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Is Shared Governance Feasible in Public Higher Education Institutions of China?

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ARTICLE INFO	ABSTRACT
	Economic development and rapid changes in technology have considerable impact on higher education in China. To prepare skilled highly-educated workforce and meet the demand for research development and productivity, higher education institutions in China are under a great pressure of adapting and implementing organizational change (Li et al., 2012).[20] This paper starts with an overview of the higher educational transformations in China in the past decades. Then the author assesses the shared governance practice in the U.S. and discusses the potential and limitations for China to adopt shared governance in the near future.

1. Introduction

Since the transformation from a planned economy to a market-oriented economy under the open-door policy in the 1980s, the Chinese higher education system has shifted from a completely top-down centralized system to a more locally control system after several governance reforms, including the Decision on the Reform of the Educational System in 1985 and the Outline for Education Reform and Development in 1993. In 1998, the Chinese government issued the Higher Education Law which stipulated the legal status of higher education institutions. The university president held more accountable for the institutional policy making and strategic planning. Higher education institutions (HEIs) were authorized with considerably more governance autonomy, including proposing enrollment plan, making changes in program offerings and curricula design, conducting research, personnel recruitment and selection, performance evaluation and rewards of faculty and staff, facilities management, and allocation of government funds and donations.

Meanwhile, HEIs doesn't receive 100 percent of funding from the Ministry of Education any longer. Parts of the funding come from national and local provinces; others from donations from alumni and society, student tuition and fees, research contracts, etc. As research contracts share more percentages in the source of institutional funding and faculty research and their products become more representative of an institution's reputation, the status of faculty has increased. There's need for increasing faculty voice in institutional governance to guide the healthy growth of institutions.

Rapid economic development and technology change the demands in the labor market which creates new

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challenges to prepare students for success and increases accountability of HEIs in China. Faced with international competition, some observers argued that governance reform in HEIs, including decentralization and increasing faculty's involvement and academic freedom is the key for escalating higher education quality.

The launch of the South University of Science and Technology of China (SUSTC) in 2007 is an important pilot of the governance reform in HEIs for decentralization and shared governance in China. The institution was funded by the municipal of Shenzhen, a special economic zone city in southern China, in hopes of performing institutional administrative affairs independently. SUSTC involved faculty to implement its own college admission process in which students can choose not to take the national college entrance examination. The institution issued its own diploma and had the autonomy to develop and execute its own strategic plan and university policy. Faculty in SUSTC enjoy autonomy in areas such as the choice of teaching language, curriculum design and student admission. However, SUSTC was blocked from accreditation and considered illegitimate as payback for the autonomy.

Under great external pressure, SUSTC reached a compromise with the Ministry of Education to count national entrance exam for 60 percent. In 2013, one year after it was accredited by the Ministry of Education, the University Party Committee was established in SUSTC. Later, a new president stepped up and changed some of the university policies, including financial aid plan to be aligned with the central government's rules and regulations. However, the failure of governance reform of SUSTC didn't stop the exploration of restructuring university systems. Wide-raging discussions have taken place about faculty involvement and the exercise of academic power, reflecting the HEIs' impulse for change.

There are four types of systematic governance modes in higher education proposed by Capano (2011)[5]:

Hierarchical mode: The government imposes goals and methods on higher education institutions leaving little procedural or substantial autonomy—substantial determination of student admission numbers and national academic level; direct regulation on teaching and research outcomes, earmarked funding, direct budget assignation.

Procedural mode: The government exerts strict national rules with substantial institutional autonomy – detailed national regulation of personnel recruitment and student admission process; control in curricula design; specific rules in budget assignation; strict regulation on internal governance.

Steering-at-a-distance mode: The government focuses on setting collective objectives and implementing strategies with incentives to encourage compliance but leaves stakeholders freedom to choose methods to reach the goals—the government provides clear systematic goals, financial incentives and constraints, soft rules and comparative evaluation to influence stakeholders in institutions. Institutions enjoy the autonomy to consider options and determine their own development strategies. It's assumed that government and individual institutions can both demonstrate accountability and act rationally.

Self-governance mode: Government leaves complete freedom to policy making in higher education institutions but reserves the right to intervene when necessary. The operation of institutions is market-driven and influenced by the institutionalization of relations between participants.

In a long term, higher education system in China was a good example of hierarchical governance, characterized by strictly top-down management practices and limited procedural or substantial autonomy. For example, in the early years, the central government imposed its goals of increasing higher education participation. Funding was assigned to institutions based on systematic national missions determined by the government with little connection to quality assessment. Then the governance reform in the late 90s shifted the hierarchical mode to the other traditional governance mode—procedural governance. Institutions have some freedom to choose their own goals and make substantial decisions though they are required to follow the rigid procedural regulations issued by the Ministry of Education.

