



**FUNDING MECHANISMS AND QUALITY ASSURANCE
SYSTEMS IN HIGHER EDUCATION IN EGYPT
IN COMPARATIVE PERSPECTIVE**

by

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by

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ABSTRACT

A comparative examination was undertaken of funding mechanisms and Quality Assurance Systems (QAS) in higher education in Egypt and the UK with the aim of identifying implications for reform in Egypt. These issues are examined by applying the concepts of *autonomy, accountability, efficiency and equity* as analytical and evaluative tools, chosen because of their central place in the analysis of the governance and finance of higher education. The principal sources of data are document analysis and semi-structured interviews with 47 academic and administrative staff in Cairo University and 29 at the University of Birmingham.

The main findings show that different forms of funding and QAS differ in their consequence for the autonomy, accountability, efficiency and equity of universities. There are also contested perspectives between the expectations of policy pronouncements and the experience of those working in the sector. It was also found that there are overlapping contextual factors of governance and culture that contribute to the impact of funding and QAS so that they cannot be understood as stand-alone 'objective' phenomena because they are shaped and re-shaped by the regulatory and cultural environment. This leads to the conclusion that changes to funding and QAS in Egypt need to be reformed and developed in ways that address issues of governance and culture. A set of pilot projects is proposed to test their feasibility and build support for change. While the study has identified several fundamental systemic problems that need to be addressed, it is argued that these are best done through evolutionary pilot projects such as evolving a funding formula; cost-sharing; staffing; student representation systems and capacity building and training.

DEDICATION

This thesis is dedicated to my beloved country, Egypt.

To my dear parents, my beloved wife and my lovely children: Maryam and Ahmed.

Also dedicated to anyone interested in the subject.

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The production of this piece of work would not have been possible without help from numerous sources. It is a pleasure to thank those who made this thesis possible. In the first place I would like to record my gratitude to my supervisor, **Professor Hywel Thomas**, for his invaluable guidance, continuous advice, support and encouragement throughout the various stages of this thesis. His mentorship was paramount in providing a well-rounded experience which encouraged me to grow, not only as a doctoral researcher but also as an independent researcher. His extensive knowledge and creative thinking have been a source of inspiration for me throughout this work.

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LIST OF ABBREVIATIONS

AASTMT	Arab Academy for Science and Technology and Maritime Transport
AS	Academic Staff
AUC	American University in Cairo
BERA	British Educational Research Association
BIQAES	Birmingham Integrated Quality Assurance and Enhancement System
BUE	British University in Egypt
CAPMAS	Central Agency for Public Mobilization and Statistics
CHEA	Council For Higher Education Accreditation
CIQAP	Continuous Improvement and Qualifying for Accreditation Project
CNAA	Council for National Academic Awards
CU	Cairo University
CVCP	Committee of Vice-Chancellors and Principals
DE visits	Developmental Engagement Visits
EELU	Egyptian E-Learning University
EFQM	European Foundation for Quality Management
EHECS	Egyptian Higher Education Contribution Scheme
EQAS	External Quality Assurance Systems
ETCP	Egyptian Technical Colleges Project
ETEP	Engineering and Technical Education Project
EU countries	European Union countries
EUN	Egyptian Universities Network
EUP	Egyptian Universities Portal
FLDP	Faculty-Leadership Development Project
FOEP	Faculties of Education Project
FTE	Full-time Equivalence
GOE	Government of Egypt
GUC	German University in Cairo
HE	Higher Education
HECS	Higher Education Contribution Scheme
HEEP	Higher Education Enhancement Project
HEEPF	Higher Education Enhancement Project Fund
HEFCE	Higher Education Funding Council for England
HEIs	Higher Education Institutions
HEQC	Higher Education Quality Council
ICHEFAP	The International Comparative Higher Education & Finance Project
ICTP	Information & Communication Technology Project
IFC	International Finance Corporation
IQAS	Internal Quality Assurance Systems
IQAS	Internal Quality Assurance Systems
MoF	Ministry of Finance
MoHE	Ministry of Higher Education

MoHE	Ministry of Higher Education
MoP	Ministry of Planning
MTI	Middle Technical Institutes
NAQAAE	National Authority for Quality Assurance and Accreditation in Education
NARS	National Academic Reference Standards
NQAAC	National Quality Assurance and Accreditation Committee
OECD	Organisation for Economic Co-operation and Development
PCIQA	Program of Continuous Improvement and Qualifying for Accreditation
PMU	Project Management Unit
QA	Quality Assurance
QAA	Quality Assurance Agency
QAAC	Quality Assurance and Accreditation Center
QAAP	Quality Assurance and Accreditation Project
QAEC	Quality Assurance and Enhancement Committee
QAS	Quality Assurance Systems
QC	Quality Control
QE	Quality Enhancement
QR money	Quality Related money
RAE	Research Assessment Exercise
RAE	Research Assessment Exercise
RCUK	Research Councils UK
SCU	Supreme Council for Universities
SGEF	Scottish Graduate Endowment Fund
SM	Senior Managers
SMA	Senior Manager Academics
SQR	School Quality Review
SWOT	Strengths, Weaknesses, Opportunities, and Threats
TDA	Training and Development Agency
UDP	University Development Project
UFE	UNIVERSITÉ FRANÇAISE D'ÉGYPTE
UNDP	United Nations Development Project
UNESCO	United Nations Educational, Scientific and Cultural Organization
UoB	University of Birmingham

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LIST OF PUBLICATIONS

- Alshamy, A. (Forthcoming) The University in Translation: Internationalizing Higher Education by Harris, S., reviewed in *Educational Research and Evaluation*.
- Alshamy, A. and Davies, P. (2011) *Towards A Better Classification Of Undergraduate Awards: An Evaluation Of Grade Point Average (GPA)*. Centre For Higher Education Equity And Access, University of Birmingham.
- Alshamy, A. (2011) “Governance and Finance of Higher Education in Egypt and the UK” in the Refereed Conference Proceedings of *the 29th ICIE International Conference on ‘Information and Communication Networks: Innovations in Education’*, St. Thomas University, Miami, Florida, USA, 31 July 2011- 4 August 2011.
- Alshamy, A. (2008) “Enhancing Funding Mechanisms and Systems of Quality Assurance of Higher Education in Egypt in Light of International Experiences” in the Conference Proceedings of *‘Education Research: Strengths and Limitations’*, School of Education, University of Birmingham, Birmingham, UK, 5th July 2008.

CHAPTER ONE

INTRODUCTION

1.1 Rationale for the study

1.1.1 Key Issues in Higher education in Egypt

1.1.2 Policy Learning

1.2 Aims, objectives and research questions

1.3 Structure of the Thesis

CHAPTER ONE

INTRODUCTION

1.1 Rationale for the study

The higher education (HE) system in Egypt faces multiple challenges. Already a large system with severe pressures on funding, there are demographic pressures for yet more expansion and concerns about equal opportunities. It also faces problems of administrative inflexibility, despite several enquiries and reports proposing reforms. This study explores these and other issues from the perspective of participants in the HE system in Egypt and, for the insights from a comparative perspective that can arise from a careful process of policy learning, also the HE system in the UK.

This chapter begins with a brief overview of the system and its challenges and the potential benefits of policy learning. It then outlines the approach taken in this study and concludes with a section on the structure of the thesis.

1.1.1 Key Issues in Higher Education in Egypt

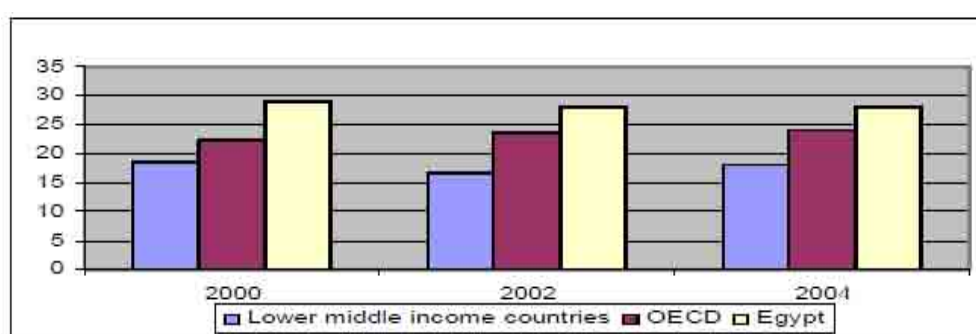
The HE sector in Egypt is comprised of a wide range of HEIs: 20 public universities including Al-Azhar University¹; 17 private universities; 13 public non-university institutions made up of 8 Technical colleges (used to be 45 two-year Middle Technical Institutes (MTI)), and 5 four or five-year higher technical institutes; 96 private institutions: only 8 of them are two-year MTI, 4 institutions offer both two and four-year degrees, while 88 institutions are four-year higher institutes; 11 non-university institutions established by other governmental entities (not the Ministry of Higher Education) or under special agreements, and 5 private foreign

¹ Al-Azhar University is a public university but does not follow the regulations of the Supreme Council for Universities, a governmental body for public universities. It is directly regulated by the Cabinet of Ministers.

institutions: the American University in Cairo (AUC) established 1919, and the Arab Academy for Science and Technology and Maritime Transport (AASTMT) established 1972, the UNIVERSITÉ FRANÇAISE D'ÉGYPTE (UFE) established 2002, the German University in Cairo (GUC) established 2003 and the British University in Egypt (BUE) established 2005 in addition to the Egyptian E-Learning University (EELU) established 2008 (Said, 2008; ICHEFAP, 2009; 4International Colleges and Universities, 2011 ; EUN, 2011; EUP, 2011). However, the focus of the current study is on public universities and the terms universities and HEIs are considered as synonyms across the thesis. The research in this study has been conducted at Cairo University (CU), as a state university, and thus the implications for policy and practice are meant for public/state universities only.

