the process seems subjective and technically flawed.
The PISG (1999) articulates the principle on which the issue should proceed:

"The interpretation of a performance indicator needs to be in the context of the institution's circumstances, and to take on the diversity of the sector."

New universities seem to concentrate on institutions that share a common set of factors such as size; cohort; resource and history. It seems to me that quite a lot of "tracking" takes place among this group without it becoming publicly known.

6.62 Old Universities

The old universities tend to be focused much more on quality, excellence, wealth generation and internationalization. Business tendencies seem more visible in the management approaches and evaluation of performances. Importantly, there tends to be greater emphasis on regarding the institution as 'national' and 'international' than being 'local'. There appears to be also a greater sense of independence, of autonomy and a desire to go to it alone. This attitude is clearly articulated by some in the traditional universities. A Registrar explained the position as:

"Nationally because the......thinks it is part of the University of London, we are a London University. But we do not see ourselves as a university only for London. We draw students all over the UK. All over the world. Really we are comparing ourselves with all the likes of Oxford, Imperial, Cambridge...." (ROC.1)

This University has unilaterally decided to position itself up-market. There is no agreed basis on which it has based its inclusions within this wider group. Apparently, this case shows an institution that relies heavily on its performance in the RAE and published league tables to stake its claim. It
also depends heavily on research income noting, 'that we were quite pleased when we overtook Oxford'. Some key indicators do drive policy and decision making in universities. So it seems is the frequent assessment of public opinion and perception. But still the emphasis tends to be placed on measuring things that are basically traditional in values rather than the current views of widening access and diversity.

Within the old sector are certain factors that temper the sort of comparisons and time in which they are made. Some undertake a 'review of strategic plan' before the commencement of the academic year. Objectives are reviewed and performance is analyzed. The performance vis a vis the mission statement is also examined as part of their 'strategic review'. It is intended to measure what the institution has done during the last year. Again, the emphasis seem to be on the internal operation of the university rather than on what is being requested from outside. The significance lies in the fact that universities are looking closely at institutions that share common features.

There are few indications of the smaller or less renowned institutions taking greater interest in national trends. The following tend to support such a view. A Manager hinted:

"We are fairly small and we specialize. I do not think the national figures tell you a lot...We look at internal things like student numbers....so we can plan for students and obviously we look at recruitment. It is partly to look at trends over the last 3-4 years".

6.6.3. Departments

In the above case the institution is inward looking preferring to focus on
'intra departmental' comparisons rather than major interdepartmental ones. The focus seems more directed at satisfying internal management needs than in positioning itself within a market. The position of smaller institutions with regards to the use of PIs in comparing institutions can be seen further from the observation made by Dean of Computer and Technology in one of the 'old' universities.

He insisted that:

"Institutions don't publish and some of the UGC data is no longer published. The problem is lack of good data... I am not aware of a source of staff/student ratio in my subject area." (MOB.3)

This respondent bemoaned the fact that the shortage of 'good data' makes both inter and intra departmental comparisons difficult. If this allegation is confirmed, it may be argued that this would have an adverse effect on internal decision making. Lack of a wider comparative picture will surely affect the predictability of events and make forward planning more difficult. If this is added to the fact that the pace of HE reform has been very rapid, then it is true to argue that an element of 'uncertainty' is bound to creep into the decision making process thereby causing a degree of discomfort.

We might compare the above views with a larger up-market institution. Its' manager told me:

"What has driven our strategy is....planning over the 3-5 years which has been how we make every Department a 5 to 5*."

This respondent referred constantly to words such as 'excellence', 'competition' and 'quality'. This is indicative of the intention to remain at
the top and dominate the market when possible. If a department falls below a 4 then:

"We look seriously at these departments and how we can improve ratings. And departments who have been successful with 5 or 5*, how do we maintain the ratings."

He points further to some of the major variables that would bring about success and excellence. He points to 'leadership', 'team work' and 'knowing the subject of where we should be, and strategic thinking'. He also cited variables as 'quality of people you recruit', having 'enough resources to fund your plan' and 'planning your activities carefully'.

Gaining comparative advantage does seem to depend on an amalgam of factors working favourably within a highly competitive environment. Performance indicators can be used but this in itself is not sufficient to guarantee long term success. The use of performance indicators in making comparisons between institutions should be handled with care as the process is fraught with dangers. The differences between institutions must be carefully entered into any comparison.

The PISG (1999) has warned:

"...that small differences in the indicators cannot be considered significant, and should not be used to rank institutions....the direction the indicator is moving year on year is far more informative than the exact relative positions of institutions"

The PISG (1999) seem to indicate that only the 'larger differences' have any statistical validity. It is also clear from the above account that the PISG favour looking at trends. This research has not sought to develop its
analysis along those lines. What is important is not to place too heavily reliance on minor differences between institutions and departments. This research submits that the increasing diversity of the sector as a whole mean that differences in mission and administration will contribute towards minor differences. One senior academic argues:

“One of the problems that I find when you look at sector wide PIs, taking account the new and traditional universities, is that the sector is so diverse that PIs cannot catch the diversity of the sector.” (ANE.1)

Such a view is highly credible. Growing diversity within the higher education sector may hinder the capacity of individual institutions to measure effectively relevant aspects of their performance. It should serve a ‘health warning’ to all managers, that with increasing diversity comes increased difficulties in undertaking performance evaluation.

6. 7. Performance Indicators and Institutional Administration

Despite their relatively long existence in the public sector proponents of PIs feel that they are not evolving fast enough. In terms of the public sector as a whole Henkel (1991) noted that both ‘the Audit Commission and SSI have used and developed performance indicators to support their political purposes as well’ (Pg.195) Henkel also agrees that there is a managerial purpose that has not been developed along the lines advocated by Barnes (1988) that:

“...indicators of performance should be as far as possible be user based, showing for example, what combination, amount and intensity of service received by individuals.” (ibid)
There is also a growing ‘multiple audience’ that seeks more and more information. All in all, it is an industry under pressure to produce and perform in a way accountable to its stakeholders. So how can institutional administration benefit from using PIs? An emerging view is that if you use the same PIs to evaluate the performance of students you run the risk of creating ‘students that are similar’. A planner from an old university said:

"You need to use PIs in a common sense way. The danger is that you churn out students similar in every situation and that is not what you want." (POI.1)

Students are different both in interest, abilities and aims in higher education. As a result, students tend to perform differently even though they are exposed to similar conditions. Thus quantitative indicators will provide only a score and would therefore be incapable of explaining results. It is doubtful whether any indicator can have almost a ‘cloning impact’ on students.

The above interviewee clarified further his position. He said:

"...you want the diversity; and students have got to adapt; colleges are all different and so are universities". (POI.1)

I gather from this account that the interviewee wanted administrators to be mindful of some of the dangers that are associated with PIs, in this case recognizing differences between institutions and students. Administrators should not believe that indicators make all ‘student similar’.

And this is an important point. Whereas the ranking of the institution can be visibly displayed and the benefits flowing thus enjoyed, student satisfaction may not be so visible. So managers and policy makers should be
minded by such a possibility. So the 'indicative value' of the performance indicator should be borne in mind.

From some accounts it is possible to glimpse that indicators and the business approach are not welcomed by everyone. There are fears about universities 'falling victim' to the business approach.

A department head argued:

"There is always the question of where I am in the league table. Am I up from last year? I just don't think that is an appropriate strategic way for managing an institution. .....
I don't want to be in an institution that worries about the top five universities, departments or across the country as a whole.....It would be some sort of arid existence."

(POB.1)

Such accounts reflect the sort of differences that may exist between policy makers on one hand and those who implement those policies. The above account tends to reflect the sort of opposition to certain mergers, acquisitions and uses of performance indicators. According to the above actor universities:

"...are being dominated by objectives that have to do with wealth...they are becoming businesses....they are in danger of losing sight of fundamental education objectives".

The indicators referred to included programme planning, course planning, subject, recruitment targets, student employability, employment destination. These indicators are internal and produced for administration and governing bodies. They are the sort of 'strategic indicators' which universities use in their planning. It is the sort of 'benchmark' that is
used in determining whether to pursue growth in a specific area. Internal reviews of internal systems seem quite common. Major reviews of indicators often take place annually. A Finance officer said of reviews:

"I think there are different layers of review. Each year the Board of governors will review strategy, incorporate new strategy, including academic, income generation, student grants." (MNE. 1)

It would seem that the Board of Directors, managers and administrators are busily engaged in developing internal assessment systems capable of providing information for internal use. Maybe, this information needs to become more accessible to the public. Undoubtedly, a massive amount of information is developed that still remain strictly their preserve. I do not submit that confidential information should be put into the public domain. Universities should be willing to make available information that would help stakeholders make informed judgements. This would help add to their transparency.

6.8. Dangers to Institutional Administration.

With the growing reliance on indicators comes the possibility of being too dependent on them without having due regard to their dangers. In this section I examine some of the dangers when PIs are utilized in the management of universities.

6.8.1. Interpretability of PIs

In an attempt to utilize performance indicators as a measure to help strengthen institutional management, major weaknesses seemed to have developed which either reduce the perceived efficiency of the tools or have led institutions becoming wary of their use. Producing and collating statistics will provide
challenges to most institutions. Having produced the figures there still remains the problem of how best to make sense of what PIs are about. Thus the research tends to identify 'interpretable' of quantitative data one of the complex issues.

In this section, I present the opinion of some actors from new and old universities. It should be recognized that their responses are context specific and were offered in a spontaneous manner. It may not always be possible to determine fully what prompts interviewees towards a particular view. The feelings of the Registrar of a new university summarizes the feeling:

"The more time you spend measuring what you are doing, the less time you spend doing it. There is a lot of diminishing returns in a sense. No one can reach agreement as to what a fair set of indicators should be measuring." (RNE.1)

The doubt is expressed by a high ranking manager and may restrict the use of performance indicators in this institution. It suggests that monitoring many different facets of institution is quite a difficult thing. Naturally both time and detailed analysis should remain important prerequisites when developing an interpretative system. It is necessary to develop the right system that seeks to prioritize resource use in the fight for credibility and validity. In the words of the above actor:

"You can get to the stage where you produce so much data that you have no time to learn from it. You can also learn things you can do little about." (RNE.1)

A related problem concerns figures that are produced by HESA and data produced internally. A Senior Fellow with responsibilities for Quality and Performance indicators insists that there are serious problems in data
collection, so much so, that the progression rates they [HESA] thought we had were about 7-9% lower. The difference can be ascribed to the methodology of recording or a clear typographical mistake. It was alleged that this institution contacted HESA on the matter but no action was taken.

The old sector continues to produce its own version of performance indicators that are perceived as ‘even more robust’ than what is offered externally to universities. Respondents from the old sector were concerned about the way PIs were being used. The way they are interpreted can impact on their use.

A Provost of one of the universities [responsible for quality assurance] argued that:

"PIs are used by people who do not understand what they mean. They are for mass consumption.” (MOC.2)

This respondent insists that not enough safeguards are built within the process. He further noted:

"But what does not go along with that expectation of mass consumption is mass education. Educating people on how to read these PIs with scepticism” (MOC).

Some users see performance indicators as lacking in benefit if they do not meet their expectations. In some instances PIs, especially numerical PIs, are viewed as ‘deeply patronizing to the British people’. Critics of performance indicators prefer a ‘discursive approach’. The proponents of the discursive approach regard the presentation of data as crucial and that raw scores lack any validity. The issue of statistical validity is important for any evaluative
system as it gives a sense of credibility and confidence. Undoubtedly, the mechanism must command both respect and the trust of users.

Some argue for much greater ‘openness and objectivity’. They argue that performance indicators must be ‘comfortable and make sense’. A manager argue that the data collection:

"Must reflect a process in which the entire thing becomes evident to all....also be user friendly."
(MOC. 1)

The call for transparency and openness strikes a chord in the prevailing climate where there remains this strong demand for information. It is based on public expectation, need for more disclosure and greater public accountability. The lack of validity and objectivity of PIs was typical in the responses made by many respondents.

An academic perceived the main danger as a:

"Lack of statistical validity when PIs are applied in some small areas. There must be a question mark. It can either look very good or very bad." (AOC. 1)

The notion that performance indicators are unsuitable for small institutions and ‘minority subjects’ will be returned to later on. Many subjects attested to that fact. The interviewee recommended a possible way forward in dealing with the subject. He offers:

"If you can guarantee the reliability then I can see no problem.

But dealing with some major problems in some areas can make it statistically unreliable" (AOC.1)

Most of the interviews held with informants in the old universities gave the impression that judgements have become too ‘subjective’. And that PIs
'could be open to subjective production'. All in all, there was an air of reservation and one which implied treating PIs with caution. An academic argues:

"There is a major danger with using PIs and it is in the last analysis they pretend to be objective, but ultimately they depend on subjective judgement" (AOB.1)

Whether the subject of discussion is quantitative or qualitative indicators the message seems to be clear: PIs should be subject to major caveats when used by university managers. That users must be aware of their limitations and take a 'balanced view' in their application. Indicators may best be seen as tools and a 'very rough and ready way of doing things'. My conclusion is that performance indicators have yet to be fully accepted by managers and professionals. This is more so in the case of quantitative indicators. The lack of acceptance may be due to the many dangers outlined above. Whilst the 'scepticism' remain there is little other evidence to suggest a change in attitude is underway.

6.9. Cost of PIs

Implementing new systems or policies will cost money. Expanding university places will require more capital investments over a long period; programmes; residence, academic staff and technology. Performance indicators will certainly add to the cost as the demand for information spiral. Williams (1996) has argued that technological developments have made possible the increasing use of PIs. Technological developments would greatly facilitate the use of quantitative data. Surely one aim of some PIs is to increase efficiency and hence to reduce overall cost. Alternatively, performance indicators 'add to operational cost' for the university for the following reasons:
First, performance indicators depend on maintaining student records, collecting information for the external agencies and providing the information within an agreed format. The research found evidence of institutions in both sectors being unable to quantify the added cost implications of relying more heavily on PIs. One Planner confirms this:

"About one to one and half persons employed in just producing, maintaining the system, producing reports, checking them and so on. But obviously time spent in getting in consultants, IT systems place financial burdens on institutions, but we have not attempted to quantify it." (POI.1)

A Head of finance assessed the total annual cost of employing a full time information manager to be in the tune of approximately £60,000. (FOC.1).

