Portfolio Review: *HESP Network Institutions*

June 12, 2015

Summary of Outcomes

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Opening statement, Voldemar Tomusk

Responding to the perceived urgent need to reform the systems of higher education in the countries of Central-East European and the former Soviet Union (CEE-fSU), we as OSF-HESP adopted an approach different from those taken by many other organizations and agencies supporting post-communist higher education reforms. Assuming that the old, communist higher education systems would disappear shortly, we focused mainly on supporting newly established independent (non-state) higher education institutions, expecting these to serve as the bases of new higher education across the region.

Now we know that the anticipated massive reform did not follow. Instead, the largest majority of the higher education institutions founded in the early 1990s have by now discontinued, while many among the most successful of them have merged with public universities. Institutions supported by OSF have been mostly able to continue their activities, often thanks to the access to OSF’s funding. However, as the funding that was expected to become available from local sources was delayed or did not become available at all, phasing out our support has taken 10-15 years longer than initially expected.

As higher education reforms in the CEE-fSU region proceeded in a manner different from our expectations, exiting our funding without discontinuing the institutions became a complicated task. The first set of the institutional development plans envisioning an exit within three years was developed already back in 1997-98 under the title of the “evergreen institutional development plans”. However, as there was no single agreed upon position within OSF regarding winding down the funding to “HESP supported institutions”, discussions concerning the continuation of funding were held at various level within the organization. The structure of the organization and the complexity of the decision making allowed in most of the cases grantees successfully negotiating for the continuity of funding. When it comes to phasing out such funding projects, usual practice would suggest reducing it gradually over a period of a few years. However, in several cases we adopted the opposite approach. In cases such as for example AUCA, EUSP, and Smolny discontinuing our funding became possible only after having made significant investments in the institutions’ endowment funds or infrastructure.

In the course of the history of HESP institutional support, we can identify four distinct models of engagement with *supported institutions*:

1. In relatively few cases the release of HESP funding was preceded by a thorough planning process. As a result, significant funding commitments were made, leading to building successful institutions. AUBG would serve as the best example here.
2. In some cases we have been able to combine solid planning with building funding partnerships with other donor organizations. This would perhaps serve as a most preferred way to provide institutional support. New Economic School and South East European University serve as the best examples of this approach.
3. There are also cases when funding commitments have been made after relatively limited preparatory work, or the plans submitted by the institutions have not appeared entirely convincing. Usually this has led to limited funding commitments, often in a form of some sort of emergency funding. Through the process of negotiating such grants and further trust-building with the Foundation, such grantees often continued seeking long-term funding at more significant levels. EHU as well as AUCA in its early years would serve as the best examples here.
4. Finally, there have been examples when significant funding commitments have been made despite very limited preparatory work. This is the riskiest of all patterns of engagement and as such as prone to leading to major disappointments. Moscow School of Social and Economic Sciences would be one of such examples were - while the concerns regarding its transparency were raised as early as in 1995, HESP Board decided to discontinue the funding only in 2012. AUCA is also an institution where a significant funding commitment was made despite fairly limited planning, particularly since 2010.

Defining success in institutional support is necessarily a complex matter. It has been, for example, suggested that successful institutions should be able to adhere to their initial missions. This, however, is not necessarily always a correct assumption. In a rapidly changing world ability to adjust may suggest a more successful institution than the one led by a charismatic founding leader ignoring changes in the environment. For our purposes we consider successful institutions as those from which we have been able to disengage without causing a major disruption and the institution has been able to continue its core activities. This, I would suggest, usually requires meeting three major requirements:

1. Adequate leadership (individual and team leadership) being provided at the institution.
2. Solid plan or a roadmap for building the institution being in place.
3. Institution operating in an environment that shows some support to its mission, activities and ambitions.

While the mix of the levels of various variables required for an institution to succeed necessarily differ, I would suggest that an institution with inadequate leadership and no plan to rely on, placed in an unfriendly environment leaves little hope for success.

Questions, Chris Stone:

1. The paper clearly lays out the initial goals of HESP institutional support:
2. To come up with new organizational models on which CEE-fSU societies could rely on building new systems of higher education;
3. Training the next generation political and intellectual leaders for the post-communist societies;
4. To create a knowledge base for the new, democratic societies;
5. Setting new standards with regard to relevance and quality, particularly in the humanities and social sciences, in the post-communist region.

The report does not, however, indicate the level to which these goals have been met.

1. The report, while stressing the importance of leadership, does not discuss governance. However, has the case of AUBG demonstrates, mistakes have been made at the level of governance while OSF was represented in AUBG’s Board of Trustees. How should we be working at the level of governance with our grantees? Should we be taking certain numbers of seats in the governing bodies of grantee organizations?
2. The report shows that significant part of HESP funding to institutions has been given for scholarships purposes. What was the purpose of structuring our funding in such a manner? What have we learned from this?