As the main source of funds, the Government of Egypt has invested heavily in Education compared to other countries in terms of GDP. Public Higher Education Spending to total public education spending in Egypt is higher than OECD and lower middle income countries (as shown in Figure 1.1).

Figure 1.1: Share of Higher Education Spending in the Education Budget (Per cent)



Source: (Fahim and Sami, 2009; 2011).

Although Egypt invested heavily in higher education, spending per student remains low compared to other lower middle income and OECD countries, which is detrimental to the quality of provision. Thus, while Egypt allocates equivalent resources as a per cent of GDP to

higher education as OECD and lower middle income countries, and even more in terms of per cent of public spending on education, expenditure per student is low because of the high enrolment levels². The current level of funding of higher education in Egypt may be inadequate to deliver high quality education (Fahim and Sami, 2009; Farouk, 2008; OECD and World Bank, 2010).

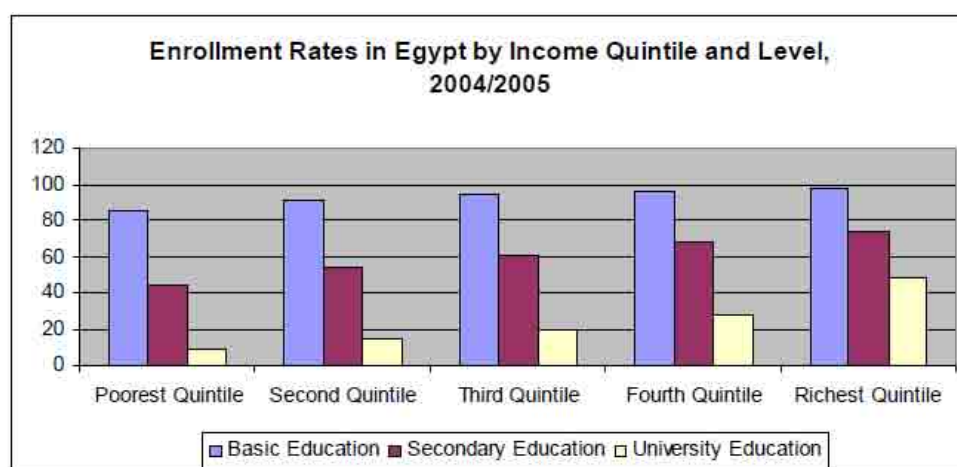
Options for increasing funds are limited in that by the terms of Egypt's constitution, HE should be provided at no direct cost to students so that any cost recovery is seen by the public as unconstitutional and a violation of their rights (World Bank, 2002a).

Demographic change is adding to this pressure. The number of students entering HE grew by 17 per cent per year between 1992/93 and 1997/98 with over 1.5 million students contributing to decline in per student spending of around 40 per cent in real terms over that period. Moreover, the HE cohort is projected to continue to increase and be close to 6% (60,000 students) per year through 2009 (World Bank, 2002a). There is a continuous increasing demand for higher education with the participation rate assumed to rise from 28% to 35% over 2006-2021, which means that some 1.1 million additional participants will need to be accommodated at an average growth rate of 3% per year (73,300) over fifteen years (OECD and World Bank, 2010). Thus, Egypt faces the problem of making trade-offs between the desire, on the one side, to expand the higher education system and, on the other, face the problem of declining spending per student and its consequent threat to quality. Thus, the Egyptian Government is in need for sustainable diversified financing resources to finance expansion and improvement in a sustainable manner without compromising quality (World Bank, 2008b).

² As stated by Helal, ex-minister of higher education, (Khalid, 2010b).

Free access does not lead to equal educational opportunities. Faim and Sami (2009; 2011) found that public spending on higher education across different population quintiles favours the rich. The picture of education attainment broken down by poverty status (as shown in Figure 1.2) leads to the same conclusion. This finding is also reflected in a World Bank report (2002b) which states that the poor have less access to higher education than the non-poor as entrance to universities is constrained by very restrictive grade requirements which students from non-poor families have a better chance to attain because they are able to afford better quality secondary education as well as private tutoring which significantly improves the chances of a student receiving a high mark on the General Secondary Exam. While children from the poorest population quintile represent 25% of primary school students, they represent only 14% of secondary school students and 4% of higher education students (*Ibid*; World Bank, 2007).

Figure 1.2: Enrolment Rates by Income Level, 2004/2005



Source: (CAPMAS, 2005 cited in Fahim and Sami, 2009).

Public Higher Education is part of Egypt's public sector and, therefore, is subject to its laws and regulations, contributing to an inflexibility and inefficiency in responding to the dynamics of student demand and labour market requirements (OECD and World Bank, 2010).

Moreover, universities receive their funding in the form of line-item budget which is believed to have negative impact on the autonomy and efficiency of universities (Said, 2001; OECD and World Bank, 2010).

In response to these challenges, a national strategy to reform the sector was announced in 2000 (National Conference on Higher Education, 2000). Its agenda identified 25 initiatives to be implemented over a 15-year period with 12 given priority to be funded and implemented through a loan agreement between the Government of Egypt (GOE) and World Bank (IBRD Loan No. 4658EGT) through the Higher Education Enhancement Project (HEEP) (World Bank, 2002a). The 12 identified projects were bundled into six integrated projects that were given priority in the first phase of the strategic plan (2002 - 2007) (HEEP, 2007), namely:

- FOEP: Faculties of Education Project
- ETCP: Egyptian Technical Colleges Project
- FLDP: Faculty-Leadership Development Project
- ICTP: Information & Communication Technology Project
- QAAP: Quality Assurance and Accreditation Project
- HEEPF: Higher Education Enhancement Project Fund

The titles of several of these projects indicate their focus and help inform the aims and objectives of this study.

1.1.2 Policy Learning

Given the multiple challenges facing higher education in Egypt, notably issues of finance, quality and governance, reinforced by massive numbers of students and demographic pressures for more expansion, it is also recognized that Egypt is not alone in facing these problems. Therefore, the literature component of the study drew upon wider international

experience of higher education reform and examined their implications for Egypt. For these insights from a comparative perspective, the empirical study also included comparative material, specifically the HE system in the UK. The purpose of the UK case study was to illuminate issues so as better to assist the analysis of the Egyptian system.

One of the main reasons for choosing the UK is that HEIs are funded through a block grant mechanism, contrasting with line-item funding in Egypt, which many reports have recommended replacing with a block grant system to allow universities more autonomy and flexibility (Said, 2001, Fahim and Sami, 2009; OECD and World Bank, 2010). Thus, identifying the perceptions of UK participants on how funding affects universities is thought to be helpful in considering options for funding in light of the peculiarities of the Egyptian context.

The second reason for choosing the UK is that British consultants have been involved in establishing QAS in higher education in Egypt (QAAP, 2007a) and thus QAS have many similarities with the system in the UK. Thus, identifying the perceptions of UK participants on how QAS affect universities is thought to be helpful as QAS are well-established in the UK whereas they are still in a transitional phase in Egypt.

The main aim of this study, therefore, is to use the wider international experience of higher education reform, including the comparative study with the UK, to propose implications for policy and practice for enhancing funding and QAS in Egypt in light of the Egyptian context.

Given the rationale for investigating the wider international experience of higher education reform, including the comparative study with the UK, it is clear that the study adopts a *policy learning approach* as it aims to support the development of tailored national

policies rather than policies taken off-the-peg, as is the case with *a policy borrowing approach* which searches the international experience for examples of unique, transferable best practice (Raffe, 2011).

Adopting *a policy learning approach* has served a broader range of purposes for the study, including using the comparative perspective to learn about the researcher's own country/system, learning from its history and context, illuminating its strengths as well as weaknesses, identifying common trends and pressures that affect all systems, identifying alternative policy options, testing their feasibility, understanding processes and dynamics of change and anticipating issues that possible options would raise and tailoring those policy options to suit national aims, needs and circumstances of the Egyptian context (*Ibid*; Chakroun, 2008; Phillips and Schweisfurth, 2008).

Rationales for the comparative perspective and the policy learning approach indicate the focus of the study and inform its aims and objectives.

1.2 Aims, objectives and research questions

The study is a comparative examination of funding mechanisms and Quality Assurance Systems (QAS) in higher education in Egypt and the UK with the aim of identifying their implications for Egypt. This aim can be divided into three objectives.

1. Investigate how funding mechanisms affect higher education in Egypt and the UK.
2. Investigate how quality assurance systems affect higher education in Egypt and the UK.
3. In light of findings, propose implications for policy and practice on funding mechanisms and quality assurance systems for higher education in Egypt.

These objectives were developed into five research questions.

1. What is an appropriate theoretical framework for examining the impact of funding and quality assurance systems on higher education?
2. How do funding mechanisms affect higher education in Egypt and the UK?
3. How do quality assurance systems affect higher education in Egypt and the UK?
4. In the context of findings from the empirical enquiry, what are the implications for funding and quality assurance systems of higher education in Egypt?
5. How do these implications meet key goals related to autonomy, accountability, efficiency and equity?