Second, there is a concentrated time zone just prior to the major assessments. The use of RAE, TQA and performance indicators consume an immense quantity of staff time in preparing for assessors. A general view exists among some that the processes are ‘overconsuming’.

A Finance officer opined that a costing exercise:

"Might scare me if we did. I know the run up to the TQAs the amount of work that he faculty staff put in to reconcile all the data about student progression and achievement statistics......amount of hours involved in the processing. It might be quite scary if we tried costing....the amount of energy, and effort required to produce documents, generating statistics and indicators affect performance in other areas"(POC.1)

Despite the recognition that the use and development of performance
indicators does involve increased cost, universities were not able to furnish quantitative evidence in support of their assertions. Most interviewees could only speculate or assess cost in terms of how many people were involved in developing the process. This is an unsatisfactory situation since universities have become so cost conscious over the last few years. In my view it further indicates the sort of attention which universities have given to the whole issue of costing PIs in management practice.

Universities are using performance indicators in their management. But there are problems with the potential, definition and capacity of indicators to meet the needs of universities. Most of the problems and scepticism that tended to be leveled at quantitative indicators. The benefits of performance evaluation is widely questioned by participants of this study.

Conclusion.
In this Chapter, I have argued that, despite the fact that performance indicators are used in British universities, there are weaknesses, dangers as well as some benefits. Issues around the overall influence of performance indicators in management were considered. The use and development of performance indicators in performance evaluation are further problematised by: a lack of clear definition; fragmentation; uncertainty; a perception that indicators are politically driven; increasing diversity within the sector and controversies surrounding the use of the tools. In this regard, there is a clear need to place management tools in the right context and to emphasise the growing diversity within the sector.

Main findings of the empirical work in this chapter are:
1. Performance indicators are being used as tools of the performance evaluation in universities.

2. Quantitative tools are more widely used than qualitative tools. Qualitative tools are more difficult to develop because of the time they take to do so, the volume of information necessary, cost, and a seeming lack of will among universities to do so. New universities appear to be more interested than old universities in developing qualitative indicators.

3. Indicators that have been developed and used in universities including: progression rates; Ph D results; academic performance; financial; cost; retention rates; employment; peer review; value-added; ethnicity; mentoring; student-teacher ratios; library; computers; property and service.

4. There are some benefits to the institutions, for example,
   a) a large amount of information available is available;
   b) potential to help speed up decision making;
   c) league tables can help in recruitment and marketing of institutions;
   d) performance indicators can help in identifying problems and also provide an opportunity for institutions to take early action to redress potential problem;
   e) performance indicators can be used to make sector wide and departmental comparisons.
Universities can also use the information to compare themselves with their own ‘selected group’, for example, universities with the same size, cohort and history.

f) Performance indicators can provide feedback to the wider public and provide an important link with stakeholders.

However, the study also noted some of the weaknesses and dangers that universities must remain cognizant of. These include:

I. ‘irrelevant information’ which lacks both statistical validity and credibility.

II. work pressures that limit managers from exploring all information.

III. staleness’ of the data, usually because of a lapse of time.

III. information that may be open to abuse and misuse in the hands of overly exuberant users or due to unintelligent use.

IV. proliferation of data which tends to increase financial, labour, training and technological cost.

V. pressures on academics through working conditions, preparation for evaluation and new tasks.

Significantly, both old and new universities are developing important strategies as they seek fresh ways to improve on quality and standards.

One of them suggests that greater use is currently made of internally
developed systems and indicators. This has created some sort of 'parallel evaluation system in university management'. The choice of indicators seems to be based on the view that quantitative indicators are business oriented and are 'unsuitable tools' for university management. This is compounded by the perception that the evaluation process is 'politically driven' and that change has been foisted upon universities. A growing sense of 'sceptism', 'uncertainty' and 'contestability' around performance indicators and evaluation seems to be emerging.

It seems to me that universities are gradually putting in place an internal system which they consider as being more 'robust'; 'reliable' and 'trustworthy'. Such a system is regarded as capable of providing all the data which universities need to function. This is a significant development as it indicates the ways by which universities are responding to externally propelled evaluation and the need for them to develop better equipped internal management systems.
CHAPTER SEVEN

MAKING SENSE OF PERFORMANCE DATA:
DISCUSSION

7.0. Introduction
An examination of performance evaluation in the management and regulation of universities reveals a slow adaptation, fragmentation, uncertainty, scepticism, unpredictability and pressures. The regulation and management of universities remains an integral part of State evaluation policy. Regulation and management raise questions of just how the tools employed by agencies and institutions impact on performance. The approach tends to be ‘fractured’ giving the impression that it ‘lacks unity’. Pressures within the system are the results of demands made by central government, external agencies and other stakeholders towards implementing evaluation mechanisms to provide stakeholder information. Performance evaluation is sometimes perceived as the offshoot of political thinking and the major ideological shifts since 1980s. In consequence, government has tended to impose greater controls aimed at influencing strategically the operations in universities.

In this Chapter I discuss how the evidence of informants from the conventional and new universities such as managers, administrators, planners, finance officers, senior academics and the media help to illuminate this research. The problem of managing performance evaluation in universities is located within the wider external, economic, institutional, and political frameworks. The environment in which universities operate tends to influence operations and ultimately their performance.
As stated in Chapters 1, this thesis seeks to explore data rather than to confirm theory and to develop themes. It does not develop or test hypotheses. This chapter explores themes, theories or insights that have been generated during the research process.

Chapters 5 and 6 examined how performance evaluation is used within an institutional framework. Chapter 5 explored how universities are responding to externally-imposed mechanisms and structures. In Chapter 6, I examine how universities are using and developing performance indicators in their internal management. The overall objective is to examine how those management tools and processes operate within a performance evaluation framework in managing and regulating British universities.

Public demands for transparency, openness and accountability add to those pressures. Lifelong learning and the ‘learning society’ (see the Dearing report, 1997) have forced universities into reviewing their policies and responding swiftly to market demands. Maassen (1996 in Introduction) noted that universities were deemed quite slow in adapting to change and reform during the late 1970s. Today’s pressures tend to force universities into responding much faster. The feverish pace at which performance evaluation is being introduced suggests that universities must adapt and adjust their systems to meet the needs of stakeholders. In the process, government is scrutinising their operations so as to determine how successful their operations are in fulfilling those tasks.

Studies in management of public sector organisations (see Henkel, and Cave et al, 1997) indicate that performance indicators are used in managing many public services. Institutions have witnessed the growth in evaluative mechanisms from ‘process control to product control’ (Cave et al, 1997). Much of it seems to tie performance evaluation to financial rewards. This
has developed further into ‘performance conditionality’ (Henkel and Little, 1999) where universities’ financial support becomes conditional on the quality of performance. This has led to rapid changes in the status quo.

Universities cannot ‘stand still’ lest they are overtaken by events. There are issues and events around funding, evaluation, employment conditions and competition. Changes in the way public sector organisations are run will impact on the relationship between government and the public sector institutions, including universities. There is an apparent shift from an ‘exchange relationship to a sponsorship dependency’ (Little et al, 1999), a reminder of governments’ constant reappraisal of the State’s role in the financing of higher education. In return for ‘sponsorship’ the State has demonstrated its’ interest in evaluating the performance of universities. The role of the State in higher education today remains a contentious issue. Those responsible for the delivery of the service tend not to agree fully with State driven policies. This tends to lead to some tension between the parties.

The shift from ‘process control to product control’ is facilitated by the growing involvement of external agencies such as HEFCE and HESA. They are responsible for funding, research, evaluation and data. External agencies are given a pivotal role in the evaluation process. Their ‘modus operandi’ may affect institutional operations and culture. Some of this research evidence indicates that institutions ‘distrust’ some of their activities. Informants observed that the data produced by HESA was ‘stale’ and ‘incorrect’. They argued for a more ‘reliable’ and ‘digestible information’ system. By producing more reliable information, HESA would help in enhancing the quality of the decision making process. At this moment, what is available does not seem to engage the interest of decision takers in universities. Managers and administrators argue that a system of
‘reliable’ and ‘robust’ data will establish a more efficient and effective internal system.

Growing diversity within the sector tends to complicate the task of developing indicators that are capable of measuring every mission and linking them to specific results. This tends to suggest that as the higher education sector becomes more diverse the need will arise for indicators that are more representative of its operational activities. Undoubtedly, management tools will provide a vast array of information, but it is the capacity to use and the purpose to which this information is put that will have its most telling effects (See the views of McDaniel in Chapter 3).

The limitations of management tools in university management should be made clear to all users. Information in the wrong hands may ruin an institution’s standing or subject it to intervention by government, attempts should be made to explain the relevance of such data.

7.1. Coalition of Elites and Stakeholders

Universities have large numbers of stakeholders with sometimes similar but often varying interest in performance evaluation and data. These include government, funding councils, research councils, senior management and governors of institutions, employers, students, prospective students, academic staff, professional bodies and the general public. The different interests together give rise to a formidable ‘coalition’. Such a ‘coalition of elites’ (Nedwek, 1997) can influence what goes on in higher education. They have interests in monitoring standards and in raising quality. The ‘coalition’ has intensified its demands over the last twenty years thereby adding to the pressures put on universities. Their ‘data driven’ demands (Carter, 1994) find an important ally in central government that is capable of increasing or lowering the pressure.
Pressures from stakeholder groups continue to influence and shape regulatory and managerial activities in universities. It has given 'customer power' (Little, 1999) to these groups in the form of demand for more information, evaluation, league tables and student assessments. 'Stakeholder power' as Pender, (1999, pg.14, F.Times, 15.7.99) called it, is acquiring impetus in many areas as it forces universities to embark on 'social reporting'. Stakeholder power involves the production of data aimed at satisfying stakeholders. Universities are made to account to this 'multiple audience' (Cunningham, 1996) in an unprecedented way.

They are also asked to account for the financial support they receive from the State. In so doing, universities are increasingly expected to be more prudent and financially accountable. Thus the State expects universities to be politically, financially and managerially accountable. In effect, the different types of accountability represent various forms of control, balance and checks on universities. State policy has shifted towards 'conceiving accountability as being responsible for the overall performance of a service and using what might be termed managerial tools of analysis as the language of evaluation' (Day et al, 1994, pg. 195-196).

The 'managerial tools of analysis' are the vehicle for providing the 'multiple audience' with information. Published information such as league tables and RAE results provides the medium or technology through which consumers receives tools to carry out their evaluations of universities. League tables and RAE are the evidence. This creates a link between the 'coalition' and the universities. If information is the medium for public scrutiny, then performance evaluation provides the process through which this happens. In this respect, the 'coalition of elites' is asked to pass judgement on how well
universities are responding to State policies. But why should universities need to prove anything?

7.1.1. The Proof Culture
I have argued elsewhere in this thesis that universities are not the only public sector institutions currently subjected to performance evaluation or regulation. Public sector services such as the health service, local authorities, schools and transport. The public appetite for information on the effectiveness of public services is increasing rapidly. In Britain today, a growing 'blame' and 'compensation' culture is emerging. Public services are constantly required to prove their efficiency and effectiveness or face the consequences. In the health service doctors, nurses and consultants are under intense scrutiny. So are the railways, local authorities and police. Focusing the 'spotlight' on public services may not be wrong. But if the 'gaze' leads to unreasonable demands and assumptions, then the quality of public service may well suffer.

This research supports the need for public services to be held accountable. It accepts that this should be done following correct procedures and codes of practice. However, placing information willy-nilly in the public domain without 'educating' the public on how best to assess the information can be detrimental. 'Uneducated' attacks can reduce confidence levels and cause able workers to leave the service, refuse to undertake unconventional research or carry out operations showing any sign of risks. In the long term, the confidence of workers and managers may well suffer as would the propensity to develop long term research and interests.

Plender (1999) has observed that institutions live in a 'prove it' culture where institutions seem to have lost the trust of major stakeholders. It also seems to be the case where public institutions have lost the trust of the
wider public. Building confidence and bridges between the public and affected institution becomes a top priority. This can improve through 'consistent, reliable and measurable' against 'externally set' benchmarks. It is the task of the performance evaluation process to inspect and verify data so as determine if benchmarks have been achieved. The onus shifts to those who disseminate information to act carefully and responsibly.

In some cases managers, administrators, academics and planners are no longer getting the sort of respect offered to them twenty years ago. The 'professional view' is less well received. The need for further verification or second opinion about the professional's work always seems to arise. The same trend is recognisable in other areas of the public service such as in health and transport. Government has often responded by producing 'consumer charters', 'codes of practice', standards and 'guidelines'. 'This established a culture that comparable, valid, and timely information was expected and useful to all parties' (Cunningham, 1996, pg.59). The ultimate is to provide data that could be used to make institutional comparisons, available to the wider public and used to sustain quality practices. So 'stakeholder power' is used to generate and maintain pressure on institutions in a multi-dimensional way.

But universities seem unhappy about the quality of information they receive from the external agencies, notably from HESA. Managers and administrators argue that information produced by HESA is not wholly credible and reliable. They suggest that information will become beneficial if it proves to be 'meaningful' and 'digestible'. Information should be presented in a 'meaningful way' rather than as a public relations mechanism in the hands of self-interested management.
The presence of stakeholders in higher education can help concentrate minds on the tasks ahead. Some stakeholders whilst outside the immediate management 'loop' must recognise that they too have a role to play. Excellence in universities is an obligation for all and not for managers and administrators only. Education is a societal responsibility and every interest group must seek to perform its' role efficiently if targets are to be achieved and standards maintained.

