



CENTRUM FÜR
HOCHSCHULENTWICKLUNG

German and European Experiences with Target Agreements

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Fachhochschule Osnabrück
University of Applied Sciences

basic information on the use and variety of
TA in Europe and Germany

what can go wrong

an example for a useful TA

success factors and good practice
(derived from experiences)

- TA used in Germany, Scandinavian countries, not common all over Europe
- Germany: almost all 16 states and at least 50-60% of the universities have some kind of TA between units
- TA for professor's agreement very common (resources for x years, usually specific duties to contribute to teaching and to acquire additional research income)
- few TA examples for professors in general and few connected with performance element in salaries

examples for TA between state/ministry and institution:
great variety of forms of TA (remember the roles!)



FINLAND

clear target numbers
for graduates, PhDs

short, not much text

target numbers
relevant for formula
funding



DENMARK

special investment for
research excellence
in few universities,
limited to 5 years

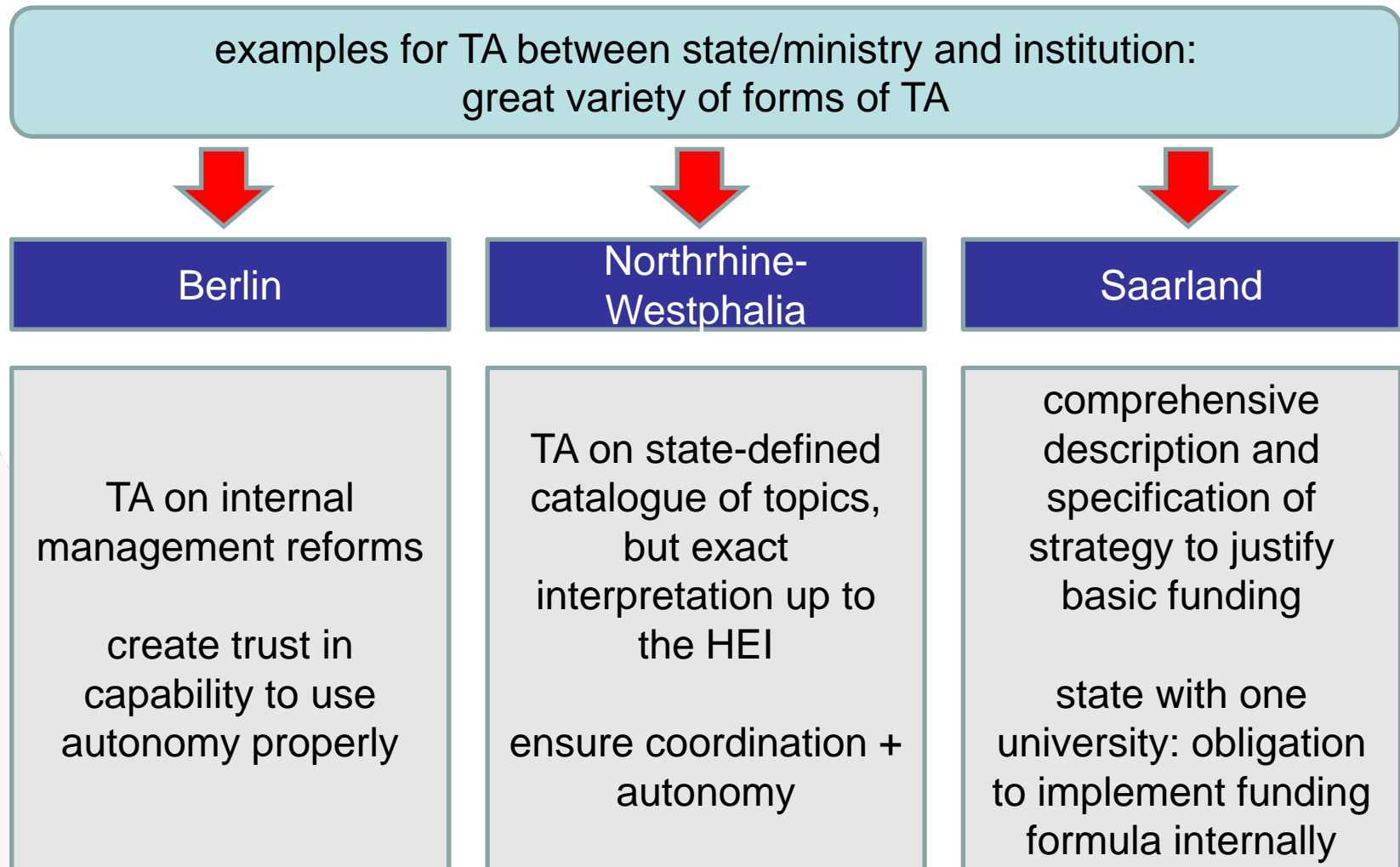
TA with ministry on
business plan in order
to make 5 year-
investment
sustainable