Evidence presented in this study adds an original contribution to knowledge as it addresses problems of funding and QAS in HE in Egypt and proposes implications for enhancing them in light of international experience, including a comparative study with the UK. The implications proposed for Egypt, as a developing country, might have relevance for other developing countries facing similar problems in their HE sector. The international case study of the UK (UoB specifically) will be of interest nationally, within the UK, and internationally, especially for OECD countries adopting similar systems of funding and QAS.

1.3 Structure of the Thesis

The thesis is comprised of eight more chapters which are outlined as follows:

Chapter 2 considers an appropriate theoretical framework - autonomy, accountability, efficiency and equity - for analysing issues of funding and quality assurance systems in the context of studies of higher education. Chapters 3 and 4 complement each other, the first examining the application of the concepts from Chapter 2 to issues of funding higher education and Chapter 4 applying them to systems of quality assurance. Chapter 5 considers

the methodological stance of the study and the approach taken. Chapters 6 and 7, respectively on funding and quality assurance, report the results of the empirical enquiry with Chapter 8 integrating the findings from the earlier chapters. In Chapter 9, the implications of the findings are considered.

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CHAPTER TWO

CRUCIAL CONCEPTS IN HIGHER EDUCATION POLICIES

2.1 Introduction

Autonomy, accountability, efficiency and equity are concepts that recur in higher education policies and their analyses and form the framework for this analysis of reforms in funding and quality assurance systems in the sector. This chapter examines these concepts and their importance at a general level in society and, more specifically, in higher education with particular attention to their implications for funding and managing higher education. Much of the literature on the finance and governance of higher education in the last 25 years employs these four concepts (Johnstone *et al.*, 1998; Holm-nielsen, 2001; Blondal *et al.*, 2002; OECD, 2003; Barr, 2004a; Brown, 2004; Dougherty, 2004; Goastellec, 2005; Leveille, 2006; Johnstone and Marcucci, 2007; OECD, 2008). There are compelling reasons why this is so.

The expansion of the sector into a mass provider in many countries has meant a substantial increase in its overall share of public expenditure. Accompanied by greater ideological questioning of the role of the public sector, wider governmental fiscal constraints and competition from other public sectors (Johnstone, 2004a), HE since the mid-1980s has increasingly been concerned with accountability and value-for-money. The trend towards increased student payment also contributes to greater public scrutiny of how universities are organized, teach and relate to society (Stohl, 2007). Increased student contributions have also made concerns about equity more prominent and whether access is over-influenced by family background and wealth. Set against these demands for accountability, efficiency and equity, which lead to greater intrusion into the management of the sector by government, HEIs are believed to be more effective if they have autonomy in managing resources (OECD, 2008) with Vossensteyn (2004) advocating that HEIs should have greater autonomy and

responsibility to respond to their customers and environment. Nonetheless, there are those who recognize that this greater managerial freedom should be accompanied by greater accountability for their outcomes (OECD, 2008).

The literature also recognizes that different forms of funding mechanisms and quality assurance systems have distinctive implications for what these concepts mean in practice. They are examined here at a general level and for the comparative analysis of funding and quality assurance systems in Egypt and the UK.

2.2 Autonomy

2.2.1 Understanding Autonomy

2.2.1.1 Initial definitions

Autonomy can be defined as “the right of a group of people to govern itself or to organize its own activities” and being autonomous means “being independent and having the power to make your own decisions” (Cambridge Advanced Learner’s Dictionary, 2003). It can also be defined as “the possession or right of self-government or freedom of action” (Concise Oxford English Dictionary, 2004) and “the freedom for a country... or an organization to act and make decisions without being controlled by anyone else” (Oxford Advanced Learner’s Dictionary Compass, 2005).

These definitions suggest that autonomy allows a freedom to act without accountability to others, whether as individuals, organizations or countries. It is doubtful whether this degree of freedom is so unconstrained: nation states are constrained by international law and provide a framework within which their decisions are taken. In this sense, autonomy is not freedom to unconstrained action but is bounded by laws, rules and conventions. This is apparent when we consider how autonomy is defined within education.

The UNESCO Thesaurus (2010) indicates that ‘educational autonomy’ means “arrangements giving educational establishments at any level a degree of autonomy in administrative and programme matters”. In recognizing ‘degrees’ of autonomy in managing and administering matters in their institutions, it is evident they are not free to do whatever they want, irrespective of consequences. Autonomy occurs within institutional limits that mean officials are answerable for their exercise of authority. As defined here, autonomy is linked to accountability, to government, society and consumers of their services and is compatible with a quality control and steering role for government (Johnstone *et al.*, 1998).

Autonomy is a pre-requisite for accountability. Giving institutions some autonomy is an essential condition to holding educational officials accountable for their decisions. Without discretionary authority, officials are functionaries undertaking routine and tightly defined tasks. Once roles become complex and cannot be tightly defined, some degree of autonomy exists with officials entrusted to undertake and accomplish responsible tasks. A consequence of granting this discretionary authority creates an accountability as to how this authority is used (Fenstermacher, 1979). It is argued that where no delegation of authority occurs, there should be no expectation of accountability (Heim, no date). Thus, it can be said that autonomy is not incompatible with accountability; rather, giving authority (autonomy) to others to accomplish some tasks is a precondition of their accountability for their decisions and their outcomes.

2.2.1.2 Autonomy and freedom

In its discussion of autonomy, the UNESCO Thesaurus identifies ‘academic freedom’ and defines it as “the liberty of educational institutions to decide courses and research, and of teachers to teach subjects, without outside coercion”. In reconciling this statement on academic freedom with the link between autonomy and accountability, it is pertinent to note a

distinction between the place of individual academics and the institutions within which they work.

Morgan (2006) argues that there is a difference between the notions of academic freedom and academic autonomy. Academic freedom is ‘the supposed intellectual, moral or natural right of a scholar to pursue a line of research or study without hindrance, and to espouse, profess or publish the results of that study without censorship’. Even this freedom is not unfettered. Thus, certain types of research are regarded as inappropriate and unethical and what can be done is inevitably limited by available resources. As for academic autonomy, ‘it is an idea of freedom constrained: that is, it is the concept of a subject or discipline’s self-governance’. He argues that academic autonomy holds that the judgment of value of a work belongs to the methodology and criteria of the relevant discipline. He means that a scholar is free to seek to publish any piece of work but might, nonetheless, find it difficult to gain space in a refereed journal subject to peer review. Thorens (1998) distinguishes academic freedom from freedom of expression; where the former is confined to members of the academic community, the latter is a right of each member of a society. If this locates academic freedom and academic autonomy for the individual academic, how do these ideas relate to academic institutions?

Autonomy as a ‘self-governing’ institution means providing a framework within which academic freedom and academic autonomy can be safeguarded (Morgan, 2006). He adds, though, that while academic freedom and academic autonomy are essential to the real academy and learning, the time is long passed when scholars governed their own institutions (*Ibid*). Thorens (1998) sees the concept of institutional autonomy as relative. Like academic freedom, its purpose is to promote the role of the university in expanding and passing on knowledge and providing other services but, he argues, for financial reasons the modern

university cannot be totally independent of the state and society. He notes that even the most famous private American universities could not continue to exist and carry out advanced research without subsidies and tax exemptions. As with other organizations, universities must also operate within the legal framework of its society.

Harvey (2004) advocated that, 'in higher education, autonomous institutions can establish their own programmes of study, have control over their own finances (once received) subject to normal auditing procedures, and grant their own degrees'. However, he agrees with Thorens (1998) that this is relative not absolute autonomy, a view also taken by Snyder (2002) who argues that colleges and universities should seek reasonable not absolute autonomy as this is simply impossible. He adds that 'questions of reasonable or relative autonomy arise even within the internal university setting,' framing discussion of academic freedom.

What emerges from this is that institutional (University) autonomy can be defined as

'the degree of autonomy required, given the economic, political, social and cultural state of the society concerned, to enable the university to best fulfil the role that the society has assigned to it, experience demonstrating that the university cannot fully play this role if it does not have sufficient independence and freedom vis-à-vis society and particularly vis-à-vis the state' (Thorens, 1998).

However, the university must be accountable for its finance especially and also for its role and its usefulness to society and the state as well (*Ibid*, 406).

The position taken here is that concepts of *absolute* freedom or autonomy are not consistent with individuals and organizations that are a part of a wider society. Discussions about academic freedom and autonomy are, therefore, about relativities and such a discussion includes the wider benefits that universities bring to human beings and society. On this argument, both academic freedom and university autonomy are justified only if they are

useful and necessary conditions for enabling universities to continue to play the role that society assigns to them through teaching and research. In this sense, society and the state establish universities for the contribution they make to the social and economic development of humankind. That is why, even in authoritarian societies in the developed world, academic freedom and university autonomy are defended as much and sometimes more than free, democratic, pluralistic societies (*Ibid*, 402-3).

What academic freedom means, therefore, is that members of the academic community should be provided with the freedom needed for research and teaching and being able to pursue these goals without jeopardizing their careers and their independence of mind (*Ibid*). Unresolved is the extent to which this freedom is contingent upon institutional self-governance. As is examined in the next section, a feature of changes to university governance in some countries has been an erosion of self-governance and replacement with a more managed structure. While this can still occur within a framework of institutional autonomy where academic freedom is protected, it alters who makes decisions within institutions. Therefore, while there may be widespread agreement on the principle that the legal, intellectual and political autonomy of higher education is essential for the health of universities and the members of the academic community (Gungwu, 1996), there are different interpretations of the balance between types of accountability and types of autonomy. That is, there will be different mechanisms of accountability for different types of autonomy.