7.2. Institutional Administration in Practice

The environment in which universities battle is crucial to their eventual success. To 'prove it' using management tools requires good, strong and effective practices and procedures. Institutional procedures must be both 'robust' and 'credible'. The tools should possess some statistical validity. Institutional administration should provide the capacity through which universities can initiate action that could meet today's challenges. Alternatively, weak institutional practices and procedures will make it more difficult for universities to 'fit in' and embrace best practices within their internal systems.

The use of performance evaluation in university management still remains a controversial issue. Managers, administrators and academics argue that many of the tools used in evaluation are business oriented and therefore inappropriate to the management of 'non profit' organisations. What I glean from the arguments advanced is that many in the universities still oppose management tools on the basis of ideology. Administrators submit that 'management jargon' and 'tools' are inappropriate for the sector. They see it in terms of growing 'business take over' and they fear for an adverse, long-term impact on university culture. Administrators argue that 'creeping business practices' can adversely affect employment levels; number of universities in the sector; their size and the way in which the sector
functions. Managers from the smaller universities claim that the growing numbers of mergers within the sector is unhelpful. Examples cited included attempts by University College to takeover Birbeck College, with other mergers taking place between college hospitals. The above discourse tends to underline a belief among managers within the sector that business practices and performance evaluation are on the increase as government embrace a 'public sector enterprise culture'.

Already, there are signs that managers and administrators are not keen on embracing wholeheartedly such an 'enterprise culture'. They argue against adopting such a culture as it leads to a loss of influence and encourage profiteering among private firms. Managers and administrators point to competitive tendering, use of employment contracts and assessments of professionals as examples of the growing business culture in universities. The 'public enterprise culture' appears to raise anxieties throughout the public services. It is my view that private firms may be brought in without the intended results. There are cases of this happening as in Islington where the secondary schools were handed over to private firms. Those firms were unsuccessful and faced a penalty of over £300,000. So there are issues to be tackled when private firms are thought of as panacea to the problems facing the public sector.

The above tends to reveal a growing sense of 'insecurity' and 'tension' within the sector at the pace of reform. The transition from 'elitism' to 'mass access' exacerbates the tension and uncertainty. It raised issues about differences in missions, perceptions and the applicability of standardised management tools. Differences in mission should not be a bar to good practice. Nor should the use of management tools inhibit performance. Negative perceptions about certain key policies can retard the development of major administrative changes. My observations suggest
that the university sector is willing to embrace change strategically in the quest towards excellence when certain prerequisites are in place.

Concerns about the applicability of management tools in performance evaluation are creating a situation in which institutions are searching for the 'best tool mix'. The 'best tool mix' suggests a type of scenario in which individual institutions 'pick and choose' a combination of indicators that are relevant to their internal use. In the process, universities can exercise their individual preferences. Maintaining the capacity to exercise preferential treatment is a form of institutional autonomy. The state would like any exercise of preference to reflect its national priorities.

What this tells us is that universities are attempting to respond to external pressures and 'their responses become structurated in terms of organisational and power structures' (Kogan, 1999, 263). This can adversely affect the quality of strategic policy making in universities. It can possess a downside where 'the contemporary pressures for strategic policy making can lead to an alteration in structure of authority within academic institutions. In its most dysfunctional form, this change in structure can result in an administrative centralisation or autocracy' (Dill and Helm, 1988). Over the last twenty years universities have been moving away from the sort of autocratic or monolithic structures of the 1960s and 1970s. Greater delegation is now apparent in the management structures at different levels involving different groups.

Ironically, the 'rise of the evaluative state' is partly responsible for this improved involvement. Professionals are now being asked to perform both academic and administrative tasks. As the spread of decision making percolates through different administrative levels, the quality of decision making is likely to improve as will the democratisation of the management
system. A major problem of course is that some professionals regard the current state of affairs as having been 'foisted upon them' and thus unwelcome. The increasing role of academics in management is seen by some as a real 'dilemma'. The 'dilemma' is based on the view that the professional is being asked to choose between management and research. Thus many administrators refer to increasing 'work pressures'; 'time pressures'; 'government and external agency pressures' and 'no preparation for the job'. To many professionals and academics these have taken serious toll on the human dimension in universities. In some respect this has led to tensions between management tasks and research; between academics and external agencies and, between professionals and their departments.

Environmental pressures generated through performance evaluation are tending to create some internal structural changes in management. Developments toward a 'parallel system of evaluation' in many universities indicate that structural changes are indeed taking place. Structural changes, changing values, public accountability, performance evaluation and increasing competition combine to activate a powerful concoction. Universities are driven to revisiting and reviewing their objectives. In the process, they gravitate towards mechanisms and practices aimed at 'proving' their effectiveness and efficiency. The 'prove it culture' simply shifts the burden of responsibility for higher education performance from the State to universities. It is for the university to provide research, advise the State and to discharge its social responsibility. Undoubtedly, these tasks are quite formidable.

Today, the State is able to call on universities to respond more quickly. It is asking them to account for state investments and deliver the kind of service that its' clients want. The State sets out policies for universities to help them focus on the task at hand. It emphasises the need for universities to
understand the range of management tools and techniques available and be able to choose the most appropriate set of tools. It is now clear that the State will use a variety of mechanisms and structures to ensure that universities comply with its demands. Performance evaluation offers that opportunity for the State to monitor what has been achieved.

7.3. Challenging Performance Evaluation

An analysis of responses shows that performance evaluation tends to impact negatively on university governance in the following ways:

1. Data quality is affected because of the long delay between compiling data and the production of indicators or benchmarks. Such delays, argue university managers, affect the quality of decision making since most of the information has become obsolete. In short, time delay limits the effectiveness of information.

2. Collecting and compiling data tends to increase operational cost both in terms of acquisition of new technology and human resource development. Further, issues about opportunity cost must be factored in any calculation.

3. Informants also allege that more time is spent on ‘form filling’ than is necessary. It was suggested in some cases that this leave less time for students and tends to encourage some academics to ‘fill in forms even though the issue was not dealt with’. It is alleged that this represents the results of the growing bureaucracy that now characterise the sector.
4. Universities have already taken steps to develop internal systems they consider more 'robust' than the external ones. Thus the external information is merely a "duplication" of the internal records. Managers and administrators argue against these 'extra layers of bureaucracy'. There are strong 'feelings' against higher education developing into a 'multi-layered' bureaucracy.

5. Informants argue that the 'competency level' of the assessments is a major issue. These allegations are made against the TQA. Evidence suggests that the assessors is perceived as not having the 'requisite knowledge'; 'do not understand key institutional differences'; are 'patronising'; 'arrogant' and 'sometimes unqualified'. These points were articulated by mostly managers and professionals in the old universities. It was suggested that 'peer review' is a more effective instrument for bringing about the desired outcomes.

The above suggests that senior academics do not like to see their work being evaluated by people whom they perceived as 'being less able'. I form the impression that 'professional rivalry' abounds in the sector. I was presented with the following scenario: How can an internationally renowned professor sit back and let people who are less qualified assess and evaluate him?

This is a relevant issue. It is expected that the best evaluators, experts and verifiers would sit on any assessment panel. Apparently this is not always
the case. If the best is not utilised then confidence and trust in the system is likely to be undermined. The results of the evaluation process are likely to be questioned and its credibility undermined. Hence the reason why external procedures must be developed in such a way that allows the assessed to gain confidence in the process.

Thus indicators of performance must be seen to contribute to effective management. Issues around how well to 'bed the new external processes into the internal system' must be addressed. Existing 'quality assurance committees'; subject review bodies'; planning committees and strategic management committees must work together towards a single purpose and evaluation procedure. The concern that the external agencies 'foist' their external processes unto the institution's internal one should be addressed. Failure to address those concerns will damage any link between what external agencies want to achieve from their evaluation system and what goes on in universities. This is likely to generate 'conflict' between institution and external agency. Such a situation cannot be helpful to the evaluation or regulation processes in universities.

7.4. Quantitative Indicators

In Chapter 1, I argued that the evaluation process tends to be political and externally driven. It is driven by agencies such as the HEFCE, HESA, QAA and media, and not necessarily by needs of the institutions. It is not clear whether HEFCE have major interests in the development of indicators other than by a requirement under the HE Act (1992) that performance quality should guide allocation of funds.

In Chapters 2 and 3, I adopted Cuenin's (1986) definition of performance indicators as likely to reflect ' numerical values' and which can be derived in various ways. They provide measurement for assessing the quantitative and
qualitative performance of a system' (pg.71). Reference to 'quantitative and qualitative' aspect suggests that performance indicators can be viewed broadly. The view taken in this research is that performance indicators represent a number of management tools. Thus information can be in the form of 'statistics', 'numbers' and judgements. They may provide some 'comparator' or a 'basis' from which standards and benchmarks are determined. Literature indicates that users will utilise it in a way as 'management statistics'; 'quality'; 'league tables'; 'numbers' or anything related to performance.

British universities must collect and submit data to HESA as part of their statutory responsibilities. Much of this information is submitted and returned in quantitative form. There are accompanying graphs and tables. Universities are provided with data so as to facilitate decision taking. The numerous sources of data, both internally and externally, suggest that quite a lot of decisions are 'data driven'. But I found little interest and little use of externally produced data. So why do universities not find this sort of data beneficial and valuable?

The collection process appears to be time consuming; slow and not really needed for internal decision making. There seems to be an apparent lack of 'goodwill' between those who compile data and those administer the evaluation process. There is a sense of 'mistrust' and possibly 'lack of direction' as to how best to utilise the available data. This process has resulted in large and expensive volumes of information being produced without a corresponding value attached to it. There is no legal requirement for universities to use HESA produced data. The evidence suggests that universities are selecting just what they consider sufficiently robust and relevant.
Informants were highly critical of HESA, the agency responsible for producing statistical data. Among the criticisms levelled at HESA were that the data was 'lacking statistical validity', 'too voluminous'; 'too costly' 'stale' and an outright rejection of quantitative data in the management of universities. Some in the universities argued that there is 'an obsession with quantification' and a policy of 'measurement for its own sake'. Implicit in the rejection of the HESA produced data is the view that performance indicators and other forms of statistics are the preserve of business. It can be submitted, therefore, that some managers are deliberately rejecting quantitative data for reasons of ideology. Some think that they are inapplicable to the management systems of universities.

There is strong evidence to suggests that most of the quantitative data produced by HESA is left 'unused'. It is alleged that the information is not 'presented in a digestible form', is quite lengthy and takes a long time for 'managers to peruse'. The information is professionally and comprehensively produced. Yet still many managers are not well disposed towards them. Managers and administrators tend to see quantitative indicators as not being the 'right medium and technology' through which a message can be communicated. Many argue that quantitative indicators have little 'benefit' or 'added 'value' to successful management of universities.

Alternatively, a few informants think that quantitative indicators are simple to use, lack subjectivity, highly standardised and that they facilitate quick decision taking. Lack of subjectivity should be a strong point in favour of quantitative indicators. Those who support quantitative indicators regard them as the way ahead and cite the RAE and TQA as proof of their support. In fact, the first part of the TQA is discursive and tends to be qualitative. It is only at the latter stage is the TQA results converted to quantitative form.
It should be noted that the TQA has changed in the past year. The changes are aimed at addressing some of the concerns expressed by those involved in the evaluation process.

Quantitative scores facilitate comparisons when comparing like with like. But concerns remain about their relevance, validity and statistical credibility in the evaluation process. Making comparisons between institutions have been recommended by both the PISG(1999) and Dearing (1997). Managers and administrators admitted that they make comparisons with other institutions. These comparisons are made using their own data. But the comparisons are made ‘ad hoc’ with no scientific basis. It can be argued that the information produced by HESA should provide a strong basis for universities to make inter and intra comparisons.

7.4.1 Problems of Application
The evidence suggests that quantitative indicators are somehow limited in the way they are applied to some managerial and institutional processes. The following represent some of the key areas highlighted in this research.

There were suggestions that the use of performance tools tended to create a situation in which the ‘medium’ was becoming the message rather than the ‘technology’ for delivering the message.

Then there is a chance that quantitative indicators may be ‘manipulated’ by users. They may pretend to be objective tools, but ultimately quantitative indicators depend on subjective criteria. All in all, quantitative indicators represent a very rough and ready way of doing things.

Finally it is argued that the small sizes of some departments or subject classes complicate applications of quantitative indicators and reduce their validity. For
example, subjects such as French and Arabic studies were cited as some of the areas in which the application of quantitative indicators were deemed to be limited.

Quantitative indicators represent ‘numbers’, ‘figures’ or ‘scores’. They represent ‘bones’ rather than ‘flesh’ which can help give meaning to data. They are designed to be objective but must rely on ‘subjective criteria’. They are likely to reflect the ‘statistical’ operations of the management technology. There is a widespread view among interviewees that quantitative indicators should be subjected to some form of ‘caveat’ or ‘warning’. There were informants describing quantitative indicators as ‘tyranny of management’, ‘management jargon’ with others voicing their ‘sceptical’ nature and value.

My own view is that quantitative indicators are somewhat narrow and do not enable users sufficient flexibility in decision making. Their numerical character limits the facets that can be considered in decision making. Sometimes managers would like to consider different aspects of a solution in order to broaden the base of decision making. Quantitative indicators seem too ‘restrictive’ for broad and informed decision making. If limited, quantitative indicators may not always justify their use in performance evaluation. This beggars the question as to what universities should do in order to improve their quality of decision taking. The process, resources and technology of management are important elements of decision making.

The above discussions suggests that much depends on the validity and usefulness of these management tools as effective measures of output; unless users accept and recognise them as evaluating something beneficial, by all stakeholders in universities, then those tools will not increase management control. Nor will the State achieve as much as it would like from them as levers of political control.
7.5 Qualitative Indicators

There is incontrovertible evidence to suggest that universities are seeking alternative measures in their quest to develop more robust evaluation procedures. Their aim seems to be directed at improving and consolidating their ‘in house’ systems. So can qualitative indicators offer a viable alternative to quantitative indicators or at best replace them? The evidence is patchy.