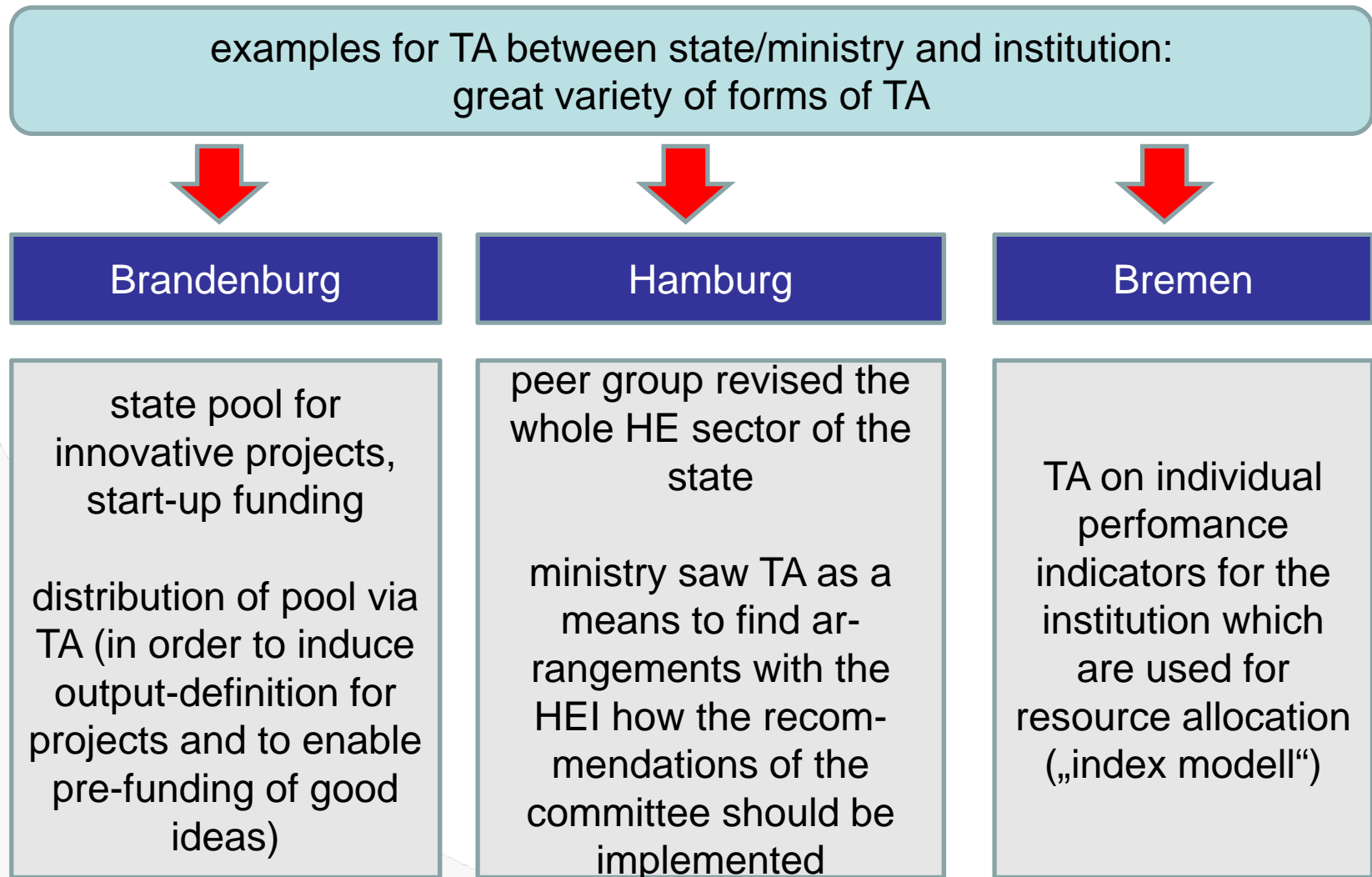


LUXEMBURG

in the first round of TA
the university had no
strategy, how to make
TA then?