2.2.2 Autonomy and higher education policies

2.2.2.1 Motivation

The importance of autonomy as a policy issue owes much to changes in policy-makers' beliefs about what motivates those working in higher education. Beliefs that professionals were more interested in pursuing their own interest than their clients' have made

accountability more prominent as a factor underlying policy with the importance of autonomy down-graded. In some countries, these changes found expression in what became known as the ‘new managerialism’.

2.2.2.2 The new managerialism

It has been argued that the rapid expansion of the higher education sector at a time of fiscal constraint has contributed to the introduction of quasi-markets and a culture of audit and assessment that are together known as new managerialism (Deem, 1998; Deem and Brehony, 2005).

The term new managerialism, which is also referred to as neo-liberalism in the UK and total quality management in the USA, is a system of government of individuals invented during the Thatcher and Reagan years. “It is characterized by the removal of the locus of power from the knowledge of practicing professionals to auditors, policy-makers and statisticians, none of whom need know anything about the profession in question” (Davies, 2003, 91).

A principal characteristic is the removal of power from education professionals to auditors and managers, reflecting the view that education professionals were seen to be more knaves than knights (Le Grand, 2003). New managerialism also refers to the adoption by public sector organisations of organisational forms, technologies, management practices and values more commonly found in the private sector and these discourses of management have been encouraged by governments seeking to reduce public spending (Deem, 1998; Dixon *et al.*, 1998; Trowler, 1998; Deem, 2001; Kirkpatrick, 2006; Deem, 2006; Deem *et al.*, 2007; Trowler, 2009).

Linked to these changes were demands by governments for more outcomes from higher education institutions and the imposition of performance indicators for assessment and audit. Academics were unhappy with these changes, claiming it limited their academic freedom, putting them under inappropriate pressure and diverting their energy from their core

missions of teaching and research to managerial activity; moreover, academics were also under pressure to do more work with fewer resources. Deem (1998) concludes that these pressures come from outside and inside HEIs. Externally, they are exerted through quangos, such as higher education funding bodies and the Quality Assurance Agency, and internally from academic managers and administrators seeking to re-organise, control and regulate the work and conditions of academic staff. Thus, 'control and regulation of academic labour seem to have replaced collegiality, trust and professional discretion' (Roberts, 2004).

In the UK, a number of commentators criticize assessment as representing an interference with academic freedom whereby the government, through the Funding Council, attempts to substitute its preferred, economically relevant activities for the preferences of the academic community. From their perspective, such exercises violate academic autonomy and create a compliance culture. Others, however, see assessment as a vehicle through which higher education could be made to contribute to national economic well-being (Brown, 2004). For them, these are legitimate demands in the tension between autonomy and accountability. Others recognize that finding an appropriate balance in these tensions is difficult. Le Grand (2007) argues that public services such as higher education have processes and outcomes that are difficult for users, governments or even managers properly to monitor their quality and cost and, as a result have to invest some degree of trust that providers will deliver quality and efficiency. However, too much reliance on trust means clients are treated too much like pawns, whereas he advocates that "the principle of autonomy requires that users are treated less like pawns, the weakest pieces on the chess board, and more like the most powerful piece, the queen" (Le Grand, 2003). In some respects, the re-balancing of autonomy and accountability has been devised by a combination of imposing more external controls while creating conditions that reduce academic self-governance and give managers within institutions greater control.

2.2.2.3 New managerialism and the changing balance of autonomy

The aim of many reforms is to encourage institutions to be more responsive to the needs of society and the economy. Some involve giving more autonomy to HEIs in some areas of activity but with clearer and stronger accountability, tied to performance indicators. While these changes alter the scope of institutional autonomy, they allow for greater responsiveness to others, such as students and employers (*Ibid*).

Johnstone and Marcucci (2007) argue that there has been a shift in laws and regulations in the last decade or more towards greater managerial autonomy and flexibility to public universities, especially in Europe (e.g. the Netherlands and the UK), many Canadian provinces and American states, and, more recently, Japan. These trends, essentially moving toward models associated with private enterprise, are designed to maximize the outputs of teaching and research for the benefit of the public and taxpayers and create incentives for maximizing private revenues. Some European countries increasingly treat their public service sector organizations as corporate enterprises with the goal to increase their efficiency and effectiveness by giving them more autonomy and at the same time asking for more accountability (Jongbloed *et al.*, 2008a; Sanyal and Johnstone, 2011).

HEIs are believed to be more effective in achieving their mission if they benefit from autonomy in human resource management. For instance, institutions should have broad discretion over the setting of academic salaries, freedom to create academic positions in line with their strategy, the ability to determine career structures which reflect the distinct roles academics undertake, and the design of promotion, assessment and professional development strategies. In this context of autonomy over management of human resources, national legislation should be on principles rather than specific processes. The transparency of these

processes should be given particular attention, such as open competition for positions, selection on merit and external assessors for senior positions (OECD, 2008).

To give universities more autonomy in human resources management, governments are increasingly adopting systems of ‘lump sum’ or ‘block grants’ instead of ‘line-item funding’. Line-item funding limits autonomy whereas lump-sum and block grants allow greater flexibility as they allow freedom to allocate financial resources in response to institutional priorities (Bullock and Thomas, 1997). It is a form of autonomy which increases the flexibility of internal allocation and the discretionary authority of managers. To gain institutional autonomy, as against internal autonomy, requires increased self-reliance in funding so that universities can pursue diverse missions without the same level of accountability (Kaiser *et al.*, 2001).

A different form of autonomy is advocated by Vossensteyn (2004) who argues for greater responsiveness to customers and environment. This requires changes in the ‘steering’ paradigm from central steering to greater autonomy. These changes do not necessarily contribute to greater autonomy; a more market-based system, for example, re-orders relationships of accountability and autonomy rather than returning to a less accountable sector. It highlights, however, that central to a discussion of autonomy is the nature of accountability and the relationship of trust between universities, academics and their diverse clients.

2.2.2.4 New managerialism and professional accountability

It was argued earlier that because the processes and outcomes of higher education are difficult to measure, it is essential to invest some degree of trust that providers will deliver quality and efficiency. A key issue, therefore, is whether or not the forms of institutional autonomy associated with the new managerialism achieve this.

Codd (2005) argues that the professionalism of academics is threatened by changes to performance assessment and external audits and that these also erode trust more widely. In addition to these concerns, he views the growing share of private funding and new approaches to institutional management as threatening academic freedom. He argues that the restoration of a culture of trust in the education sector requires a form of accountability which enhances rather than diminishes professionalism. This type of accountability enables professionals to ‘communicate their values, interpretations and judgments to others, making public the reasons and evidence which provide the grounds for holding them’. He adds that trust not only breeds more trust but also that markets can only prosper in societies that have elements of trust and reciprocity (see also Thomas, 2005; Floud, 2005). Thus, it can be said that professional accountability might be the appropriate kind of accountability to protect academic autonomy.

It may be that academic freedom needs to be re-conceptualised and framed within a recognition of the obligations to society owed by academics and higher education institutions. Academics should pursue their objectives while being accountable for institutional goals. However, as part of this, they need autonomy in the design of their courses and freedom to select their research activity, possibly within priorities defined by the institution or system. They should not, however, be constrained in their interpretation of research results or prevented from publishing (OECD, 2008). If these approaches are to be implemented in ways that protect legitimate concerns about academic freedom and autonomy, it may require a system of governance that is sufficiently flexible to provide discretionary space but also a greater voice for academics in governance; it may also require more transparency through a readiness of academics to be answerable for their activities.

2.3 Accountability

2.3.1 Understanding Accountability

2.3.1.1 Initial definitions

Accountability is sometimes used synonymously with responsibility while, at other times, it appears to refer to reporting to those with oversight authority or, more globally, to the general public. It can be used in the context of compliance with established laws, rules, regulations or standards; or to distributing rewards and sanctions that are tied to results (Heim, no date). It can also be merged with processes of evaluation, assessment, testing or quality (Lee and Knight, 1996).

A dictionary definition of ‘accountability’ indicates that someone who is accountable is completely responsible for what they do and must be able to give satisfactory reasons for it/to explain their action to the public (Cambridge Advanced Learner’s Dictionary, 2003). It means being responsible for decisions or actions and being required or expected to justify them (Concise Oxford English Dictionary, 2004). The UNESCO Thesaurus (2010) indicates that ‘educational accountability’ means being held responsible and answerable for specific results or outcomes of an activity over which one has responsibility. What is common in these definitions is responsibility and answerability for results, outcomes, decisions or actions together with a duty to give justifications for them.

2.3.1.2 Accountability and responsibility

Accountability constitutes a fundamental concept in democratic theory because its application is the means by which public policy is held responsive to public preferences. This responsiveness is achieved by ensuring that public officials, whether appointed or elected, act in accordance with the preferences and expectations of citizens and of those persons or entities, as defined by laws or constitutional processes, to which they are accountable. While

the terms accountability and responsibility are often used interchangeably, it is useful to distinguish between them and then indicate how they are related.