In the past decade, China has undergone rapid economic growth in a catch-up mode. Public expenditure on Research and Development (R&D) has increased dramatically and higher education institutions have been playing a critical role in the country's capability of expanding innovation. Technology has great influence on the speed of change in the society, including higher education. To keep up the pace in a considerably competitive environment, a shift in higher education system governance becomes necessary. According to Institutional Theory (DiMaggio & Powell, 1983),[7] organizations respond and adapt to pressures in their environment towards isomorphism so that they will appear legitimate. Increasing globalization results in rapid exchange of information, interaction of values and confluence of culture which allow international comparisons and imitation of education system. The U.S. higher education system which develops a large

number of prestigious universities has been leading the global competition. Private universities in the U.S. are self-governing bodies that enjoy complete freedom in determining their own institutional goals and means. Most public universities are impacted by the policy priorities set by the state central government though they preserve the freedom of choosing method for reaching them. Decision making of internal authorities in colleges and universities can be steered through financial incentives and negotiated contracts provided by the central government. Though the private institutions and public institutions differ in the level of governmental specification of the goals to be achieved, as classified by Capano (2011),[5] they typically share the same "best practice", called shared governance. The majority of the colleges and universities in the U.S. honor the process of shared governance, which collaboratively engage faculty and other internal and external stakeholders in institution decision-making and priority setting. After the massive expansion, HEIs in China set the goal of building world-class universities and scaling up research and innovation activities. There has been a tendency to emulate top universities in the U.S. as a convenient source of practice. Faculty at the most prestigious colleges and universities in the U.S. enjoyed a larger role in institutional governance than those at less respected institutions (Gerber, 2014).[10] Many scholars see shared governance as a breakthrough to HEI governance reform. How likely HEIs in China can resemble the HE system in the U.S. to implement shared governance?

2. Shared Governance in the U.S.

The first colleges in the U.S. were founded by religious communities in the colonies to train ministers and leaders in other professions. After the Revolutionary War, those colonial colleges received direct support from the states but enjoyed great independence. The Supreme Court's Dartmouth decision in 1819 limits the intervention power from the new federal government on private institutions.

The enactment of the Morrill Act of 1862, which gave each state public land to foster higher education (Lingenfelter et.al, 2004),[21] resulted in over seventy land grant colleges and universities. The states also established publicly owned "flagship universities" all across the country. With the resources from the federal government, state colleges and universities were expected to provide practical education mainly on agriculture and engineering along with classical subjects. Though not granted with constitutional autonomy, public institutions still operated with substantial independence from state control, governed by boards (Berdahl, 2014).[2] It allowed public institutions to compete with private colleges to attract and serve students by implementing different innovative

strategies promptly.

In the early history of both public and private higher education institutions, legal authority, which is the basis for the role of trustees and administration, was generally recognized. Presidents and administrative leaders were selected and supported by boards of trustees to exercise control over all levels of institutional issues (Hofstadter & Metzger, 1955).[12] Faculty's involvement in institutional governance is limited to academic issues, such as the authority in teaching methods and curriculum design (Brinbaum, 2000).[3] As the professionalism of the faculty is escalating in the early 20th century, in 1920, the American Association of University Professors (AAUP)'s Committee on College and University Governance emphasized the importance of faculty's voice in academic governance in its first statement. After World War II, the academic revolution resulted in faculty's stronger need of participation in overall institutional governance, including institutional strategic planning, budgeting, personnel selection etc. (Brinbaum, 2000).[3] The 1966 Joint Statement on Government of Colleges and Universities, formulated by the AAUP, the American Council on Education (ACE) and the Association of Governing Boards of Universities and Colleges (AGB), formally called for shared governance. The statement legitimated the faculty's role in institutional governance for the first time. Since then, many U.S. colleges and universities accepted "shared governance" and gradually developed a set of practices under which both administrators and faculty participate in primary institutional operation decisions. The core rationale of shared governance is that integrating diverse values and beliefs can achieve quality decision.

Higher educational institutions in the U.S. are loosely coupled bureaucratic organizations (Weick, 1976).[33] The professional nature of faculty creates the professional bureaucracy (Hardy, 1990) in which, faculty are assumed to enjoy a greater degree of control over their work and be capable to influence on institutional governance in a decentralized structure.