A starting point is to briefly examine the views expressed by Becher and Kogan (1992) on why a system of qualitative indicators may be helpful. They noted that:

"Figures are manipulable, while verbal evaluations are less so".

But is this true? May be not. ‘Verbal evaluations’ are still subject to manipulations especially in cases where records are unavailable or, fall in the wrong hands or are given a deliberate twist. In real life, words can lose meaning, emphasis and intent distorted as they pass along different levels within the communication chain.

That is why the contrasting view offered by Miles and Huberman (1984) needs to be examined. It shows that:

"Words are fatter than numbers, and usually have multiple meanings". (In Becher and Kogan, 1992).

"Words are fatter’ but their meanings can severely affect the context, culture, situations and intent. Consequently, numbers and words do not always convey the ‘real’ intent. They should be used to complement each other and bring greater clarity to users in a given scenario.
It may be implied from the above discussion that using 'qualitative' or 'discursive information' would lend greater meaning to a set of quantitative indicators. It might help to alleviate some of the inherent problems associated with figures. For example, it may help explain what a particular set of figures mean and find solutions to specific problems.

The university system uses a variety of qualitative assessments including peer review; teaching assessments; internal quality reviews; student and course reviews; ethnicity; equal opportunities and academic mentoring. Also some qualitative indicators develop through discussions; student feedback and development committees. Developing relevant qualitative indicators appear not to be an easy task.

There seem to be technical and development problems; process seems to be labour intensive; costly in terms of time and finance; and tend to be subjective. But the biggest problem seems to lie in their application to performance evaluation. New universities seem more eager to develop them especially in areas of ethnicity and in equal opportunities. The large numbers of students from the various ethnic backgrounds seem to encourage these developments. Despite their willingness to develop relevant qualitative indicators, new universities are saying that they are 'difficult to develop and manage'.

Informants from a new university indicated how they have attempted to develop equal opportunities indicators and had to construct a total of 43 different indicators before receiving any form of reliable information. The project lasted for 3 years and results were not comprehensive. In the end, the project was ‘shelved’ because of problems related to time consumption, overall costs and measurement difficulties.
It is my view that the above do not represent sufficiently valid reasons why qualitative indicators should not receive greater attention. Universities appear reluctant to invest resources in an area that is unlikely to bring about immediate benefits. Some in the universities cite work pressures as another reason why there is little ‘slack’ time for such activities. But this points to a lack of will among managers and administrators in this direction. New technology may have aided and abetted the use of quantitative indicators and simultaneously weaken the case for qualitative indicators. Neither should one forget the overt support by government and external agencies to quantitative indicators as tools of performance management.

In summary, the evidence suggests that evaluation of operational activities in universities is more likely to be quantitatively orientated. The use and application of quantitative indicators appear more visible than qualitative indicators in their management systems. The problems experienced in developing qualitative indicators seem to discourage investments and progress in that area. But new universities in particular are putting some effort into the development of qualitative indicators. It was evident that they are injecting more cash, giving more time and committing more staff towards the development of these indicators. However, anecdotal evidence indicates that the old universities are also keeping records about ethnicity and student satisfaction.

7.6 League Tables: Case of abuse or misuse?
There are strong suggestions that the demand for easily accessible ‘representative data’ is likely to increase. Data is likely to influence the judgement of the public. League tables appear to be doing just that. Evaluative mechanisms such as league tables are rapidly growing in the national consciousness. Current trends suggest that league tables will play a fundamental role in the evaluation of public institutions. They are operating
in health, local authorities, schools, railways, police and social security. Their popularity is based on the premise that they seem to connect stakeholders to public institutions. The political and economic climate has significantly changed and stakeholders are demanding services as a matter of right rather than on any discretionary pretext. The literature on league tables suggests that they are 'controversial' (McDaniel, 1996) and to be viewed with 'caution' (Lund, 1997). Despite their contestability and controversial nature, league tables are becoming quite influential as a barometer for measuring performance.

The debate surrounding league tables will no doubt continue to rumble. As their popularity spreads, stakeholders will call for greater utilisation of them as part of the growing culture around openness and transparency within public services. During the last budget debate (2000) the Chancellor of the Exchequer called for improved information to be made available to prospective students about their future employment prospects. How can any university project future employment prospects without the latest figures on the state of the economy or projected economic growth; current employment figures and trends? There are growing pressures on universities to widen their sources of performance data from which clients can make a more informed judgement. This is an extension of 'customer power', 'customer charter' and the reinforcement of the principle that 'customer is king'. Customers are being empowered to make demands on public institutions that were impossible a few years ago. League tables are now used to fuel growth in customer demand for information.

In the UK, the introduction of student fees and the abolition of the maintenance grants can reduce levels of co-operation between students and universities. Anecdotal evidence from this research suggests that managers and administrators think so. Managers and administrators
suggested that there are now more appeals, greater demands to see scores and information about assessments from students. These signs show that students are more eager to question, explore their rights and willing to hold people accountable for their actions. One informant noted that managers must be more aware of the law now than ever before as students become 'contentious'. In a sense, a greater link is forged between the individual, wider group identity and the university. But there are anxieties about the role of league tables in the process, most of it fuelled by media representations and rumours, sometimes threatening to dislocate established traditions like academics, managers and universities.

The Dearing Committee Report (1997) identified a possible upsurge in student demand for information once they were obliged to pay tuition fees. Accordingly, students would become 'increasingly discriminating investors in higher education, looking for quality, convenience, and relevance to their needs at a cost they consider affordable' (Dearing, 1997). The capacity to discriminate and obtain value for money is reinforced by the supply of information.

Increased demand for information points to a growing use of league tables. Britain may well go down the US route where 'ratings' have become an important component of the 'quality industry'. To date, approximately 50 publications in the US rank institutions against each other, with data supplied to stakeholders and the public. The ultimate aim to intensify the drive towards greater public accountability within public institutions.

League tables are an accumulation of data from various sources. They integrate different strands of information into a unit about a process or product. If properly constructed, league tables can provide reliable information that can help facilitate the decision making process. But their
construction can be problematic. A big problem is how best to integrate different kinds of information into a single indicator. With the sector becoming so diverse, such a task is becoming highly challenging, if not impossible. The advice of informants to use league tables with 'caution' must be paramount.

The prospect of using, developing and relying on league tables as a means of evaluating university performance is sometimes viewed with 'disgust' and 'quite shocking'. Many informants noted that the use of league tables had created an environment in which 'mistrust', 'scepticisms' and 'abuse' had increased between potential partners with in and without the sector. League tables were seen as 'too controversial' (see McDaniel, 1996) and therefore should only play a limited role in the performance evaluation system.

The controversial nature of league tables is likely to corroborate the arguments of those arguing against too heavy reliance on quantitative indicators. The point is that league tables are constructed from raw data that tends to come from statistical sources. League tables seem limited because they consist of 'crude statistical data'. Charges that league tables lack 'statistical validity' seem to bear some credence.

As the producers of league tables from 'Websites' to government departments put universities under the spotlight, users want to affirm both the validity and credibility of the message that they offer. There are feelings among informants that league tables are oversimplistic; leaning towards sensationalism and sometimes highly dangerous. Informants argue that they sometimes 'muddle the message' and affect its clarity. Producers of league tables tended to operate on the basis of relaying a simple message to users and readers alike. They seek to send an uncomplicated message but create
a flawed system in the end. That is where much of the hostility towards league tables start.

7.6.1 Hostility to League tables
Condemnation of league tables was evident in both the conventional and newly-designated universities. Informants were ‘highly critical’ sometimes bordering on sheer hostility. Hostility is based on the following:

1. That they fail to measure important institutional characteristics and are not necessarily for those who construct the tables.

2. The variables that are sometimes used are markedly different from institution to institution.

3. Using ‘A’ level grades as the gold standard is ‘unfair’ by new universities. It is argued that only 25-35% of students enters new universities through this route. New universities, as access universities tend to have a different mission and therefore find the gold measure unacceptable standard criteria.

In spite of their pitfalls, league tables tend to be attractive to a few universities at the cutting edge of higher education. This is the case where they provide the means of recruiting quality staff, students and help capture foreign markets. They can also help identify areas where immediate attention is necessary.

Despite the ‘health warnings’ that go with them, government appears willing to encourage their use and development throughout the public
sector. League tables are the new mechanisms in the drive to improve standards and public accountability. Employees and some members of the public argue that league tables are prone to 'manipulation' or 'massaging'. Different users can use data to advance differing views. The manner in which they are used is crucial to the long term impact on university management. The research evidence on league tables point towards a growing public 'obsession' that requires public education to reduce any unwanted effects. League tables should therefore be viewed with 'caution' and taken with a 'grain of salt'.

7.6.2 League Tables: Some positive features

The evidence also show some positive attributes of league tables. It discloses that universities can use league tables to publicise their high quality, top quality researchers, good position in the top 10, 5* ratings, and increase their recruitment capacity. Accordingly, some in the old universities tend to see them as being dynamic, interesting and appealing, a window from which the world can now glimpse into tightly administered institutions. The client is presented with opportunities from which to make comparisons (See Cuenin, 1984); to choose and confirm elements; and make an informed judgement. Thus league tables appear to offer an inside view of the organisation and to encourage openness and transparency throughout the public sector.

It is my view that league tables offer some potential that can counteract slow or negative developments within the HE sector. For example, they may indicate which universities are progressing in a particular direction. League tables can help identify the universities that are lagging behind in adapting to changing needs. Their growing popularity as a management tool makes it necessary to educate the wider public about their potential and
limitations. Their weight, validity, admissibility and relevance may be improved using the right construction.

Otherwise, the controversy that surrounds their use in performance evaluation will remain. They will continue to exist 'in denial' in spite of the public interest shown in them. The analogy to 'Blind Date' was made by one interviewee who said that many in the universities pay close attention to league tables but are afraid to admit this. There is little doubt that league tables are growing in popularity but the extent to which some managers depend on them is denied. My observations, research data and literature do suggest that managers are making much more use of it than they care to admit. The issue is not helped by media sensationalism, a practice heavily criticised by the majority of informants. The matrix used by the media in the construction of league tables make them less desirable among university managers.

I understand the attraction that league tables hold for an institution conscious of its public responsibilities. I also understand the fear that grips failing institutions. Poor performance is exposed; negative impressions are conveyed to the public about failing institutions; students leave for top rated institutions; problems with student progression; and eventually the loss in state income.

League tables should contain enough information for management to remedy serious problems. Rather than using league tables as instruments for celebrating success, universities can use them as a barometer to measure university performance. As an instrument of the performance evaluation process, league tables should aid, explain and identify problems. They should help solve problems rather than 'name and shame'.
7.7 Entry Scores

Student entry scores remain a contentious area sometimes dividing opinion within the HE sector. Different views exist about the relationship between entry scores and final degree performance. According to Cave et al (1997, pg.127) the literature suggests a 'weak or non-existent relationship'. This led Cave et al to conclude that 'A' level entry scores are a poor measure of students' actual level of attainment in areas relevant to their study' (ibid).

The above view is also reinforced by Targett (1999) when he noted that 'entry standards are not always a precise indicator of overall performance.....Some universities, with relatively modest entry grades, perform outstandingly'. The research evidence shows major disagreements exist between old and new universities about the use of entry scores. The old universities seem to regard 'A' levels as the gold standard whereas new universities argue for less reliance on them. The foregoing indicates a lack of agreement on the subject among universities.

Recent government pronouncements indicate that A levels may no longer represent the 'gold entry qualification'. Government's intention is to supplement the current A level with 'extension papers'. This system may include other qualifications such as GNVQs. In future, student admission could be based on a 'point system' with a combination of different qualifications. The crux of the matter seems to lie in the diversity within the sector and the diverse nature of the student population. But there is still need for a measure capable of being applied universally throughout the sector. Quality cannot be sacrificed on the basis of numerical expansion.

7.8 Adapting to changes in Government Steering

It is assumed that the mechanisms used in government steering will assist universities in realizing their missions. Government and other major
stakeholders must be ready to change and adapt not only to what is likely to affect the sector domestically but also internationally.

The complexity of changes to evaluation in higher education was always going to be complex. The complexity is partly based on the fact that some of its major functions are undertaken by ‘self directed individuals’ in ‘multiple and potentially conflicting roles’ (See Becher and Kogan, 1992, Pg.166).

In the sector today, managers and administrators, academics and planners are all called upon to perform ‘new functions’. These so called ‘new functions’ are on top of what they traditionally performed. For example, academics are called upon to play both managerial and academic roles. To some in higher education this means ‘taking sides’ or of having to ‘forego academic training and research’. In this regard a degree of personal conflict exists. It also means making changes to the ‘hierarchical system’ that existed in the past. It means giving up certain areas of influence and having to discover a new ‘niche’.

Both State and managers must exercise influence within and without institutions. The present situation in the UK is reflective of what Hood’s (1983) termed the ‘four categories of administrative tools’ applied by governments. They are information, treasure, authority and action. According to Maassen (1992):

"These categories vary depending on the basic resources used by governments in trying to reach the objective set...The instrument of information are based on government's capability to 'send out' information which it judges to be necessary or relevant." (pg. 67)
The performance evaluation process turns out large volumes of information. Management tools used in the process of evaluation transmit most of the information to the public. In the present climate, government appears quite eager to use the full spectrum of their capabilities to produce information. Thus internal and external indicators are the policy instruments of information through which information is generated. If information gives power, and government is in control of information, then it is likely to become the dominant partner in any relationship. In this regard, management tools are the technology for government to steer and communicate information to the public.

Maassen (1996) elaborated the effect of a ‘policy on information’ on the public as:

“They are used without explicit goal to directly limit the range of behavioural options. The objective of the use of information instrument is to try to influence the behaviour of societal actors by providing them with significant information.” (ibid).