While responsibility suggests an empowerment of officials to undertake certain functions, it includes an acceptance of the assignment of that responsibility and discretion to act on that authority (Dunn, 2003). Within the democratic process, responsibility and accountability are interrelated, as the responsibility of officials is not unfettered and carries an onus to consider the consequences of their actions when they exercise their discretion. Another aspect of this inter-relationship is the degree by which responsibilities are defined. One aspect of this is hierarchy, the more senior an individual, the greater the level of discretion in exercising authority. However, it can be that responsibilities are ill-defined, leaving officials with limited guidance for their actions. It can also be the case that those to whom officials are accountable may not have sufficient information to judge actions (*Ibid*). ‘Rendering an account’ of what one is doing in relation to responsibilities is linked to the availability of information to make judgments about the fitness or soundness of actions (Middlehurst and Woodhouse, 1995 cited in Lee and Knight, 1996, 78).

Key characteristics of accountability have been defined by Fenstermacher (1979) as having four features. First, there is a need for clarity in the relationship, such that ‘A’ being accountable to ‘B’ means that A is held accountable to B and B is holding A accountable. Second, accountability holds between persons. That is, he argues, taxpayers do not seek accountability from the ‘government’, or from some ‘department’ or ‘agency’ of government, rather it needs to be expressed in relation to officials and agents of the government on the basis that it is these who exercise authority and should, therefore, be accountable. Third, he argues that accountability must be linked to specific performance that relate to stated or implicit standards, as in the way taxpayers hold public officials accountable for proper and

judicious expenditure of tax revenues. Fourth, the parties to an accountability relationship are obliged to provide or receive information that enables informed judgments to be made (330-1).

He also identifies trust, responsibility and discretionary authority as additional features of accountability. Trust is an important characteristic of the relation between A and B. When we trust others and are prepared to assign them responsible tasks, we confer on them the authority necessary to accomplish these tasks. The extent of trust contributes to whether the accountability relationship is weak or strong. With high levels of trust, responsibility and discretionary authority are extensive, whereas, when trust is low, discretion and responsibility is likely to be low (*Ibid*, 331-2; Leveille, 2006). The extent to which strong or weak forms of accountability occur depends not only on trust but also on context.

2.3.1.3 Accountability and the public sector

It can be argued that, through the market, the private sector provides accountability automatically with, in principle, people free to enter or leave a market, so that if a good or service is not wanted, the provider loses trade and goes out of business. This contrasts with publicly provided goods and services because service users cannot ‘exit’; accountability has to be designed into the system of governance.

This means addressing the question, accountable to whom and for what? In general terms, government is accountable to citizens and is ultimately reflected in voting, legislation and judicial interpretation (Young, 2002). In practice, this needs to be taken further and the basic question, “Who is responsible for what to whom?” has three elements: the focus of accountability “For what?” may be on process or outcomes; the controlling party or recipient of accountability “To whom?” and the provider “Who is responsible?” (Heim, no date). Appropriate means that take account of these questions requires an understanding of context.

Thus, the nature of education makes accountability difficult as, for example, student learning depends on student input, making it more difficult to hold teaching staff accountable for performance. In addition, because one lecturer only teaches a fraction of an individual student, they cannot be responsible for the breadth of that student's ultimate performance (Thomas, 2006). Peston (1980) also notes that the product of the educational system is complicated, and cannot be measured satisfactorily by performance tests or crude estimates of productivity (i.e. graduates per teacher), although it is a mistake to go to the other extreme and argue that such measures are completely irrelevant.

However, certain principles can be applied. As elsewhere, accountability in education can be defined as 'the responsibility that goes with the authority to do something' and the responsibility is to use authority justifiably and credibly (Heim, 1995 cited in Heim, no date). It involves at least two parties and a mutually acknowledged relationship between them that involves a delegation from one party to another of authority to take some action. As in the more general analysis, that authority is delegated conditionally, at minimum upon demonstrably credible performance, and this evaluative nature is an essential characteristic, distinguishing accountability from reporting (*Ibid*). This framework remains incomplete, however, as accountability in education must take account of multiple stakeholders and multiple goals.

2.3.1.4 Multiple stakeholders and multiple goals

Stakeholders include the providers of educational services (HEIs), funders (governments) and clients (students) and accountabilities and obligations exist between these groups. It is a limited list. Prospective employers have a legitimate interest in the quality of higher education and Le Grand (2007) argues that a good public service should not only be responsive to the needs of its users, who in most cases are not paying directly for the service, but also to the

needs of those who are paying for it, the taxpayers. While they are likely to want services provided at a high standard, efficiently run, and responsive to the needs and wants of the users, their preferences may differ from direct users, which will not always be easy to integrate. Thus, providing a public service is likely to encounter some tensions between meeting the requirements of user responsiveness and taxpayer accountability.

Stakeholders may differ about the purposes of higher education. Academics may see its purpose is to develop critical skills in students and an ability to think reflectively as this enriches them as individuals in society. Employers may require more specific skills relevant to jobs and policy-makers may seek graduates who can maximize national economic performance. These different purposes lead to different goals and targets and hence to different views about what counts. Moreover, even if stakeholders agree on the purposes, goals and targets of higher education, they may have different views about the best ways of achieving these and, indeed, the best means of holding people accountable.

Despite or perhaps because of these differences in preferences, it can be argued that all stakeholders share some responsibility for education and, arguably, its improvement. Heim (no date) agrees with Lin (2003) about the importance of shared responsibility among all stakeholders. He argues that accountability in public education must be developed through a process of negotiation among its participants and stakeholders. Accountability between students and teachers, teachers and parents, and students and parents, require some degree of mutually acknowledged relationships and responsibilities.

2.3.2 Accountability and Higher Education Policies

The expansion of higher education, sharp rises in per student costs, fiscal constraints and growing competition from other areas of the public sector (Johnstone, 2004a) mean that since the mid-1980s there has been increasing concern with accountability as value-for-money.

Peston (1980) argues that if resources are limited and are managed by people to whom they do not belong, they must be accountable to the owners or their representatives, and accountability is needed to avoid waste and fraud and to ensure that resources are used for the ends of education. The financial pressures arising from a mass-based system has led to concerns about satisfactory levels of quality so that quality assurance and quality enhancement have become a major focus (Holm-Nielsen, 2001).

The development of formal quality assurance systems is one of the most significant trends in higher education in recent decades. From the early 1980s quality became a key topic, with expansion, expenditure, fiscal constraints and increased market pressures all fostering the focus (OECD, 2008). The demand for greater accountability has become stronger as growing dissatisfaction with inefficient utilization of public resources was identified as a problem in many countries and thus the public has a right to know what it is getting for its expenditure of tax resources. They have a right to know that their resources are being wisely invested and committed (National Governors Association, 1991, cited in Goastellec, 2005; Thompson *et al.*, 1998; HEFCE, 1998). As a result accountability has become a prominent and crucial issue in funding reforms in higher education and its quality assurance systems (Cheung, 2003).

There were also changes in policy-makers' beliefs about the motivation of those working in the public sector: 'altruism' or 'self-interest'. There has been a gradual erosion of confidence in the reliability of the public service ethic as a motivational drive and a growing conviction that self-interest is the principal force motivating individuals, whether in the public or private sector. The Thatcher neo-liberal government from 1979 epitomized these changes in belief, the public sector, and public sector professionals in particular, being viewed with great suspicion. Professionals and other workers in the public sector were viewed as pursuing their own concerns rather than the public interest: more knaves than knights (Le Grand,

2003). These changes contributed to a shift away from supervisory regimes that were minimal and 'light touch'. This monetary emphasis on accountability may explain why there have been relatively few linkages between quality, policy and the encouragement of innovative approaches to teaching and learning (Lee and Knight, 1996).

Whilst initial concerns about universities were dominated by issues of cost, a focus on outputs gradually became more prominent and, consequently, a search for institutional performance indicators. Despite this, little attempt was made to develop indicators of student learning, and those that might appear to relate to learning are tenuous. In essence, in Britain, as in many other countries, the primary concern has been with accountability rather than improvement. Certainly, quality policy has not addressed transformative learning but has been preoccupied with other notions such as value for money and fitness for purpose (*Ibid*).

The indicators that have been developed have attempted to introduce "objective" measures of research and teaching competence (Davies and Thomas, 2002). Internal auditors, external auditors, the Research Assessment Exercise (RAE), demands for value for money and Teaching Quality Assessments are just a few examples of accountability exercises through which universities in the UK are expected to demonstrate returns on public investment. Of these, the RAE is most significant because it is a vehicle for allocating large sums of money to universities and affects the reputation of departments through the ratings allocated by the process. While some measures to audit teaching standards have been implemented, they are much more limited than those for research (*Ibid*; Bush, 2007; Neyland, 2007).

It has been argued that the RAE and greater control of research councils have contributed to a short-term, value-for-money, pragmatic approach to research funding dressed up as rewards for excellence, while there being little to suggest that it has obviously improved

research output. Impressions and anecdotal evidence suggest that rather than a transformative research culture, these policies have encouraged a compliance culture that has produced an over-reporting of underdeveloped research (Lee and Knight, 1996).

Davies and Thomas (2002) add that there has also been a shift towards a competitive hostile culture of “churning out the publications”, accompanied by the feeling of being managed and measured. In their study, interviewees commented on having less freedom, both in terms of day-to-day activities and in the type and nature of their research. Many referred to increased monitoring of academic performance. The teaching quality audit, appraisal, RAE, student feedback questionnaires and internal academic audit were all seen as contributing to increased paperwork and monitoring which were narrowing academic roles around a focus on generating research/income.