„process oriented“ TA:
agreement on
processes to develop
strategy





- reality does not show one standard model, a number of reasonable alternatives exist (different roles of TA)
- can we conclude anything general (except basic requirements for TA and „find your own way“?)
- yes, in three ways lessons might be learnt from experiences:

success not guaranteed, things can go wrong

there are good methodological examples

some general success factors could be derived from experience

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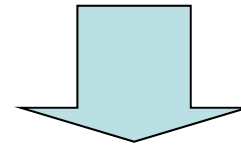
success factors and good practice
(derived from experiences)

- ***bad message***: TA do not guarantee improvements, it depends on how they are made
- ***good message***: for everything that could go wrong there is an instrumental remedy

***EXAMPLES, from now on
focused on president/rector
– faculty level***

failure

no real priorities, list all kinds of activities, write what you do anyway

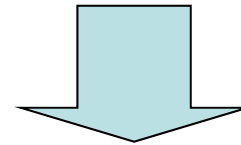


solution

focus on 2-4 priorities, mention central goals but say „pick out what is important for you and say why“

failure

intention to steer with goals,
but in TA goals are not
described precisely or
the realization of certain measures
is used as success criteria

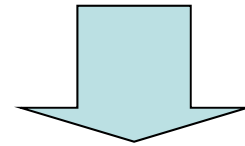


solution

rules of the game: quantification/
specification of goals,
measures/activities can be men-
tioned but are no success criteria

failure

TA creates new
inflexibility, no in-period
reflection on goals

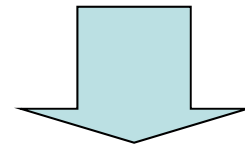


solution

yearly discussions, flexibility,
incl. reflection on objectives
(dynamic environment)

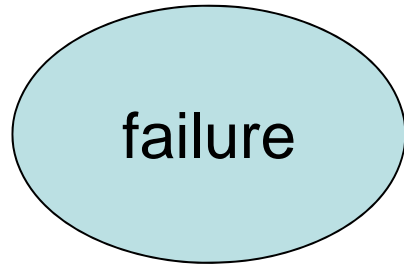
failure

if output orientation is connected with uniform standard indicators they are often not accepted in special faculty cultures

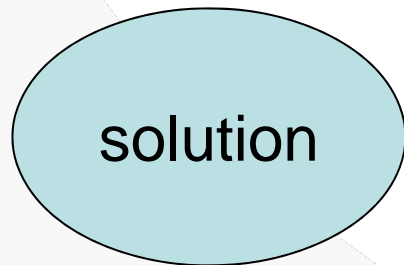
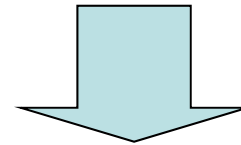


solution

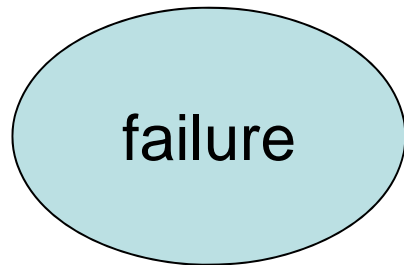
use heterogeneous performance indicators for different units („our indicators“), great potential of TA



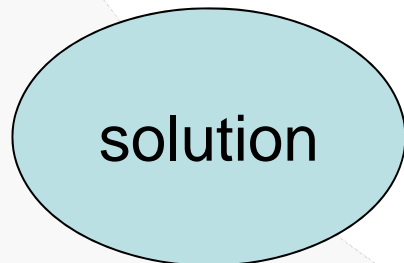
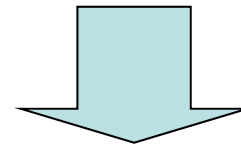
if TA are used in connection with innovation finance (and heterogeneous performance indicators): problem of comparative assessment of quality



leadership, transparent criteria, support by expert group, vote of the „extended rectorate“ (rectorate+deans)



president uses TA to dictate certain measures to the faculty, tries to get power to steer processes within faculties



include a general rule into the TA „code of conduct“: president is not allowed to suggest specific measures, only output goals

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At the beginning you have to make clear the major functions of TA in your model of university management. Otherwise variety of functions leads to inconsistent expectations, conflicts and suboptimal process design.

- university wants to promote institutional strategy **or** wants to stimulate strategy development on faculty level
- dean wants to increase dialogue within faculty **or** wants to make clear project planning for attaining faculty goals
- faculty wants to legitimize basic budgets of institutes **or** wants to create an instrument of financing innovative projects

write down the „rules of the game“, have a kind of code of conduct for the use of TA

In a number of projects „tools“
and procedures of contract
management have been developed.
The technical knowledge has to
be used to design optimal
management models for
universities.

- both sides should reveal their strategic ideas (sometimes principals hide their agenda)
- define a structure for the document:

general description	indicator (qual./quant.)	goal value	time horizon	contribution to central strategy

- leave openness in TA documents for disciplinary cultures

- clear description of negotiation process, enough time for dialogue
 - clear schedule (limited time, but enough time for internal discussions in decentral unit)
 - reliability of process (surprises reduce trust)
 - include status quo analysis in contract
 - test if clear measurement of all objectives is possible
 - allow flexibility during period
 - fix reporting duties (keep it lean and dialogue oriented)
- + *see solutions for failures above!*

the funding mechanism of TA could implement funding....