Analysis of the UK system reveals a practice in which institutions and external agencies are engaged in collecting data for administrative and influencing purposes. In the process, external agencies monitor how universities use information and resources to meet national priorities. Government is seen as steering at a ‘distance’ but close enough to keep a watchful eye over the public institutions. There is no doubt that the presence of external agencies form part of a broader policy of keeping universities within ‘narrow straits’. Allowing institutional autonomy but sending inspectors to see if the work is done in the ‘image of the state policy’. To some people in the universities the ‘pendulum has swung too far on the government’s side’.
Anecdotal evidence from this research tend to suggests that people view some of the external agencies as 'being too interventionist' or 'too interfering' in the management of universities. There are suggestions that such 'intrusive methods of steering' are not helping the relationship between State and universities. Some are of the view that 'a back seat approach' (Carter, 1994), where government is far removed would form a better strategy.

7.8.1 Institutional Response to State Steering

'Taking a back seat' or 'steering from a distance' suggests some form of limited activity taking place. It suggests that one of the parties is somewhat removed from full participation in a process. This scenario does not reflect fully the nature of the relationship between state and universities. The evidence suggests that universities are very active within the management of higher education sector. They produce internal data, participate in external assessments and seek to woo the public when possible. Alternatively, government tends to operate through policies and 'hints' using the system of performance evaluation to legitimise their presence.

The degree of State steering is a crucial component in the relations between State and universities. As early as 1946 the Committee of Vice-Chancellors had thrown down a marker:

"Universities entirely accept the view that the government has not only the right but the duty to satisfy itself that every field of study which in the national interest ought to be cultivated in Great Britain is in fact being cultivated in the university system and that the resources which are placed at the disposal of universities are being used with full regard to both efficiency and economy" (In Becher and Kogan, 1992)
Significantly, the UGC took the mantle of ensuring that universities performed these functions effectively. During that period were not evaluated, or subjected to the present day levels of scrutiny. They enjoyed greater institutional and academic freedoms.

Today, the situation is rather different. Government insists on corporate plans; use of management tools; quasi-markets and competition; mission statements. Quasi-markets are becoming an important feature of the higher education sector as government's role as a buyer of education services become more distinct. The line between public and private sector practices is becoming very 'blurred', raising major anxieties among managers within the sector.

The 'public service ethic' is still regarded by managers and administrators as an important characteristic of public sector institutions. Managers are still expected to serve the needs of the community, protect the public interest, liaise with employers, negotiate contracts and act as 'buffers' between institutions and government. The use of performance evaluation tools means that managers are not just managers of markets and resources but skilled publicists, drafters and experts. Responding to state steering has not only become a lesson in adapting to policy changes but also in finding new ways for ensuring survival. Its significance in managing people, time, money and information cannot be underestimated. It also means having to focus institutional development on internal procedures and policies in the quest towards raising standards.

In summary, it seems clear that universities have and continue to respond to government steering in a practical way. Firstly, they have changed the structure of these organisations in order to make them 'more slimline' and more effective organisations. Secondly, the evidence points to the growing
use of new technologies in order to facilitate decision making and satisfy the needs of stakeholders. Thirdly, universities have strengthened their management by using private sector managers, consultants and have given academics a greater role in the administration and management of institutions. Finally, universities are constantly devising ways of improving their performance by using a variety of management and assessment procedures.

It may appear to the outsider that universities are adapting and adjusting slowly to change. But in terms of internal management, I find universities old and new busily developing their internal evaluation systems. Which leads me to conclude that universities are engaged in developing a ‘parallel evaluation system’ to satisfy their internal managerial needs.

7.9 Far From a Breaking Point

Some researchers (Van Vught, Maassen (1996) argue that universities have been slow to adapt to changes and to the demands upon them. This is true only to some extent. Universities are initiating change and lending support to State policy in some key areas. Support can be seen by their participation in the RAE and TQA. It seems possible that universities are keen to embrace only those areas that provide direct interests and benefits. A good example is the RAE where universities can gain extra income and research excellence for the institution. As evidenced from my research little of that commitment filters to the TQA where no financial gains are attached directly. This tends to signal to the State that some form of incentive may have to be attached to performance evaluation. The ‘stick’ without the ‘carrot’ might not achieve the intended results.

In this regard, the state-university nexus may well thrive. Universities might not always share government’s exuberance about every new project or
policy. Positive relationships depend on negotiation and collaboration. Policy development may have to involve much of what universities want and less of what the 'evaluative state' prescribes.

Current performance evaluation exercises tend to show that the British system exemplifies a 'combined top-down-bottom up approach' (Stein, 1996, pg. 40). Under such a system operations manifest themselves at two levels with very little interplay between the two. At state level are the national assessments such as the TQA and RAE while quantitative and qualitative indicators dominate at the institutional level. Effective management requires some sort of cohesion between the two levels. This suggests the integration of institutional and external aspects as an effective strategy. This may help reduce the levels of fragmentation alleged to characterise the system presently.

Stein (1996) noted the significance of using a combined method. He observed that:

"Using a combined top-down/bottom-up approach helps to identify areas of difference between state policymakers and institutional leaders. Conflicts between accountability and improvement initiatives are more easily understood and can potentially be resolved." (ibid).

University administration is therefore presented with a formidable job that 'leads towards market like interaction in which competition is the catalyst for change' (Clarke, 1983, pg.209). Competition levels are intensifying between and within institutions for research positions, financial resources, quality research staff and public support. The situation is dynamic and universities are now required to manage all these forces and change. In an academic environment, where competencies tend to be specific, a shift to new duties and perspectives may inhibit the pace of change.
7.10. Beneficial and Valuable
But what benefits flow from implementing performance evaluation? Universities are in transition and are looking for benefits. They must develop the requisite criteria in key areas in order to effectively all possible gains. And so should a university in the throes of evaluating its performance remain aware of values within the sub-system and system. Management will seek to determine if results are consistent with set criteria.

With the increasing proliferation of information, universities are constantly reminded of their national positions vis-a-vis each other. Notwithstanding the idea that universities tend to have lofty ideals and aspirations for future success; creating more wealth and be profitable; the task of achieving these is not made easy. Both micro and macro positions must be assessed in order to tackle possible countervailing factors. Maassen and Potman (1990) suggest that the institution’s internal stakeholders should embrace strategic thinking with a market orientation. In this case beginning to think about developing internal structures to satisfy the needs of the market.

There is literature (Henkel, 1999) to suggest that universities are ‘under pressure’ to ascertain ‘usefulness of information as their prime goal’. Hood (1983) noted that a ‘policy instrument of information’ had been developed. The trend is visible when government’s evaluation strategies are assessed. It is imperative for universities to re-evaluate and update their information strategies in order to benefit from the ‘policy instrument of information’.

7.10.1. Tangible Benefits
Many informants agree that data derived from performance indicators maybe beneficial to management and institution but subject to caveat. How beneficial depends on their ‘validity to make comparisons’ and possibly in
the purpose of organizing the data. It is also necessary for data to be independently verified. HESA can improve its production when it collects, collates and present information for universities. HESA's data base would be almost identical to the institutions' thereby improving its credibility and validity in the evaluation process.

The problem of distrust between universities and HESA reduces acceptance and usefulness of the data. The information is seen as lacking tangible benefits because there is a strong perception that HESA's role is not genuine; that it is 'political'; 'unable to tell what the information will do'; 'unable to give advice as to future direction of the evaluation process'. 'Mistrust' between parties that aspire to excellence for all in the long run is likely to inhibit progress in performance evaluation.

Having regard to the evidence in this thesis and in consideration of the available literature it can be concluded that performance evaluation and data may help in the following ways:

1. Larger amounts of information can be made available to facilitate decision making.
2. Where good quality information is available universities can speed up the decision making process.
3. League tables can be beneficial in recruitment and overall marketing of universities subject to the necessary caveats.
4. Managerial tools can help in identifying problems and thereby warn of impending dangers.
5. Recorded data can help planners and finance officers in their planning.
6. Comparisons can be helpful by comparing like with like and having regard to historical factors, size, locality and social factors.

7. Performance evaluation allows a glimpse of what is happening internally and increase openness and transparency.

Universities in transition face increases in cost, pressures, external demands and structural changes associated with performance evaluation. There are some areas where positive developments are taking place, such as RAE and HEFCE, but generally universities seek a ‘shift of the pendulum’ back to the status quo. This shift back to the ‘good old days’ will never again be possible. The reality of the situation is that performance evaluation which is supported by government is in the words of managers 'here to stay'. That is no reason why universities should be ambivalent to its dangers and weaknesses.

7.10.2 Dangers and Weaknesses

The view among my informants is that there is a ‘ridiculous amount of detail’ within an ‘ocean of data’ which adds to the complication of the evaluation process. To many it is this ‘dive into the ocean of data’ and the ‘subjectivity surrounding’ the selection process that poses the major risks.

I found university managers very upset about the growing tendency of some in the media arbitrarily to decide first what message they want to communicate to the public and later to select which indicators match the message. They accuse the media of ‘unintelligible reporting’, ‘oversimplistic accounts’ and ‘sensationalism’. University managers argue that many in the media do not understand the tools of evaluation nor the material they are dealing with.
Implicit in the use of management tools in performance evaluation is that they should be relevant, acceptable and effective. But the evidence points to their 'controversial nature' (Cave et al., 1997; Mc Daniel, 1996' and their 'contestability' (Carter, 1994). It shows that managers and administrators are unable to utilise the full potential of external data because its not presented in a digestible form. This latter view has some merit because only useful information can help. Hence the feeling that external data is 'not working well'.

Interview accounts suggest that 'not working well' may be due to the following:

1. Information is not specifically relevant to individual managerial tasks.
2. Some recipients of information tend to show little interest or devote any of their available time to reading external sources of information.
3. Work pressures, because of the increase in administrative tasks, severely restrict reading time. Administrators and managers indicate that work levels have increased profoundly in the preparation for evaluation, drafting, advice, counselling, form filing and attendance at meetings.
4. Many managers are not directly associated with performance evaluation and take little time or interest in the process. Most tend to leave their Registry or Central Statistics department to deal with the matter.
5. Some are 'indifferent', 'sceptical', 'opposed' or simply 'not bothered'.
6. Internal bureaucratic tendencies sometimes restrict the dissemination of information about performance evaluation.

Policy makers have become ‘obsessed with ‘crossing t’s and dotting i’s’, with minutiae rather than with allowing experienced professionals to do a professional job. Performance evaluation is driving people more and more. University staff tends to feel that their lives are now getting out of control. The evidence points to inadequate attention being given to the human dimension and hence the feeling that ‘life has become intolerable’, ‘people are cracking at all levels’, ‘conditions are intolerable’, and that people have been marginalised as being non-productive. Present conditions are seen as having a ‘green house effect on human life’. This suggests to me that evaluation is imposing an enormous cost on human well being. A strain on human life may help to explain why some seem so bitterly opposed to performance evaluation.

The objection seems to focus primarily at the way business tools are utilised; the pace of change; over reliance on external agencies and the ‘interventionist attitude’ of some external agencies. Accordingly, a proposed performance evaluation system should seek to provide universities tools capable of holistically evaluating performance without losing sight of higher education’s social responsibility and its public accountability.

The structural construct for developing an effective and efficient management system, may serve as an ‘in house system’, for universities to systematically develop those strategies that are based on credible internal information and supplemented by other sources of beneficial information.
Conclusion

The foregoing discussions attempt to make sense of the evidence encountered in the course of this study. The evidence points to changes taking place in the way that British universities are managed and regulated. It points to the increasing roles played by external agencies; the growth in external indicators; the use of external assessments and the growing tendency for universities to rely on internally produced indicators and information.

As the pressures on universities intensify so has the need grown to discover fresh approaches to evaluation. As the pressures intensify universities are engaging in a more developed ‘university-centred approach’ in their management. This has involved using and developing internal management systems and relying much more on internally generated information. The research shows that the processes and managerial tools that underlie much of performance evaluation remain ‘controversial’ and are widely ‘contested’. Lack of confidence in externally driven processes tends to limit the usefulness of large quantities of information generated therein.

The ‘data driven’ character of performance evaluation raises questions about its usefulness and appropriateness. For whom is it useful? Should the institution or the State be the judge of this? External evaluation systems seem to be constructed for the benefit of the State and customers and to a lesser extent universities. The State’s view suggests that evaluation should provide quality data which institutions must use. The State’s approach tends to illustrate a kind of ‘top-down’ and ‘control’ approach to performance evaluation. It suggests a form of ‘power-relationship’ in which a more powerful sector imposes over a lesser one what it considers to be priority. But the evidence points to ‘scepticism’ about the efficiency and
effectiveness of such a 'model' by informants. In consequence, informants are seeking an 'alternative model' which can provide them with the 'robust' and 'credible data' they perceive as being beneficial.

Evidence indicates that the main actors view the demands as being 'too excessive'. The information flow is regarded as 'stale' 'not digestible'; 'costly' and 'incapable of pointing towards the future direction' for the evaluation process. Data is also regarded by many as 'unreliable', 'lacking statistical validity' and 'inapplicable in its current form'.

Consequently, it is not surprising to discover that universities are indeed searching for alternative sources of data. The search is for data that universities consider as being far more 'robust', 'credible' and 'valid'. Universities appear to be turning to information produced through their own internal systems to raise standards, to compete and to satisfy the State's demands. Universities still continue to participate in external assessments despite their reservations. This is due to the fact that external evaluation remains part of the statutory requirements. But this thesis reveals that universities are engaging their internal evaluation systems more than ever before, thereby creating a 'parallel system of evaluation'. This is a major finding and a significant contribution to knowledge.

However, developing a 'parallel system' of evaluation will add its own pressures; problematise the management of operational activities and impact on the capacity of universities to satisfy every part of the 'multiple audience'. With limited funds and an eye on survival, universities may have had to do what they know best: continue to develop internal evaluation and deny privately that the external system provides major benefits. This creates the impression that university management practices exist under a 'culture of denial'.
CHAPTER EIGHT

CONCLUSION AND SUGGESTIONS

8.0 Introduction

This final chapter reviews and revisits the changing context in which contemporary universities are managed and regulated in Britain. It draws conclusions and inferences from evidence gathered from this study. On that basis, I combine lessons extracted from the case studies with key theoretical analysis of public management into findings relevant to performance evaluation and future developments in this area.