The introduction of tuition fees can also be viewed as an increase in accountability, whilst relatedly and simultaneously reducing the charge on tax payers. According to some writers, we have moved to a context where public universities receive less direct funds from government but find themselves under increasing scrutiny over their practices (Stohl, 2007). However, what this view overlooks is that financing higher education remains substantially dependent on public revenues in most countries, so that it is not surprising that governments retain a strong influence on the sector.

Administrative accountability is an alternative to the market, as markets are seen to provide accountability automatically, in the sense that unwanted services would not be bought (Bullock and Thomas, 1997). Thus, it is argued that greater emphasis on students bearing the cost will make the students more demanding of quality in teaching. Even so, market forces does not mean government has no role as it continues to engage with issues, such as funding, access, quality assurance and setting incentives. The government might also wish to

encourage subjects less able to flourish in a more market-oriented system, such as music, drama, or some languages (Barr, 2004a).

That is, intervention still occurs when markets produce inconvenient results although, arguably, if quasi-markets are functioning effectively and central intervention designed carefully, unanticipated consequences should be avoided (Temple, 2006).

2.4 Efficiency

2.4.1 Understanding Efficiency

2.4.1.1 Initial definitions

Efficiency is “the quality of doing something well with no waste of time or money” and at a technical or physical level, it is the relationship between the amount of energy that goes into a machine or an engine and the amount it produces (Oxford Advanced Learner’s Dictionary Compass, 2005). The relationship between inputs and outputs is also evident in the UNESCO Thesaurus (2010) definition of ‘educational efficiency’ as “degrees to which educational systems are successful in optimizing the educational input/output relationship”: the relationship between ‘what is put in’ a system and ‘what is got out’. The perspective offered by Vossensteyn (2004) views efficiency as ways institutions become responsive to the demands of their customers without increasing their budget and that, primarily it requires doing more within the existing budget. Responsiveness is also evident in Le Grand’s discussion (2007) that an efficient service is one that delivers the highest possible quality and quantity of that service from a given level of resources. An OECD report (2003) relates efficiency to the least-cost means of achieving a specified objective or the maximisation of objectives given a specified level of costs.

2.4.1.2 From effectiveness to efficiency

In distinguishing the concepts of effectiveness and efficiency in education, Thomas (1990, 26) states that:

Effectiveness is inescapably linked to the outcomes of educational activity. Only through an evaluation of the extent to which an activity approximates the achievement of its goals is it possible to judge how effective that activity has been.

According to this definition, an educational activity can be said to be effective if it achieves its pre-defined goals. He argues that efficiency involves two processes: first, establishing the technical specification of the desired output and, second, aiming to produce that output in the cheapest way.

Common to definitions of effectiveness and efficiency are outputs. However, while outcomes are central to both concepts, resources are of explicit concern only within the framework of efficiency. In this sense, effectiveness is a narrower concept and, therefore, it is possible for an activity to be effective without being efficient but it is not possible to be efficient without also being effective (*Ibid*).

Efficiency, therefore, is concerned with ‘what is got out’ as well as ‘what is put in’: purposes, resources and achievement. This perspective is also reflected by Goastellec (2005) who relates costs to the results obtained: how much is invested for which results, which he defines especially in terms of length of studies, graduation rates and access to the market place.

Finally, it is argued that the case for efficiency has a strong moral force, especially in the case of scarce and declining resources, and all the more in societies where such scarcities are acute (Bullock and Thomas, 1997; Belfield, 2000). The concept can also be applied to the

way education functions internally as a system and how education contributes to society, a distinction between *internal* and *external* efficiency.

2.4.1.3 Concepts within economic efficiency

Internal efficiency is about the internal production processes of an organization. It includes decisions whether money should be spent on more lecturers as against more blackboards or the other materials needed in a university. It can also be about choosing between more experienced (and more expensive) staff or less experienced (and cheaper) staff. It is also about using those resources as effectively as possible, so that, for example, lecturers are enabled to do those things they are best qualified to do and other staff are appropriately deployed in their support (Wobmann and Schutz, 2006). Barr (2004a) gives the example of management processes within an organization, as the quality of management can shape the efficiency of its internal processes. In summary, an education system is judged to be internally efficient if it produces the desired output at minimum cost or if it produces maximum output for a given input of resources (Mingat and Tan, 1988). While internal efficiency alone is not sufficient if students acquire knowledge of little use to them or wider society, without internally efficient processes, external efficiency would not be maximised (*Ibid*).

External efficiency is the relationship between the outputs of the education system and the requirements of society for those outputs. A key economic function of education is the preparation of young people for productive roles in society. In this respect, the degree to which an education system is externally efficient depends on the level of ‘fit’ between the production of schools and HEIs and the demand for graduates in the labour market. For example, too few plumbers and too many lawyers would indicate external inefficiency in the relationship between graduate output and the needs of the economy. Those with confidence in

markets for resolving these problems would predict an increase in the income of plumbers, leading to more people training or re-training in those trades (*Ibid*).

Education systems can be internally efficient and externally inefficient where internal processes work well but it produces labour output that is not needed. Equally, education systems may be internally inefficient but those who are produced are in demand by the economy. Techniques for measuring efficiency are considered next.

2.4.1.4 Measuring efficiency

Terms related to internal and external efficiency include productivity, cost-effectiveness analysis and cost-benefit analysis. There are also terms such as efficiency of study or students' study progress that have some links with efficiency. Productivity, as in the 'the productiveness of a factor of production, is measured by expressing output as a ratio to the input required to produce it and is a means for estimating average productivity. It is also possible to express the change in output as a ratio to the change in amount of input required to bring it about; this is the internal rate of return' (Bannock *et al.*, 1972, 330).

As for cost-effectiveness analysis, Levin (1995a) states that:

Cost-effectiveness analysis refers to the consideration of decision alternatives in which both their costs and consequences are taken into account in a systematic way ... The purpose of cost-effectiveness analysis in education is to ascertain which program or combination of programs can achieve particular objectives at the lowest cost (381-2).

Cost-effectiveness analysis can only evaluate alternatives with the same goals and measures of effectiveness, such as improvement in student achievement. It has some relationship with cost-benefit analysis in that both represent economic evaluations of alternative resource use and measure costs in the same way. However, cost-benefit analysis is used to address alternatives where the outcomes can be assessed in monetary terms (Levin, 1995a; 1995b).

As for efficiency of study or students' study progress, Bevc and Ursi (2008) argue that efficiency of study refers to students' progress within the higher education system and rates of success in completing degrees. As a rule, this is observed at the individual level and is included in measures of internal efficiency. Where full-time study without stop-outs (also known as rates of drop-out or non-completion) is the national priority, efficient students are those who progress without interruption and finish their degrees within the minimum timeframe. Inefficient study includes repetition and dropping out (with or without stopping out) produces a lower output from that which is theoretically possible. This criterion of internal efficiency is one of many examples of performance indicators by which institutional and system efficiency can be monitored and assessed.

2.4.1.5 Performance indicators

Bevc and Ursi (2008) argue that indicators of internal efficiency include graduation rates, drop-out rates and duration of study, and can be based on cross-sectional or true cohort-data. The true cohort method using a longitudinal approach, where the progress of a group of students is tracked, is better than the cross-sectional approach but the required data for such an approach are unavailable in most countries.

External efficiency can be measured using simpler and/or more complex approaches. Simpler approaches consider different indicators of economic benefits such as the relative employment rate, unemployment rate and earnings of university graduates compared with upper secondary education. Input indicators, such as the percentage of public expenditure on HE, can be considered as indicators of efficiency only when they are observed in relation to outputs (*Ibid*). More complex approaches to measuring external efficiency include: estimation of the contribution of HE to economic growth, using analysis of the aggregate production function; the relationship between HE and achieved economic development and calculation of

rates of return to investment in HE (Hicks, 1980; Psacharopoulos, 1984 and Rotkovic, 1983 cited in Bevc and Ursi, 2008).

2.4.2 Efficiency and Higher Education Policies

As a result of the expansion of the higher education sector, fiscal constraints and competition from other tax supported sectors of the economy, there are substantial changes occurring in funding and QA regimes so that its impact on public revenues is reduced and the returns on expenditures are maximized. In this section, the broad nature of these changes is identified, leaving a more detailed discussion to chapters three and four.

One approach designed to improve the operating efficiency of higher education is the devolution of spending authority from the central government/ministry to regional units of government and to HEIs. These policies arise from the view that those closer to an activity are better placed to make decisions about the most appropriate ways of allocating resources underlies many cases of decentralization. Block grants and other forms of incentive-sensitive budgeting are examples of means by which governments hope to improve the operating efficiency of higher education (Johnstone *et al.*, 1998).

Efficiency, internal and external, can also be improved by improving the quality of teaching, learning experience and research. Relevant here are practices that improve the linkages between the learner and the labour market. Research and development more closely aligned to business and community development can also assist in improving the match between the outputs of higher education and the needs of an economy (OECD, 2008). Other measures designed to improve the quality of teaching and research are inspection systems, some of which examine the quality of teaching and others the quality of research outputs. In the United States, performance accountability has replaced traditional accountability to enhance the efficiency of the system. Where traditional accountability has focused on

measures of inputs, such as enrolments, or processes such as proper use of funds, teacher-student ratios or levels of facility utilization, performance accountability shifts attention toward outputs, such as number of graduates or outcomes, such as number of students placed in jobs or how well students perform on licensing exams (Dougherty, 2004; Layzell, 1999).