In the practice of shared governance, research revealed that the areas where faculty have influence in institutional governance varies. McCormick and Meiners (1988)[25] "found that faculty control ranged from as high as of 97% for decisions concerning academic performance and as low as of 7% for decisions concerning long term budgetary planning. Other studies suggested that faculty have the most influence on curriculum (Brown, 2001;[4] Kater & Levin, 2004;[17] Kaplan, 2005; Tierney & Minor, 2003[31],[16] standards for promotion and tenure (Tierney & Minor, 2003),[31] faculty evaluation (Kater & Levin,

2004; Tierney & Minor, 2003[31]),[17] faculty appointment (Kaplan, 2005),[16] and degree offerings (Kaplan, 2005),[16] as well as student admissions and graduation (Benjamin & Carroll, 1996).[1] However, faculty played the least important role in budgeting and resource allocation (Dimond, 1991;[8] Brown, 2001;[4] Kissler, 1997;[18] Tierney & Minor, 2003),[31] and evaluation of organizational leaders (Tierney & Minor, 2003).

Faculty's attitudes towards shared governance play a critical role in the applicability and effectiveness of the dual control model. William et al. (1987)[34] collected faculty's attitudes towards shared governance in HEIs of US. He found that most faculty considered governance was one critical part of their job responsibilities. In the US, there's always strong faculty support for faculty's involvement in institutional governance (e.g., Miller, 2002;[27] McKnight et al., 2007;[24] Minor, 2003).[28] Tierney and Minor (2003)[31] conducted a national study with over 3800 participants from more than 750 colleges and universities. They found that more than 80 percent of faculty believe shared governance is important to an institution's values and identity. However, Minor (2003)[28] found that more than 75 percent of faculty at Historically Black Colleges and Universities (HBCU) didn't view faculty governance as a critical part to their institution's value and identity. Their commitment to teaching and students may negatively affect the ability and desire to involve in institutional governance (Jones, 2011).[15]

During the past several decades of practices, administrators and faculty have been struggling to understand what shared governance is, how it works and whether it actually works. Tierney and Minor (2003)[31] revealed that without a formal shared governance structure to involve faculty in decision making, even though the faculty were told that their opinions were valued, their voice were seldom reflected or considered in actual decision making process. When the faculty's voice and concerns were ignored in decision making, it creates a climate of us-versus-them dynamics in HEIs that may result in conflicts and institutional dysfunction (Redmond, 2007)[29]

Cunningham (2008)[6] examined the impact of share governance on the institution financial performance by investigating the relationship between the overall strength of faculty governance measured by the 1971 AAUP data and institution's endowment per students. The findings showed that shared governance had a positive impact on institutional financial performance. Brown (2001)[4] investigated the relationship between faculty participation in institutional decision and institution performance and suggested that whether the impact of faculty participation

is good or bad depended on the decision-making types. He utilized three measures as the indicators for institutional performance: the SAT scores of incoming students, institution's average faculty salary, and the institution overall quality measured on Gourman index. His findings indicated that greater faculty participation in decision regarding appointment and tenure had a positive influence on all three performance indicators. Faculty's participation in general administrative decisions such as facilities management, selection of president had a negative impact on all three indicators of institutional performance. Faculty participation in curriculum decision had no impact on institutional performance.

Some researchers claimed that to make shared governance effective, there must be sufficiently high levels of trust and communication between administrators and faculty (Jones, 2011; Miller, 2002[27])[15] and adequate rewards and incentives for faculty who participate in shared governance (Williams et al., 1987).[34]

Recently, shared governance has been facing with criticisms. Faculty involvement in governance is criticized for slowing down the decision-making process. The key stakeholders in the academic governance—administration and faculty have different priority and see the issues from distinct perspectives. Administration focuses more on the efficiency while faculty are more concerned with academic values. The shared responsibility typically resulting in lengthy discussions between the two parties may lead to unresponsiveness. The institutions may not be able to react to the rapid changes in the external environment promptly.

Shared governance in the higher education of US is "eroded by universities' rapidly increasingly organizational complexity and entrepreneurialism (Meyer, 2015, p.1)[26]" which leads to intensified conflicts between faculty and administrators and centralization of authority and decision-making. Some institutions revise governance systems to corporate governance that excludes faculty voice to respond more quickly to market needs. They adopt practices that value the entrepreneurial character and make strategic plans linked to markets and society. Leadership and leadership style become critical to governance effectiveness (Schuster et al., 1994).[30]

3. Can China Replicate the U.S. Shared Governance Model?

According to the structural contingency theory, there's no single, effective structure for all organizations (Donaldson, 1999).[9] HEIs must take many factors into consideration when adapting to a new environment; such factors include political environment, original structure, local rules and regulations, social and culture values,

as well as the characteristics of administrators, faculty and staff. The governing structure in HEIs of China is composed of binary governing bodies – the Communist Party of China University Committee and the University Administration Committee with dual leaderships. The organizational structure of Chinese colleges and universities begins at the top with the two parallel executive chief officers, President and Party Secretary who are both government officials, usually appointed by the Mistry of Education and the Chinese Communist Party (CCP).