It is clear that there is no single general management theory that encompasses the diverse range of 'management tools' that presently underpin the evaluation process. More so, the growing diversity within the sector means that no single indicator may effectively reflect sector wide performances. My research utilises an interpretative approach and, despite the difficulty of generalising findings from my small sample to the wider population, it seems possible to adapt them to areas of university life.

My evidence indicates that the 'rise of the evaluative state' underpinned the introduction of various internal and external mechanisms in the management and regulation of universities. These management tools, often referred to as performance indicators, represent some of the major mechanisms of the performance evaluation process. The growth in performance evaluation dominates both the internal and external assessments of institutions. But the indiscriminate use of performance evaluation seems to problematise the maintenance of this growing culture. While government is busily pressing ahead with quantification exercises, senior managers, administrators,
planners and academics are questioning some of the claims made about their reliability and effectiveness to institutional administration.

Government, together with other stakeholders, continues to demand a more reliable, independent and transparent system of what has been achieved. It demands quality information that it hopes will inform consumer choice and judgements. To help achieve this, government has created a 'constellation of external agencies' (Cunningham, 1996) to help ensure institutional compliance. This 'constellation of agencies' is busy collecting and collating information in a form that would help facilitate stakeholder decision taking. But who are these agencies accountable to? Can stakeholders utilise the available information in an unbiased way? My contributors were worried about the tendency to 'misuse' or 'abuse' information and in their lack of accountability. Some suggested that the degree of accountability of these agencies has not been clearly defined by government.

Universities are aware of their continued dependence on government for financial support. At present, they (providers) are required to deliver public services that satisfy consumer demands. Evidence in this thesis suggests that they are not totally supportive of such an approach to performance evaluation. Many regard the present approach as being responsible for the 'excessive demands' made upon them. To many, the current framework presumably designed to produce vast collections of information, may not be producing the sort of 'realistic' and 'tangible benefits' that they would like. This has led to criticisms about the framework and its ability to deliver information that is fairly 'recent', 'sufficiently robust' and 'digestible'. In these circumstances, managers perceive the present framework as being 'wasteful' and 'unhelpful'. Those views tend to impact upon the culture and environment in which the evaluation process develops.
This has led me to distinguish a growing culture in British universities that is characterised by 'uncertainty', 'mistrust', 'denial', 'sceptism' and of 'slow adaptation' to performance of evaluation. Many participants see the present process as being 'too onerous', 'too expensive', 'too fragmented' and 'too bureaucratic'. The external evaluative mechanisms and increasing quantification are viewed with 'suspicion' and sometimes with 'hostility'. The framework on which performance evaluation is constructed tends to create an environment in which its strengths may be denied and its positive attributes dismissed. In my view, the performance evaluation process tends to be managed through a 'culture of denial'. This culture tends to be present at the departmental, managerial and professional levels.

8.1 Management Tools and Performance Evaluation

In 1985 the Jarrett Committee reported on performance indicators and their use in university management. The Report was intended to address management efficiency and effectiveness in universities. It received strong government support and since then numerous committees have examined the use of indicators of performance in the management of universities. In Chapter 3, I argued that these indicators pose certain dangers if they are not used with 'caution' (See McDaniel, 1996). It was further argued that the growth of indicators in university management is a direct consequence of the rise of the evaluative state. My study supports these arguments and the findings made elsewhere (See Cave et al). The study shows that performance evaluation and assessments feature prominently in the management and regulation of universities. In short, management tools and evaluation tend to form an integral part of university management. The current situation tends to be actively supported by government through a system of financing and state legislation.
8.1.1 Politics of Performance Evaluation

Performance evaluation is politically driven. This view finds support from Cave et al, (1997) as they suggested that the development found expressions through ‘technical advance, and political interests and agendas’. Most informants agree that there is now greater ‘politicization’ of the higher education system. Their arguments find further support from the increasing use of external agencies and business type indicators foisted by the state on higher education and other public services. Increasing tendencies in performance evaluation is evident in other public sector services such as in health, LEAs, schools and transport. Continuing dependence of public services on state funding offers a strong basis for government evaluation and regulation.

Regulation consists of efforts to monitor performance, or co-ordinate the behaviour of institutions to achieve some greater good. The greater good may consists of the prevention of systemic failure; promoting systemic efficiency and effectiveness; prevention of failure and ensuring that performance evaluation is developed and utilized.

Performance evaluation provides the medium through which the State can monitor, assess and reward public institutions. With the State providing increasing funding for universities, it is reasonable to expect those in receipt of public funds to be subjected to its’ effective scrutiny. Managers and administrators in receipt of public funds and involved in making decisions should expect that their actions will be subjected to scrutiny. The participants in this research agree that this should so. They admitted that there is a need for recipients of public funds to give ‘value for money’ while delivering public services. There was further admission that education should not be different. But they seem to object to ‘increasing quantification’ and ‘measurement exercises’ that now characterise
performance measurement within the system. They see the ‘imposed change’ as being predicated upon ‘political rhetoric’ and ‘ideology’ rather than on any public management theory.

Managers and professionals believe that recent changes in political ideology underlie the increasing use of performance evaluation during the last two decades. Managers, administrators, planners and professionals cite changing attitudes by Conservative and New Labour parties to higher education as being responsible for this. They suggest that change is based primarily on ‘political anxieties’, ‘rhetoric’, ‘lack of trust’ and a ‘lack of understanding of higher education’, market oriented policies and the lurch towards more ‘right wing policies’. Ideological change is intended to bring about greater central control while at the same time giving the impression of the State ‘steering from a distance’ (see Chapter 2).

Such a finding supports the view expressed by Barber (1997, pg.1) where he argued that:

"political control over national educational policy has dramatically increased as a result of centralizing measures of the last decade. Furthermore, politicians are increasingly aware that raising educational standards is crucial to our economic success and well being."

Adopting ‘centralizing measures’ gives rise to many issues. Those centralizing measures are creating anxieties among managers, planners and administrators. In fact, performance evaluation as a ‘centralizing measure’ aims at gaining control of universities. I am of the view that the entire process is aimed at giving control through instruments that will give a more powerful sector authoritative right over a less powerful sector. The control and management of universities has to be sought at the intersection of institutional and external processes.
8.1.2 Quantitative and Qualitative Indicators

In Chapter 6, I explored the use of indicators at institutional management level in universities. Both quantitative and qualitative indicators were explored. Managers and administrators have expressed the view that quantitative indicators 'tend to be limited in their use' and suggest that additional information is necessary before full quality, independent and reliable information are provided. Presumably, quantitative indicators do not provide sufficient information to facilitate credible decision making. The evidence suggests that there is need for other forms of complementary data. There is evidence to suggest that qualitative indicators would help improve the situation.

'Discursive' or 'qualitative indicators' would provide the 'flesh' for the bones of quantitative indicators. In my view, good quality information would enhance the decision making process. This is likely to increase both the weight and credibility of the decision. This calls for bringing together, both quantitative and qualitative indicators in a meaningful way for managing universities.

The above findings reinforce the views expressed in Chapter 2 that rational performance indicators should be used as 'signals' or 'guides'. Some informants point to their 'inherent dangers' and suggested that they should be taken with a 'grain of salt'. It can be concluded therefore that performance indicators are more likely to raise questions about objectives rather than providing clear-cut answers. Thus some form of 'management warning' should be given about any possible dangers. This suggests 'educating users' about possible dangers that are associated with their use. It would seem, therefore, that performance indicators should not be seen as 'absolute measures' unless very clear objective criteria have been devised to
effectively measure the desired outcomes. The sector is now so increditably diverse that to develop a single system of indicators to evaluate the whole sector is likely to be a major problem. The higher education sector has different missions and different objectives and fitting the diversity of the sector into a restrictive set represents a key danger.

8.2 Parallel Evaluation System Develops

The evidence points to an interesting but fairly recent development in the evaluation and management of universities. It suggests that British universities tend to favour an 'institution-centred approach' to performance evaluation. All institutions highlighted the increasing use and development of their internal systems. They do so by improving their technologies, use of more consultants and developing 'in-house led' management systems. This implies that universities are moving towards an 'internal based system of assessment'. It is apparent that universities using new 'advances in technology' (Cave et al', 1997, Williams, 1996) to consolidate their internal systems. These latest development provide universities with the internal capability for collecting, collecting and disseminating large volumes of information. Some of this information is also transmitted to the external agencies as part of the universities' legal responsibilities.

The 'internal based approach' reflects some of the features that tend to be associated with the 'external approach' developed by the external agencies. This establishes some form of interaction between the 'internal' and 'external' systems of performance evaluation. The external system provides data to government, universities, schools, mass media and the public. The internal system tends to supply information to managers, planners, administrators and professionals in the universities. The developments noted above appear to form part of the evaluation structures found in both old and new universities.
Certain common themes run through the internal systems: peer review, subject and programme reviews; departmental reviews; academic reviews; new quality assurance committees; strategic plans; management consultants; mentor groups; progression rates and financial plans. In some ways they are indicators or guides that tell how well the institution is performing. One university had developed an internal system to help monitor the performance of their professionals (AIMS). Two others had also developed management systems that ran under the name MIS. This evidence indicates that universities are now busy constructing their internal systems despite the creation of external agencies such as HESA that were set up precisely to provide sector-wide statistics.

The higher education sector seems ready to develop and maintain its internal assessment system. Its constructions tend to be based primarily on a widely held view among informants that the external system cannot be 'trusted' to deliver sufficiently 'robust information', 'beneficial' and 'credible information'. That is, information deemed to be sufficiently effective. But should universities focus and improve on what is provided by the external agencies? The answer tends to be no. My view, based on the evidence in this research and the available literature tends to suggest that universities will continue to remain 'suspicious' of 'outside interference' as long as it adversely impacts on their institutional autonomy. Such a view finds support from some that perceive external agencies as 'demanding' and 'interventionist'. Another possible explanation is found in the general 'dislike' for the form in which quantitative information is advanced by both external agencies and government. Dislike and mistrust for the present approach tend to encourage universities into developing a 'parallel track' within the process.
Universities are pursuing a ‘parallel track’ to co-exist with the State sponsored systems. It seems to me that universities are ready to engage in a ‘major shift’ from the performance evaluation strategy. This seems to suggest tilting the balance from a ‘consumer led information’ strategy to a ‘provider based’ strategy. This does not mean to say that universities are failing to factor consumer demand into their planning and marketing. This seems to suggest that universities are working in the belief that the government sponsored evaluation process has ‘gone too far’ in favour of the consumer. Universities argue that the ‘pendulum has swung too far’ and it is time that universities gain greater control of the institutional process.

Overt expression of any likely ‘shift’ may well put universities on a collision course with government. Government policy seems to be aimed at creating an independent and transparent system of what has been achieved over time. In short, making universities publicly accountable for results. So, if universities appear to unilaterally decide on policies inconsistent with those of the State, then a certain form of conflict may well emerge. A possible conflict situation based on the existence of two ‘parallel tracks’ and underlined by an important question may need to be resolved: which ‘information track’ shall gain precedence?

Henkel (1991) noted possibilities of three kinds of encounter between evaluative institutions and the evaluated: ‘conflict’, ‘containment’ and ‘collaboration’. The evidence from this research suggests that the encounter is one of conflict rather than containment or collaboration. Traditional theories tend to view conflict in terms of values, economic and political differences. It must be observed that conflicting scenarios are sometimes inherent in policy developments and outputs. This research provides ample evidence for a ‘conflict of information policy’ to emerge.
8.2.1 Implications for the Evaluative State

Choice in the selection of data by universities could undermine State policy on information. It could result in bias towards a particular type of information though not necessarily what is best for the institution in the long run. The 'information policy conflict' lies in the use of evaluative mechanisms and not in the information per se. Managers and administrators remain free to choose internal indicators which are applicable to the development of their internal administrative systems. Government and external agencies do not at present determine whether state sponsored information is used in management decisions. This allows universities to enjoy a certain degree of institutional autonomy in these respects and, this they seem to relish. Despite 'media sensationalism' and government pronouncements, universities still appear capable of developing their internal management structures.

The 'evaluative state' exerts greater control in areas associated with the external evaluation processes. Universities are not allowed choice in the selection of external indicators. Participants in this research expressed strong views against the current practice of developing external indicators. Though accepting that some changes have been made, they argue for greater input into the process. Managers and professionals argue for more qualitative indicators and fewer quantitative ones. However, it is worth remembering that universities themselves are finding it quite difficult to develop workable qualitative indicators.

The choice and the development of external indicators still remain the prerogative of government and the external agencies. Government tends to favour quantitative indicators and this is reflected in what is in use today throughout the public sector.
Consequently, a plethora of league tables have emerged throughout the public services and higher education is no exception. Their presence is reinforced by the mass media and the increasing appetite of the wider public for this type of information. The media and websites seem to generate the demand for quantitative information among stakeholders. Furthermore, those external requirements and the agencies responsible for enforcing them have statutory force. Thus universities are unable to withdraw from these processes without breaching the law. By implication, the State has effectively foisted these external processes upon universities.

External evaluation provides real opportunities for the 'evaluative state' to subject institutions to external scrutiny aimed at improving standards and raising quality. At present HEFCE, HESA and the QAA are engaged in ensuring effective delivery of those services. Together, they are responsible for funding, performance evaluation, supply of data and in measuring quality. They can exercise immense power over universities. But they can become 'unpopular' if it appears that they are being 'highhanded' or 'excessive' in their demands.

From my research evidence, it has emerged that participants are 'suspicious' of and 'dislike' these bureaucratic institutions. Some in the higher education sector see them as 'agents' or 'conduits' of government, ready to act at the behest of their 'master'. They see their presence as marking an era of unconcealed bureaucratic and authoritative regulation. Managers and professionals see these developments as signals for greater 'political influence' in the future.