Finally, considerable attention has been given to increasing the contribution of the beneficiaries of higher education given the private benefits to recipients, and building on the fact that the beneficiaries of government spending on post-compulsory education tend to come from relatively well-off families who, therefore, benefit most from tax funding (Blondal *et al.*, 2002; Greenway and Haynes, 2003; Goodman and Kaplan, 2003; Barr, 2004b; Psacharopoulos and Patrinos, 2004; Chapman and Ryan, 2005; Wobman and Schutz, 2006; Johnstone and Marcucci, 2007; James, 2007). Examples of methods for making students pay for their higher education are considered in the next chapter.

2.5 Equity

2.5.1 Understanding Equity

2.5.1.1 Initial definitions

Equity is defined as “the quality of being fair and impartial” (Concise Oxford English Dictionary, 2004) and “a situation in which everyone is treated equally” (Oxford Advanced Learner’s Dictionary Compass, 2005). These definitions are also apparent in the UNESCO Thesaurus (2010) which defines ‘educational opportunities’ as “the availability of educational provision” and ‘universal education’ as “a system of education extending opportunities to all”. These definitions use equity synonymously with justice and fairness. For instance, the idea of an ‘equitable’ distribution of income seems to have broadly the same meaning as a ‘fair’ or ‘just’ distribution of income. However, they are not always used synonymously in the

academic literature. The term justice, for example, may have a different and broader meaning in political philosophy (Le Grand, 1991a).

Internationally, equity is usually considered to be one of three fundamental measures of the effectiveness of a higher education system, alongside quality and efficiency (James, 2007). Concerning opportunities for access to HEIs, it means asking questions about the distribution of education and its benefits between social groups (Bullock and Thomas, 1997) so that higher education should be accessible to all and based on merit, without discrimination on grounds of sex, race, language, religion... and physical handicap (World Conference on Higher Education, 1998; James, 2007; Wobman and Schutz, 2006; Le Grand, 2007).

When analysis moves closer to policy, it becomes apparent that implementing policies based on equity raises issues that go well beyond requirements for resources. An important issue in this area is the difference between equity and equality.

2.5.1.2 Equity and equality

Mingat and Tan (1988) argue that equity in education concerns the provision of education to different population groups and its effect on the future distribution of income among those groups. It can be assessed by comparing the characteristics of students with those of the population in the relevant age group. They also note a linkage between their view of equity and equality, arguing that investments that help to equalise educational opportunities may help to equalise the distribution of income.

Barr (2004a) also defines equity as a form of equality of opportunity. Thus, access to higher education should be based on a person's ability and talents, and not on family income, socio-economic status, gender or ethnicity. He adds that improved access contributes not only

to equity but also to efficiency, in that it minimizes the waste of talent. This indicates that equity and efficiency are related in that change in one may affect the other.

While some use the words equity and equality as synonyms, Le Grand (1991a) differentiates between them, arguing:

equality has a descriptive component, whereas equity is a purely normative concept. Partly as a consequence, equality does not necessarily imply equity, or equity equality. Equality of various kinds may be advocated for reasons other than equity; equitable outcomes may be quite inequalitarian (11).

Walford (1994) also differentiates equity and equality, arguing:

equity is not the same as equality. There may well be links between the two concepts, and measures of inequality are central indicators that can be used in making judgments about equity, but equity demands that judgments are made within a moral framework. It builds on the raw data of inequality (13).

Bevc and Ursi (2008) note that ‘equity’ and ‘equality’ are often used synonymously but that it is possible for them to be distinguished. In most cases the latter concept is considered broader and linkage between them is emphasised. The term equity is undoubtedly complex, including different types such as equity in access; treatment; outcomes, and participation. David (2004) recognizes this complexity, noting that equity and/or equality in higher education are terms with increasing currency internationally but are conceptualized variously and range over different and often competing paradigms about social factors, diversity, race and ethnicity and gender.

2.5.1.3 Equity, equality and choice

Le Grand (1991a) adds another dimension to equity by relating it to choice. He argues that the social distribution of opportunities which are generally considered inequitable are those resulting from factors beyond individual control. By contrast, distributions that are the outcome of individual choices are not generally regarded as inequitable. In other words, if one

individual receives less than another as a result of her own choice, then the disparity is not considered inequitable but if it arises for reasons beyond her control, then it is inequitable. Thus, inequity is when a bright student from a poor family cannot continue her studies because of the cost of college fees. The college fees, here, is a factor beyond individual control and, thus, can be a possible source of inequity. Removing such barriers does not ensure equality of choice sets and therefore equity. Even if college fees are waived, bright students from poor families may have to stop their studies because they need to earn money to support their families. In this case, equality of choice sets may require positive discrimination, with poorer students receiving larger grants than those from well-off backgrounds (*Ibid*).

As it is common to use the terms, equity and equality, interchangeably, that is the approach adopted in this study.

2.5.2 Equity and Higher Education Policies

While a concern for equity may stem from envy, Le Grand (1991a) is not alone in believing that it can also arise from a genuine empathy with the plight of others: an altruistic concern that others, as well as oneself, receive what they ought to receive. He adds that, even if the motivation for some people being concerned about equity is envy, this does not invalidate concerns about equity and the case for suitable policy prescriptions to address legitimate concerns.

2.5.2.1 Existing inequalities

Holm-Neilsen (2001) argues that although rapid enrolment growth has increased access to higher education for traditionally less privileged groups, it remains elitist with the majority of students coming from wealthier segments of society and benefitting from public funding.

Inequity arising from the public financing of higher education raises the question of ‘who should pay for higher education?’ Studies of rates of return imply that higher education is an investment with economic and social returns both for individuals, creating future benefits in terms of higher productivity, higher wages... and lower risk of unemployment. These future benefits for students justify that it is efficient and equitable that they carry some of its costs. While this is equitable in terms of outcomes, it does not take account of differences in the means available to different students to obtain higher education in the first place. This provides an important argument for some form of subsidy, an issue considered in the next chapter.

2.5.2.2 Options for policy

Inequity in access to higher education may arise from young people from certain backgrounds not attaining the qualifications needed for entry into higher education (OECD, 2008). It suggests that intervention at earlier educational levels, when children’s cognitive and non-cognitive abilities are being developed, may be more effective in equalizing chances in post-compulsory education. Options include limiting early tracking and academic selection, offering second chances to gain from education or providing systematic help to those who fall behind at school. Grants at upper secondary level for students from disadvantaged backgrounds to prevent dropout, targeting resources at the students with the greatest needs and strengthening school career guidance to shape their aspirations and expectations are other policy options (*Ibid*; Blondal *et al.* 2002).

Certainly, when governments shifts costs to students, it requires a system of financial assistance to maintain access and improve equity by reducing liquidity constraints faced by students. While the disproportionate numbers of children from wealthier backgrounds make some element of cost-sharing more equitable than free higher education, policy options

relating to tuition fees coupled with income-contingent loans may create some complementarity between efficiency and equity (Johnstone *et al.*, 1998; Wobman and Schutz, 2006; Johnstone and Marcucci, 2007).

These examples show how efficiency and equity are not only crucial issues in higher education funding but are closely inter-related, including the different forms of financial and regulatory regimes that are available. For example, while some argue that quasi-markets may help solve problems of inefficiency and inequity through competition between universities for students and, moreover, encourage more economic use of resources and competing suppliers, it requires grant schemes to allow poorer students to access higher education and give them more economic power, leading to suppliers being more responsive to their wishes (Le Grand, 1991b).

2.6 Conclusion

This chapter began by noting the prominence of autonomy, accountability, efficiency and equity in the literature on higher education and, therefore, their potential as evaluative concepts. Thus, the first research question concerning an appropriate theoretical framework for examining the impact of funding and quality assurance systems on higher education has been addressed.

The discussion has highlighted that far from being distinct, these concepts are often inter-related. Thus, policies that give HEIs managerial autonomy also hold them accountable to government, society and their direct consumers. Policies seeking more efficient use of resources may be counter to those promoting greater equity in terms of access. Finally, we note the overriding position of accountability in relation to the concepts: those working in higher education are accountable for the way they use resources (efficiency); for who benefits

from provision (equity); and for how effectively HEIs use their discretionary authority (autonomy). These concepts and their inter-relationships will be evident in later stages of the study, how policies manifest themselves in practice and, particularly, how their interpretations differ.

The discussion also recognizes the contested nature of these concepts in terms of their application as policies. The study will examine these contested perspectives further through the experience of those working in the sector. How these concepts manifest themselves in practice and how their interpretations differ will also be part of the study.

CHAPTER THREE

GLOBAL TRENDS IN FUNDING HIGHER EDUCATION: THE CONTEXT OF EGYPT AND THE UK

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CHAPTER THREE

GLOBAL TRENDS IN FUNDING HIGHER EDUCATION: THE CONTEXT OF EGYPT AND THE UK

3.1 Introduction

This chapter begins by examining the reasons higher education is important in the policy agendas of many countries. It then considers the challenges for financing higher education and, in particular, the mix of public and private funding. This leads to sections on cost-sharing, the different funding mechanisms available and options for providing financial support to students. The penultimate section is a brief account of funding systems in Egypt and the UK and then the chapter ends with a brief conclusion.