The boundaries of the decision making authority between the political body and the academic administration body is vaguely defined (Wang, 2010).[32] The President is the chief executive officer for academics under the leadership of the University Party Committee. The Party Secretary has the responsibilities to ensure that the institution follows the Party Committee's guidelines and to deliver political education to faculty, administrators, staffs and students. The Party Secretary leads a Standing Party Committee of which the members hold the key administrative leadership positions in the HEIs (Han, 1993).[11] At each academic unit of the hierarchical structure, a Party Branch Secretary is placed parallel to Dean/Department Chair who has a supervisory role at school or department levels (Wang, 2010).[32] Usually, the dean or the chair has more power than the Party Branch Secretary in the decision making (Jiang & Wei, 2011).[13]

Under the highly centralized system with dual leadership, governance in HEIs of China is more complex than any institutions in the US. The two countries have totally distinct higher education governance systems. If shared governance is adopted in China, the institutional governance will be the divided responsibility among administration, faculty and political body for decision making. Like the faculty in public institutions in the U.S., the faculty in China typically hold values that are not necessarily well aligned with those required by the central government or institutional administration. For example, the faculty may value academic freedom and independence while the Communist Party of China University Committee has the accountability to steer overall direction to ensure the operations are in accordance to regulations and laws. It may not be easy for faculty to learn how to find their appropriate places in the dual governance system to share the governing responsibilities. Competing interests and conflicts are likely to result in controversial disputes and endless debates.

Another possible situation is that there is no debate at all – the political body exercises influence over the decision-making process centrally. Although the HEIs today enjoy more autonomy of academic and administrative control, the Ministry of Education provides specific guidelines on missions and goals, strategic planning, admissions, enrollment, research, curriculum design and campus activities. The political body, typically empowered with stronger authority, are critical part of HEIs to make sure administration and faculty follow the procedural rules. When SUSTC was first funded, there was no CCP played a role in the governance. The governance structure was composed of the Board of Trustees, Administrative Committee and Academic Committee in which administrators and faculty both enjoyed relatively high autonomy. There was plenty of room for bottom-up decision-making. After CCP joined the SUSTC in 2014, a number of rules, policies and strategies were overwritten. The institutional governance of SUSTC shifted towards greater centralization.

One of the critical factors for the prevalence of shared governance in the US is that the academic organizations are loosely coupled which allows sub-system breakdown without damaging the entire organization (Weick, 1976)[33] when an inaccurate decision is made and executed. Administrators and faculty who are involved in the decision making probably have less accountability pressure. Whereas administrators and faculty in HEIs of China who work in a centralized system have to be more cautious to make any change to prevent any element misfiring and spreading across subcomponents. The centralized system exerts a pressure to hold administrators and faculty accountable in the institutional governance.

Faculty overwork is also an important factor that prevents the prevalence of shared governance (Leach, 2008).[19] After the governance reform in 1998, accompanied by increased autonomy in academic areas, faculty and academic staff in HEIs of China are overwhelmed with curriculum design, course preparation, research activities (OECD). In the context of competitive research funding and tenure positions, faculty have been too overloaded to involve in institutional governance.

In fact, shared governance was not a new concept to HEIs in China. Shared governance was introduced to China as early as the late 1910s when Yuanpei Cai became the president of Peking University. Following the Chinese Civil War and the founding of the People's Republic of China, HEIs in China gradually abandoned the model of shared governance, replacing with "the President Responsibility System under the Leadership of Party Committees in Universities and Colleges" (Liu, 2015).[22] Today, centralized system in HEI governance in China has deeply influenced organizational culture

in the form of organizational structure (hierarchy) and power structure (who makes the decisions and how widely spread is power) identified by Gerry Johnson (1988).[14] Administrators and faculty are accustomed to and dependent on central planning, central funding and central policymaking, the outcomes of which, in general, are positive so far. Change to shared governance will be difficult because the organizational cultures and the centralized structure often reflect the "imprint" of a particular time in history persistently despite subsequent environment changes (Marquis & Tilcsik, 2013).[23]

Shared governance caught a lot of attention in higher education in the past decade. It seems to be a fad borrowed from the US higher education world as "quick-fix" to the escalated problems resulted from highly centralized education system. Brinbaum (2000)[3] pointed out that when a management fad is introduced and advocated, success stories are highlighted. "The narrative focuses on claimed benefits; little attention is given to potential costs" (p.6). That is exactly what happened in HEIs in China these days. While shared governance has been practiced in the US for a long time, and was promoted by scholars recently in China, with full consideration of the limitations discussed above, shared governance has little likelihood to be applied to the HEIs in the near future in China.

4. Conclusion

Given the unique organizational structure, culture and academic climate of higher education system in China as well as the weakness of shared governance practice, there's small likelihood that shared governance will be executed in China.

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