Few would argue against the idea that the statutory presence, financial capacity and advocacy of external agencies would impact on the activities
of universities. The evidence of this research does indicate that the activities of external agencies tend to increase cost, engage teaching time, increase administrative activities and increase 'pressure' on all involved. Managers and professionals argue that there is also 'waste', 'duplicitous activity' and loss of opportunity when universities engage in external evaluation processes. Interview evidence suggests that quality may sometimes be adversely affected when demands impose pressures on those engaged in the process. Managers and academics referred to the RAE as an example where a few academics were engaged in 'salami slicing' in order to satisfy external requirements. Managers thought that the poor quality and the unproductive nature of the exercise in some cases were due to the 'external pressures'. But there is also evidence to suggest that HEFCE has improved on the research assessment process so as to discourage any such practices.

The views expressed by managers, administrators and academics suggest that external agencies are now driven by the desire to 'foist' a standardised system on diverse institutions and aimed at bringing about greater quantification to the evaluation process. It has more to do with control, business management techniques and accountability. Many in the universities tend to reject such an approach. Some of the management tools regarded by policymakers as being highly effective 'evaluative state mechanisms' may well have to be reviewed in future.

### 8.2.2 HEFCE and Performance Evaluation

It has emerged amidst the criticisms that participants share some positive views about HEFCE. This is more prevalent in the 'old' than in the 'new' universities. Generally, there is agreement among managers and professionals to suggest that HEFCE has improved both its' methodology and the management of the evaluation process. Evidence shows that
HEFCE is considered to be 'more helpful', 'will now listen more', 'will give advice on a problem' and has 'reformed its practices'. This is a major research finding since managers and academics in the past have been critical of HEFCE's role in evaluation. This result shows a growing 'sensitivity' and 'flexibility' on the part of HEFCE. It implies that if external bodies are perceived as willing to 'listen' and 'collaborate' with institutions, some form of goodwill might emerge. Certainly, this will go a long way towards appeasing those who argue for a 'lighter touch' or argue that they are suffering from 'assessment fatigue'.

There is interview evidence to suggest that some administrators, managers, planners and professionals would like to see HEFCE acting in a less 'interventionist' role. They argue that HEFCE sometimes interferes in the management of universities. In effect, HEFCE is accused of encroaching on the autonomy of institutions. Such arguments reinforce the view that universities are still keen to protect their institutional autonomy. This may help clarify further why universities are continuing to develop this 'parallel evaluation system'. This suggests that universities are eager to safeguard the 'ownership' of data, processes and structures in order to maintain a degree of control of their activities. Both the practices and the views suggest that managers and professionals are dismissive of the State's attempts to exercise full control over universities. The State's view that external performance evaluation may offer best value or practice may be under challenge.

8.3 Performance Evaluation and Academic Culture

Government must realise that winning the hearts and minds of public sector professionals is crucial if its' delivery targets are to be met and its' reforms realised. This is equally true of those involved in academic life. Professionals must be paid properly, and be seen to be appreciated in the
quest to raise standards. Signs of the centre turning up the pressure may obstruct the momentum for change.

Informants noted that a key reason for the State's interest in monitoring performance was the severe financial stringency which universities faced in the 1970s and 1980s. The realisation that the biggest share of university expenditure went towards paying academic staff was a 'major culture shock'. The system tended to be laissez-faire and bureaucratic, with few managers or administrators concerned with management efficiency. The paradigm shift to what academics were doing became the focus of the new developments in evaluation.

The idea of performance evaluation in the academic arena was a real surprise. There is evidence from this research to suggest that academics 'do not like it'. Many argue that the constraints imposed since then go against the grain of 'academic freedom'. The evidence suggests that academics feel that the State 'no longer trusts' them. Some argue that the introduction of performance evaluation in academia marked the 'breakdown of trust between the state and academics'. This 'breakdown of trust' is seen as the primary reason for the State's 'intrusion in academia'. It may be concluded that a 'lack of trust by academics' about the State's intention can impact adversely on relations between state and institution.

But professionals in higher education are not the only ones being targeted by the State. Doctors in the health service are now under intense pressure. The Police are now being subjected to similar demands for accountability. Restrictions on competition within and between professions are being removed. Government is currently reviewing certain professions, such as barristers, where it is felt that they enjoy monopolistic power. Government regards all this as being consistent with the public interest. The New Labour
government has made pledges to the general public that have fuelled its' expectations. The other political parties have also increased public expectations in the same way. Political parties have set targets with specific time frames for the delivery of services upon which they expect their performance to be judged. As a result, government expects professionals to deliver high quality services against a shrinking resource base within a limited time frame. Successive British governments have found out that in some cases, such as the health service, this is never easy. But still many professionals continue to remain under the 'spotlight' through constant evaluation and league tables.

Government seems no longer content to leave professionals in charge of its major investments and policy initiatives without monitoring delivery. So the work of professionals has become a major political issue. From the government's perspective, it is as though professionals have agendas that are inconsistent and possibly harmful to the public interest. In which case, professionals should not be allowed to look after public institutions without effective scrutiny. Perhaps, professionals will turn a blind eye, and perhaps there will be leakage of public funds with connivance or ignorance of those in charge.

The State is now the judge of what is effective. Because professionals 'cannot be trusted' then their work must be evaluated. Professionals may not make a decent job of it. Evidence from this research suggests that professionals feel that government does not 'value them'. Professionals now believe that the time has come for government to 'slow down the evaluation process'. Many allege that there is 'too much pressure', 'mistrust', 'overwork', 'lack of recognition of status' giving rise to an 'intolerable situation'. There are suggestions that increasing work pressures have had an adverse effect on the health of some academics. Poor working conditions
may have created a ‘greenhouse condition’. The evidence points to a scenario whereby academics would like to see a pause in the pace of reform; a time for taking stock; and a time of reflection on the impact of two decades of accelerated reform.

Reluctance to accept performance indicators as evidenced in Chapter 6 or, aspects of the national assessments as seen in Chapter 5, is reproduced in the belief that management terminology or practice should not form part of university management. This apparent rejection of the ways by which performance evaluation has developed is also reflected in the belief that universities are still ‘autonomous institutions’ (Becher et al, (1992) and Little et al, (1999). But the argument that universities are fully autonomous institutions remain a key issue.

The silence that once characterised university operations has disappeared. Henkel et al (1999) observed that:

"The right of universities to constitute a bounded sector or society in which they determine the education they provide is..... under challenge(Pg. 340-41)

The State and other stakeholders tend to behave as if there are no ‘bounded sectors’. At least, not when performance evaluation of institutions matter. There is little to suggest that government is being deflected from its central focus on evaluation and inspection. Most managers and academics appear to agree. Neither is there any suggestion that the tenets underpinning the evaluation strategy are likely to change. But there are suggestions that managers, administrators and academics are concerned about allowing politicians or civil servants into micro management of universities.

Higher education could become one of the sectors in which business orientated indicators are not applied as widely as is the case in some of the
other public services. Performance indicators and the evaluation process are ‘subject to caveats’ that seem to create ‘uncertainty’ and ‘scepticism’ about their benefits. Thus policy makers need to address these concerns. The external and internal processes must be harnessed together in order to negative the effects of ‘fragmentation’. The answer may well lie at the intersection of the two processes. Hence the control and management of universities has to be sought at the intersection of these two strategies. Perhaps government’s and external agencies’ expectation that universities should change their processes to meet their requirements seems unrealistic. Universities seem to be sending out a clear message about their intentions as they pursue ‘parallel evaluation systems’.

The message is clear and unequivocal. Universities are unwilling to sit back and allow the State to impose performance evaluation systems from which few benefits accrue to them. More so, many argue that evaluation is driven by political dogma rather than bringing clear benefits to higher education. In view of the evidence before me, it may be concluded that tools of management tend to show themselves to be imperfect instruments of evaluation and control. Government support for performance evaluation as an instrument of change and control may have to be reviewed. The creation of agencies with tendencies to ‘intrude’ into management seems to undermine some of the traditional procedures that are already in place to hold universities accountable. The current process appears fraught with difficulties and concerns.

Hence the reason why the research finding that universities are developing their ‘internal evaluation system’ parallel to that of the States’ evaluation process should be viewed as significant. Its’ significance lies in the fact that despite numerous policy changes by government to create and develop external evaluation systems, universities continue to build their ‘in house
systems'. It is also significant to note that much of the data produced by external agencies is not fully used and becomes 'obsolete' and hence 'ineffective'. It would suggest a rejection of key areas in government's reform policies in higher education. It would also suggest a subtle rejection of externally produced data. A subtle 'take over' of the type and quality of data which universities require seems to be in the making. This would certainly undermine state policy in higher education.

8.4 Old and New Universities

There are few significant differences in the perception of managers and administrators in old and new universities about the use of performance evaluation. There are slight disagreements in the way the RAE tends to benefit each group. The only major difference seems to lie in their perception about the use of A levels and value added as indicators of performance. Managers in the new universities still see 'A' level as continuing 'elitism' and the maintenance of the traditional approach to HE. Managers in old universities fail to recognise 'value added' as an effective indicator of performance. These are not new findings but good enough to suggest that those previous differences within higher education still remain.

More significant is the way both groups seem to engage in the development of a 'parallel system' of evaluation. Apparently, the rise of the 'evaluative state' seems to have triggered an alternative approach to the pressures, intrusion and regulation associated with external evaluation. So there are strong grounds for addressing the 'bureaucratic burdens' and 'perceived dangers' that are associated with the use and development of performance evaluation in universities. The State can help reduce possible tensions within the system through careful assessments of the methodology and approaches to performance evaluation. A solution may well lie at the intersection of
institutional culture, internal evaluation structures and education policy within the political framework

8.5 Future Research on the Parallel Framework

Universities today, both traditional and newly-designated, are emerging within a growing 'inspection culture'. As the evaluation culture becomes more entrenched, universities seem willing to establish internal systems capable of meeting their institutional demands. Universities are exploring and developing internal systems good enough to deliver the competitive edge. The way 'parallel evaluation system' provide universities with a tool to holistically evaluate their performance without losing sight of their inherent role of social responsibility and public accountability is quite interesting.

'Parallel evaluation systems' could well develop into a formidable replacement or adjunct to the externally propelled system. This would involve doing away with or integrating the external into the internal system. It may become possible for universities to combine the 'external' and the 'internal' systems. This would require time for the two 'systems' to 'bed' effectively with each other. This may well reduce the level of State influence in the management of universities. This new framework requires further research to empirically test its' role and impact within a growing evaluation culture. There are no immediate signs to suggest that the State's influence will diminish in the foreseeable future. Regulation is not always effective. Trying to understand the implication of the regulator's reforms can be expensive, oppressive and wrongheaded. Keeping watch on future developments in performance evaluation is therefore vital. And in addition, trying to understand its future role in the regulation of universities is paramount.
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APPENDIX I

RE: LIST OF TOPICS THAT MAY BE COVERED AT INTERVIEW

1. Performance evaluation in universities.
2. Uses and development of Performance Indicators (PIs).
3. Selection of PI's and types of indicators used by universities.
4. Burdens placed upon policy makers, managers and administrators in higher education.
5. Issues relating to the qualitative versus the quantitative debate.
6. Governments' role in the evaluation process.
7. Senior academics and their response to performance evaluation.
8. Impact of indicators on the culture and structures of universities.
9. Link between evaluation and public accountability.
10. General problem of resources and impact on evaluation.
11. Responses of universities to the use of 'league tables' in evaluation.
12. Conflict, domination and trust between government and the universities.
14. Quantitative indicators and the decision making process.
15. Dangers and weakness of indicators.
17. Regulation in higher education
18. Other.
APPENDIX II

SAMPLE INTERVIEW CODE  
(significant words used in the analysis are shown in bold)

Position: Senior Manageress.

I: Do you use PIs or, are you attached to the performance evaluation process?

R: Yes we do. Yes I am attached. I am an information manager with responsibility for quality assurance. 'It's all about performance evaluation, improvement and quality'.

Q: Can you describe their nature and type?

R: Well, there are a number of PIs that comes from the sector which we use. Those are indicators in terms of different profiles of students, in different institutions, different financial backgrounds which we look at and compare ourselves against. But we only compare ourselves against institutions we think are similar in mission, or size or subject mix. We take a subjective view of the groups we are looking at.
There are 'external indicators' that are already available. 'There is, as you might know, a whole development going at the moment towards providing a whole range of external indicators.'

We also develop our 'own internal PIs where we look at us as an institution in the context of our teaching plans, different objectives we have set ourselves within our strategic plans. We have developed a range of indicators that we look at and compare with our objectives to see whether we are meeting them and institute appropriate procedures, policies, planning or whatever is needed to move forward those objectives'. So those 'internal ones', if you like, are the strategic objective of the institution.

Q: What specifics? Can you specify any three?

R: In terms of PIs we report again to our governing bodies the top level 'strategic indicators'. There would be indicators such as achievement of 'recruitment targets', looking at if we achieve that target; breaking down into areas to find out if it is full or part-time, graduate, postgraduate, whatever. We look at that over a period of time in context of our objectives. We will look at issues like 'financial performance'. We look at the objectives of the institution in terms of how much resources. We monitor the performance in terms of meeting those objectives. Issues around 'student employability' 'internal analysis of student destination', to see whether we are making progress in terms of increasing percentage of students in employment within the first 6 months.
Q: What do you think about the system in which indicators and performance evaluation takes place?

R: Really ‘fragmented’. ‘Too many little bits’. It is highly bureaucratic with too many layers.

Q: Is that a good or bad thing?

R: It cannot be good when there are so many units providing different services. This can affect the ‘efficiency of the system’. Universities must now respond to many more agencies with every one making demands upon them.

Q: Are there any other indicators you consider in your decision making?