Response, Voldemar Tomusk:

In a retrospect, it is surprising to notice how little attention we at HESP paid to the reasons why these institutions were initially founded and supported by OSF. This applies both to HESP Board as well as staff. At times a view was taken that supporting higher education in CEE-fSU countries was a good thing to do without any further consideration, and as long as OSF senior leadership agreed to continue, the funding was to go on. At times a senior staff member or a member of HESP Board might have developed a favourable, though mostly unsubstantiated, view on an institution or its leader. For a better or worse, such opinions often masked the actual performance of any particular institution. The question how the institutions actually performed in terms of the set goals was hardly ever asked; certainly not beyond the level of the numbers of graduates produced. Towards the end of the 1990’s a question regarding the sustainability of the institutions became to be regularly asked as a response to several of them having difficulties widening their funding base. It was perhaps tacitly assumed that the institutions’ initial set up and the individuals involved were sufficient for the meeting of their goals. This was perhaps not an entirely correct assumption. As early as in 1997 we started reviewing HESP supported institutions. These review exercises became, however, to a certain degree politicised.

As the higher education reforms in the CEE-fSU region remained less radical than we expected, the need for new institutional models and accordingly willingness to introduce the models we supported was lower than initially expected. Moreover, the models we had on offer – independent boutique-type graduate schools and liberal arts colleges - were not necessarily replicable in the context of the rapidly massifying low-cost systems higher educations in the midst of an economic meltdown. While universities’ governing structures have experienced significant development over the past 25 years in several CEE-fSU countries, it would be hard to attribute this to the impact of HESP supported institutions, although there might be some connection there in some locations.

Talking about training the next generation of leaders, focusing on the undergraduate or even the usual graduate training-level populations for such a purpose was perhaps somewhat misplaced – suggesting a delay of 10 to 15 years. For this purpose it would perhaps have been more realistic and eventually effective to engage with promising professionals, intellectuals and politicians some ten years more senior.

Our graduate training institutions, such as GSSR, EUSP, NES have mad significant contributions to creating knowledge for successful functioning of democratic societies, often assuming leading roles in particular disciplines – economics, sociology, political sciences and others. There are two issues, though, that should be mentioned. First, not always does the knowledge produced by scholars motivated to build records of international publications contribute to the development in their local settings. Second, one can also sometimes notice sophisticated language games being played, motivated by particular intellectual fashions, that may succeed criticising and deconstructing each and every idea available, but showing little way forward.

Setting new standards for scholarship has also been an issue of certain degree of complexity. While the relatively high level of training provided by HESP supported institutions is usually acknowledged, local quality assurance procedures that often follow particular kinds of bureaucratic logics may not only cause difficulties for the formal recognition of our institutions and the degrees they award, but also limit the spread of their distinct models of curricula and philosophies of education.

Making impact on academic organizations through their governing structures is not a straight-forward issue, as the trustees are usually expected to represent the interests of the particular educational institutions rather than expected to act as representatives of various donor organizations. Having said that, in cases such as for example mentioned in the context of AUBG, given the information that was available to us at the time, one would have expected a considerably stronger position to be taken at the AUBG Board as well as at HESP.

Finally, structuring HESP funding as scholarship support has served through broad goals. First, we used it as an instrument to introduce the idea of educational markets, largely unknown at that point in the region. We aimed at getting across a message that there was no such thing as free higher education and that somebody necessarily paid for it. We expected that, as we funded certain numbers of scholarships, the recipient institutions and other founders would structure their cooperation accordingly. That approach has worked in some places, however over the past few years populist political agendas in several countries have challenged the very idea of educational markets.

Secondly, we also introduced this instrument to allow access to education provided by HESP institutions to students to whom this would otherwise not been affordable, aprticularly by means of adding a maintenance element to scholarships.

Conclusions

In a retrospect it is surprising to notice how easily some of the most important questions regarding HESP supporting independent higher education in Central-East European – the former Soviet Union countries – the purpose of providing that support and the grantees meeting the purpose of our funding – became ignored, if not removed from the agenda very early on. However, we also see that such goals are relatively easy to set without any further need to refer to the mysteries of human creativity and unfathomable nature of the scientific genius. Progress made towards achieving these goals can also be assessed.

Thinking about the initial choice HESP made to support independent, newly established higher education institutions in the CEE-fSU region we can say in hindsight that the premise on which this was based – disappearance of the previous higher education systems and institutions and the emerging need to build entire new sectors, was to a significant degree misplaced. Accordingly the level of effort and resources required to build stable institutions of higher education in such environment was underestimated. For the expanding HESP program to other world regions the lesson from this portfolio would be to be considerably more conservative about entering such projects, requiring realistic development plans as a precondition and possibly building partnerships with other funding organizations. The reasons for funding such institutions should be clearly established. In cases the same or sufficiently similar goals would be achievable by means other than founding new organizations, serious attention should be paid to such alternative options.