... according to the cost of a project

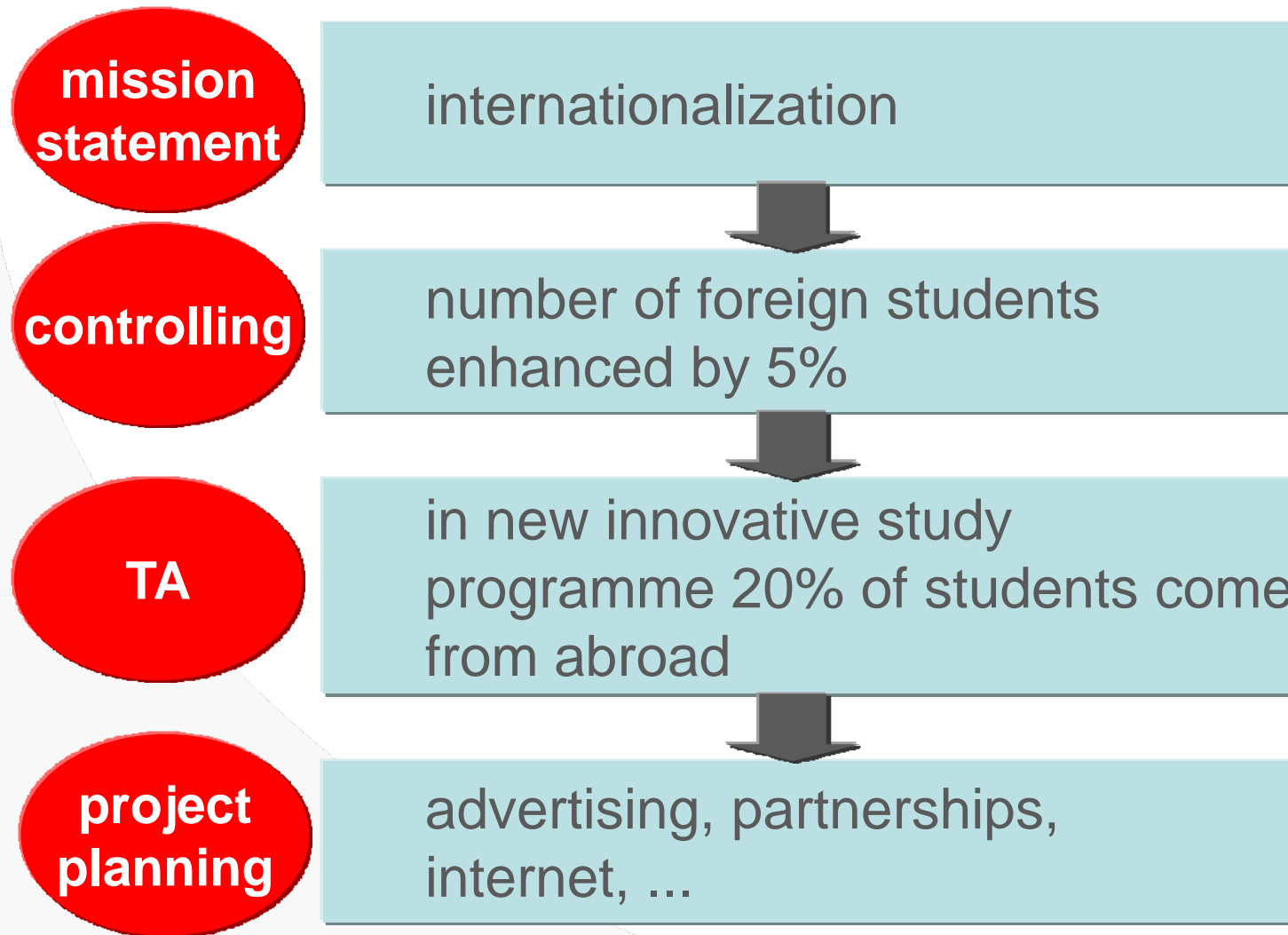
... according to the aspiration of an agreed target

... according to the attainment of an agreed target (immediately or in the next period)

... with a lump sum

... with a formula based on target values of indicators

in the end it should guarantee: pre-funding, incentive for realistic + ambitious goals, trust, low control cost -> **COMBINATION NEEDED**



Most of the general success factors are valid on institutional and individual levels. But there are some specialties if TA are made on the individual level of professors / staff.

- importance of motivation: appreciation of individual goals, balance between steering and autonomy, „trust bonus“
- danger: TA regarded as loss of individual autonomy
- practical problem: number of contract partners for a dean, feasibility?

TA / contract management
is a highly relevant field
of university management and widely used
in Germany and some other European
countries.

Success is not guaranteed, but depends
on the design of instruments and
procedures.

There are a lot of experiences, they should
be used (good as well as bad practices).
Success factors and methodological
knowledge could be derived from them.



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