R: We look at our ‘research portfolio’ against objectives set, improving that, broadening it, achieving it. We also think that ‘value-added’ is important for us. That is, important for everybody. We carry out an analysis of that. We have a high proportion of students coming in without entry qualifications. We want to look at what they achieve to see whether they are getting ‘value-added’

Q: Why such emphasis on ‘value-added’?

R: This is what our objectives are and certainly our analysis to date has shown that if you compare students coming in with ‘traditional A levels entry qualifications against students who came in with non-traditional qualifications the distribution between 2:1 and 2:2 degree classification is very similar. And if people are arguing that people coming in with non-traditional entry qualifications were living with lower levels of achievement, our analysis suggests that is not the case. There is a normal distribution of those students.

I: People from the ‘old sector’ may not support your view fully.

R: I think that is the problem of the old sector as opposed to the ‘new sector’. The traditional sector has had a history of not recruiting students with non-traditional entry qualifications. They work by the ‘gold standard’. They ‘stay with the gold standard’. New universities have always taken a different approach to recruitment. They have taken students from broader backgrounds, different educational backgrounds and provide them with opportunity to achieve within higher education. The old universities will continue to maintain that the new universities are ‘dumbing down standards’ by their approach. Therefore, ‘I suggest that they will not go along with the value added arguments because they don’t want their view of difference between old and new universities dismissed by this analysis. They (old) always seem to argue that ‘the old is better’.
Q: Would this impact on progression rates?

R: Certainly, and this analysis is being undertaken by the Funding Council. Their analysis to date suggests that there are lots of factors for 'progression rates' that are perhaps not as good in some new universities as they are in the more traditional universities. But there are many other issues around there because progression rate analysis is very difficult. You must take into account the increasing 'access and flexibility' new universities provide. We have modular systems which encourages 'life long learning; you can come in and go out. Progression analysis, until now has focused very much on identifying a 'cohort'. In the new universities particularly, the structures are such that what should be analysed is whether they complete any year 'in good standing as much as if they had completed in three years with a degree.

Q: Let me move you on to the issues around 'league tables'. How do you stand?

R: My view of league tables generically is that they are 'not helpful'. But there are good league tables and bad league tables. I think the problem with league tables is that they are currently produced, I think by the 'Times' and 'Higher', and continue to persist in the 'myth' that the value of 'A' levels as entry 'gold standard; the myth that the 'standard is the 3 year full time undergraduate programme. And they 'rank institutions' by 'A' level entry scores which is clearly not relevant to an institution like ours, where the majority of our students come without 'A levels'. There we rank very poorly on A level entry points. What the league table currently don't do is to look at a 'measure of value-added' and consider 'output'. How many students have they exited with 'first class degrees' or 2:1. There can be some sort of analysis and set this up against the sector. They are 'crude in the way they rank by using very traditional measures'.

The 'Higher Education Management Statistics Group' is looking at producing PIs that would 'inform a different sort of league table where you would be looking at 'institutions which are similar in whatever nature it maybe eg. 'Based in same region, they have similar cohorts of students. I think that is more value to get from league tables when undertaking such an analysis than these 'crude rankings' of Cambridge at the top and UNL at the bottom. What is meant by the interpretation of the data?

I: There is a view in some quarters that HESA is 'wasteful,' 'a government agent' or 'a conduit'. Do you agree?

R: No. We have found it very valuable. I think a lot of people have been disillusioned by the fact that in its early years it 'required an inordinate amount of energy on the part of institutions to comply'. As it has become more part of the system it has become more straightforward as is the information we receive from them. It has 'been very valuable'.

I: Has 'lapse of time made the information less valuable or useful'?
R: That is the problem. ‘I do not understand why they can’t be more current than they are’. They are still talking about 1996-97 when they have received the 1998 data. So HESA is behind time and this tend to affect the quality of decision making.

I: What are your views about HEFCE?

R: They are much with government. They are much more responding to their masters. There are issues around them becoming involved with ‘management of institutions’. I think a lot of ‘people would suggest that they tend to manage institutions. They ‘interfere too much in institutions academic autonomy’. I think HEFCE interferes much more than HESA and definitely act as a ‘conduit of government’.

I: I have found many with contrary views.

R: Well, I don’t share their view. ‘HEFCE is still operating on traditional principles’. It is still working according to the values of the traditional universities.

I: Would you say that new universities are more amenable to performance evaluation?

R: I suspect the reason why the new universities are more amenable, as you say, is because these sorts of development have been in the ‘sector’ where analysis and monitoring has been going on for ‘a long period of time’. Whereas the old universities have been ‘Lord unto themselves’, the FC did not have the same involvement that CNAA and PFC had. We have been working closer with our masters’. It hasn’t been at arm length, it has been co-operative and much more i always ‘to the new universities’. (Almost sneering) The old universities! Widening participation? They still want 80% with 3 n strategy terms, forward thinking, in terms of what ‘the government and HEFCE is now addressing’. None of this is new A levels.

I: How has PIs affected the life of academics?

R: (Hesitating). You will have to ask academics?

I: Surely you must have noted some of their response?

R: It depends on the type of institution that you are in. PIs amongst other things are used to set ‘strategic direction, to monitor the strategic direction’. In this university, the strategic plan is a plan owned by the university and all its members. So the academics and professionals all own the academic plan. So any development that are required by the strategic plan and the monitoring which follow are taken on board
by all academics. All our academics will get involved in these issues. I am not an 
academic and you will have to ask them to find out more.

I: What are your views on the TQA?

R: (Slight hesitation) It's a bit difficult. There are good and bad things about the 
TQA and what it provides institutions with. The 'process of assessment is very long 
winded, time consuming, costly, in all sorts of ways. And one has to question the 
'value of that in terms of what the end result is'. Having said that clearly, the 
TQA does 'highlight weaknesses which institutions have to address and its' 
clearly to their advantage to address them' and that must be done able'. For 
example, the way it dealt with the Thames Valley incident. (Hardly the word to use 
but you know what I mean). That is an issue they picked up and it had to be picked 
up. That was good for them.

But the 'process itself is very cumbersome. The question of 'how it fits in with 
our own quality processes is quite important. There is a sort of period of 
settling down, bedding the new process, to make sure it is part of our processes, 
which I think is well developed'.

One of the problems, perhaps in the past, has been an 'expectation from 
external bodies that we can change our processes to meet their requirements, 
and whereas in fact what they should be doing is recognising that we have well 
developed systems and that they should be working within our systems. They 
should not be spending time forcing us to spend time, effort and money working 
into their systems'. In terms of the outcomes of the TQA, then there is 'value to be 
had, in that because clearly 'people tend to highlight deficiencies which managers and 
institutions will act upon'.

I: Does the application of indicators add to the operational cost for institutions?

R: Certainly. This is quite evident in the compilation of the data. Yes, there is cost 
to performance indicators. Then there is 'an opportunity cost as well'. The cost in 
terms of what the outcomes of the PI are in terms of management information that 
you can then use to plan. You have to offset the costs with the 'benefit that comes 
from this'.

There was a conference last year that was run by the CVCP and Dianne Warwick 
gave the opening address. She said that 'all universities are being ranked by the 
measure of a few. They are all being ranked against Cambridge and that is not 
appropriate. Leslie Whitenor from Leeds also spoke and some of the things he said 
was to liken the 'league tables to the football league'. Now I am looking at the 
football league and you are ranking goals against goals. Nothing is different. 
Everybody is the same. It is a level playing pitch. 'But we are not in a level playing
football pitch. And we shouldn't be ranked as if we were equal, which is what they do at the moment'.

I: Any dangers?

R: Yes. I think the danger is that its' damaging to those institutions like ours (.....) trying to develop 'widening access and participation and a whole set of strategic missions based on that'. We are constantly being held up against institutions that have 'different missions'. Traditional universities are high profile research institutions and their mission is to increase 'research income and students become almost secondary business to them'. And it is very difficult when we are placed against them in 'any sort of comparisons'. There is a 'real sort of conflict'. I am not sure that the government and FC is 'necessarily helping it' because the government is talking about 'life long learning and widening participation. The FC has taken from revisions the to 'funding methodology' a new set of factors such that if we recruit students from socially disadvantaged areas we get additional funds. That 'to be applauded and that to be promoted' yet at the same time they go hand in hand with the 'league tables to continue to promote the myth of the Oxbridge scenario'.

I: Going back to the system itself. Does the lack of a holistic approach affect the effectiveness of indicators?

R: Remember what I said earlier. It does appear that at the moment. Have you seen the Report that came out. There is a report on the work that is currently going on with joint performance indicators. One thing about the report is that it sets out by saying its making a number of proposals in terms of performance indicators to be produced within the sector. Throughout the report it highlights 'difficulties with every single proposal they are putting forward'. Clearly, at the end of the report they say that there are problems and must go back and discuss them.

I get very confused about the 'role of the FC in this'. They have over the years different working groups looking at performance indicators. But they never come to any final fruition. I think that the latest consultative report demonstrates, they make reference to previous work, then make it look as 'if they have cracked the issue, they make it look as if they have cracked the solution, but throughout the report there is no solution. It is not clear to me what will happen next year. It seems to me that work gets so far but once the real difficulties become apparent in areas such as value added and progression rates, nothing seem to happen. Questions such as what is progression, what is the sector you are measuring; are you measuring like with like. Once those issues become apparent they get put away again.

I: Would you say that performance evaluation was politically driven?
R: It is difficult to answer that one because, as I have said before, there is conflict between government own initiative in terms of lifelong learning and yet the emphasis is still on the very 'traditional, reactive league table'. But I think anyone with the slightest kind of 'cynicism would say yes'.

I: Do you develop qualitative indicators? (the respondent wants me explain what the term means. I proceed to do so)

R: The question is 'how you measure those'. Yes, we have 'student satisfaction survey and we analyse that in such a way that we identify types of responses. Because if you need qualitative indicators 'you still have to put some quantitative measures on it' you will know how to use it to develop 'policy'. In student satisfaction survey we will analyse the 'answers, the degree of students satisfied with and we produce some data. We also look at 'students complain and this seems to be on the increase. We look at individual departments where they are monitoring 'delivery' and whether it is pulled into 'corporate indicators'.

I: Do you find information presented by HESA to be valuable and useful?

R: Its' certainly beneficial and useful because it gives us an opportunity to do some comparative analysis against other like institutions. Knowing that we are using consistent data, because our data would have been compiled under same restrictions, regime or whatever else is necessary. So we know that we are looking at 'similar aspects of provision'. So yes they have been useful. There have been difficulties in really producing that data and there are real arguments about what its' actually telling us. But if you put this aside and use it, it has proven to be useful.

I: What difficulties do you encounter with the type of information?

R: In terms of HESA, they are currently with the FC in the 'Progression analysis'. And we return data to HESA in terms of each student at the end of the year both for the modular and accreditation systems. The question is whether 'other institutions have similar systems which means that their end of year results mean the same or are we comparing when we say we have 80% completion in good standing and another says that it has the same 80% and which does actually mean the same. And also the work HESA does with HEFCE can apply a different definition eg. A student can complete the year in good standing as a full time, and the following year change mode to part time. When HESA/FC use the data for analysis, the student is seen as a 'non-progression'. This counts as a bad thing. The student going to part time reflect part of our flexibility and not given the same definition by them.

I: Is there conflict between returns from institutions and what is produced by HESA/HEFCE?
R: Yes, there is a conflict in terms of the figures we give and what they produce. Sometimes it can vary by as much as 10-15%.

I: What are some of the major dangers associated with performance evaluation?

R: I am sure there are issues around being ‘misdirected by an indicator to focusing on an area that is actually not relevant in the greatest scheme of things’. Focusing time, effort and money on something which an indicator has shown up to the detriment of other developments within the institution. ‘So that I think you should consider when performance evaluation and indicators are used’.

I: Do you think descriptions or explanations should be added?

R: Certainly. All the ‘externally published performance indicators definitely need to be very clearly defined and sourced’. And I think that is one of the problems at the moment and possibly why PIs published are still not getting there. It is a long way off. They recognised the difficulties and its not possible over the vast range of indicators to achieve a ‘common definition’. Without a ‘common definition you don’t have a PI’

I: May you explain further?

R: It is not possible to achieve everything because PIs mean ‘different things to different institutions’. For example, take the progression rate issue’. To this university, a student finishing one year of a course and withdrawing for 2 or 3 years is ‘not a bad indicator’. For other institutions and HEFCE, it is seen as ‘non-progression. It is capped as a ‘bad indicator’. So questions of definition means ‘different things to different people. Absolutely’.

I: Do you need a broad, somewhat national definition?

R: How can you achieve it? I don’t think you can! That is why you must consider ‘looking at different types of PIs, different types of institutions, different aspects of delivery that you can monitor and not necessarily looking at the proportion of students who don’t return in a year’. Look at what happens to students at the end of the year, all those who completed the year in good standing. If they have then that is ‘an indicator’. At the moment HEFCE is concentrating not on the fact that they have completed the year in good standing, but looking at ‘what happens next. That is, measuring the future’. The fact that the student got through the end of the year should be reported. They are reporting the students who completed the last year and appeared in the next year.

I: Is HESA aware of these problems?

R: Yes. It is being debated all the time. The institution will raise it.
I: How do you see the future of the sector?

R: Life long learning is the agenda. FC continuing to address widening participation. That will continue to be an imperative for the institution. There is also the Regional Development Agencies, lots of debates around what the roles will be, how they will work with universities, their region, other educational institutions. There is also the international scenario. We have a lot more overseas institutions who are attracting and developing programmes jointly. So there are lots of issues around 'internationalism'.

I: Finally, what is the place of performance evaluation in the long run?

R: (A pause). I think indicators are 'here to stay'. I believe government will continue with performance evaluation. But the way its being carried out may change in the future. 'That will not stop universities from developing their own systems. New universities will continue developing their internal systems. They need them'.

I: Thank you very much. Your answers have helped to illuminate numerous issues

Parties shake hands. Interview ends.

P.S. The parts that are highlighted reflect some of the themes and sentiments expressed through my interviews