3.2 The Importance of Higher Education

The recognition that higher education is a major driver of economic competitiveness in the global economy has made its quality ever more important, contributing to social and economic development in four main ways. Firstly, it makes an economic contribution through the formation of human capital, primarily by training a qualified and adaptable labour force. Secondly, by building the knowledge base through research and development. A third way is through the dissemination and use of knowledge through interactions, such as consultancy, with the wider economy. Fourth, it contributes to the maintenance of knowledge via inter-generational storage and transfer (OECD, 2008; Jongbloed, 2008; Johnstone, 2006a; Greenway and Haynes, 2003; Lee, 2003; Gardener, 2002; UNESCO, 1998a).

While education raises people's productivity and creativity, and promotes entrepreneurship and technological advances, it also plays a crucial role in securing economic and social progress and can improve income distribution. By increasing the productivity and flexibility of the labour force, it helps ensure a country is competitive in world markets

characterized by changing technologies and production methods (Ozturk, 2001). The higher the level of education of the work force, the greater the overall productivity of capital because the more educated are more likely to innovate with spillover benefits for the productivity of others (Lucas, 1998 cited in Ozturk, 2001).

Returns to investment in education show an average rate of return to additional years of schooling as 10%. These returns are useful indicators of the productivity of education and measures of private returns show the incentives for individuals to invest in their own education. In this sense, investment in education can be understood as similar to investment in physical capital and, in advanced industrial countries, returns to human and physical capital tend to be equal at the margin (Psacharopoulos and Patrinos, 2004). The initial earnings advantage increases with time spent in the labour market, with the earnings of tertiary-educated men and women increasing more sharply with age than those of less-educated workers (Blondal *et al.*, 2002).

Higher education is also associated with non-economic benefits (UNESCO, 2009; Blondal *et al.*, 2002; Woodhall, 1967), enriching people's understanding of themselves and the world through promoting critical thinking and active citizenship and, thereby, improving the quality of their lives and leading to broader social and individual benefits. Higher education institutions also play a critical role in supporting knowledge-based growth strategies and constructing democratic, socially cohesive societies. Their activities provide support for innovation and, as repositories and conduits of information (e.g. libraries), their computer network hosts and internet service providers often constitute the backbone of a country's information infrastructure. In addition, the norms, values, attitudes, and ethics that HEIs impart to students provide some of the social capital necessary for constructing healthy civil societies (Lee, 2004; Gardner, 2002).

These public and private economic and social benefits come, however, at some cost and a critical issue is how these should be distributed between public (taxation) revenues and private and corporate sources.

3.3 How Higher Education should be funded

How higher education should be financed requires an assessment of its comparative private and social benefits and costs, thereby informing decisions on the distribution of costs between government and non-governmental sources. These questions are at the centre of efforts to improve the quality and effectiveness of funding mechanisms in higher education; they are much more than technical issues and affect societal values on the nature, purpose and importance of higher education.

In the case of Egypt, for example, the current constitutional position is that higher education should be provided at no direct cost to students (Universities Regulatory Act - 49/1972, 2009), so that any cost recovery is seen by the public as unconstitutional and a violation of their rights. Yet, the number of students entering higher education grew by 17 per cent per year between 1992/93 and 1997/98 with a total of over 1.5 million students. The consequence was a sharp decline in per student spending by about 40 per cent in real terms, enrolment increasing at a much faster rate than financial resources. Moreover, the cohort is projected to increase and be close to 6 per cent (60,000 students) per year through 2009, with the participation rate assumed to rise from 28% to 35% over 2006-2021 (OECD and World Bank, 2010). At best, this means significant efficiencies are needed just to maintain quality at its current inadequate level. Already, however, employers and students are displeased with the quality of education and attest to its limited relevance to their requirements, an issue being addressed by World Bank (World Bank, 2002a).

Through the Higher Education Enhancement Project (HEEP), the World Bank is supporting efforts to improve the market orientation of the sector by improving its quality, relevance and efficiency. The project aims to help restructure and change the system so that it produces the graduates needed to underpin a private-sector-led, export-driven economy, competitive in global markets (World Bank, 2002a). Given the already high budget effort to education, in its last supervision visit January 13-24, 2008, the World Bank education team strongly recommended that a proposal to diversify sources for funding should be developed (World Bank, 2008a).

Thus, the problems facing higher education in Egypt are related to the rapid expansion of enrolments without adequate increases in financial resources (Sanyal, 1998). This expansion is part of an international trend. Globally, in 2004, 132 million students enrolled in higher education, up from 68 million in 1991. Average annual growth in enrolment over the period 1991-2004 stood at 5.1% worldwide (OECD, 2008). In the UK, in 1980 13% of young people were in full time higher education whereas by 1999 it was 34% and a target of 50% participation by 2010 was set, although not achieved. At the same time as student numbers in the UK have doubled, however, public funding per student has been halved (Greenway and Haynes, 2003). As elsewhere, it contributes to pressures to diversify sources of funding.

A similar trend is evident in other EU countries. The current level of state funding, the main source of resources in most EU countries, is inadequate, partly because an increasing share of available resources are being directed towards the needs of the elderly (health and pensions) or to support basic education. As a result, there is a decline in (real terms) spending per student (Barr and Kemnitz, 2004). Thus, many and different countries face the problem of making trade-offs between the desire, on the one side, to expand the higher education system and, on the other, face the problem of declining spending per student funding. Therefore,

while expanding higher education requires more resources if quality is to be preserved (*Ibid*) and “Increasingly, quality matters and quality cannot be dissociated of (*sic*) the level and uses of funding” (Goastellec, 2005, p.3), public sources seem inadequate to the task. It places at the forefront a debate about the mix of public and private sources of funding.

3.3.1 The Public versus Private Debate and the Mix

In many countries, the traditional answer to the question of *who should pay for higher education?* has been *the government*. These countries view higher education as a public service (Vossensteyn, 2004) and it is reinforced by international declarations, the World Declaration on Higher Education for the Twenty-first Century recommending that ‘higher education must be considered as a public service... accessible to all and shall be based on merit, without any discrimination.... If the diversification of private and public financing sources is necessary, public support for higher education and research remains essential so that the educational and social missions are assured in a balanced manner’ (UNESCO, 1998b).

It is also a right recognized in the Universal Declaration of Human Rights (UNESCO, 2003). While UNESCO considers higher education as a human right which should be accessible to all, it is treated by World Bank and multinational corporations, however, as an attractive booty³. From their perspective, the public institutions of education and research can be transformed through privatization into a juicy business that gives little consideration to its social nature and role. The World Bank explicitly states: “higher education is a private and not a public commodity” (Delgado and Fernandez, 2005).

3 The comment about higher education as an attractive booty could refer to the social and economic benefits of higher education. It could also refer to the private benefits for individuals who obtain higher education, which therefore justifies cost-sharing mechanisms.

Thomas (1994, 46), however, argues that:

If education fails the tests of what constitutes a pure public good, however, it may be regarded as a quasi-public good. This would be the case if there are substantial externalities associated with its production and consumption. Externalities are benefits which are associated with a good or service but are not directly obtained by the individual consumer. Thus, if we all benefit from the qualities associated with living in a more educated society; there is a case for subsidising the cost of education to individuals so that demand increases.

In line with Thomas' argument of higher education as a quasi-public good, Bergan (2005) argues that higher education is probably situated somewhere between public and private goods, or has elements of both. Gradually, therefore, higher education has increasingly come to be regarded as a shared responsibility between students and society (Vossensteyn, 2004), viewed as an investment with economic returns for individuals but also for wider society and, therefore, costs should be shared between the individuals who benefit and wider society (Barr, 1993; Cheung, 2003; Barr, 2004a; Woodhall, 2007). Demonstrating that higher education is a worthwhile investment for both individuals and society, many studies have contributed to the view that its costs should be shared between taxpayers, graduates, students and their families, employers and other stakeholders (Eicher and Chevaillier, 2002; Salerno, 2005; Rees Review, 2005 cited in Woodhall, 2007).

The debate on the appropriate levels of public and private spending is informed partly by an assessment of the social and private returns to investment in higher education. The theoretical rationale for these studies is Human Capital Theory founded by Schultz (1960) and Becker (1962; 1993). Its central idea is that each person's education is an investment in her human capital which allows her to contribute to her society in a productive way and, as with any investment, there are initial costs, in terms of direct expenditure and the opportunity cost of student time. These costs are carried in the belief that they will provide future monetary

and non-monetary benefits to individuals and society at large (Wobmann and Schutz, 2006; Johnstone and Marcucci, 2007).

Monetary benefits for individuals include higher wages, lower risk of unemployment and improved working conditions and non-monetary benefits include a sense of well-being of individuals, job satisfaction ... and better health behaviour (Wobmann and Schutz, 2006). A recent OECD study showed that the wage premium of graduates compared with individuals having only secondary schooling result in private rates of return to higher education ranging from 7 per cent in Japan, 12 per cent in the Netherlands, 15 per cent in the United States and about 18 per cent in the United Kingdom (Goastellec, 2005; Blondal *et al.*, 2002, cited in Vossensteyn, 2004). In Egypt, there is also a positive relationship between income and educational level but compared to other developing countries, Egypt has a lower return to higher education, including the distribution of unemployment by education with unemployment among university graduates increasing (Fahim and Sami, 2009).

Higher education also contributes monetary benefits to society. These include the impact of graduates on productivity, knowledge creation and transmission, facilitating research and development and the diffusion of technologies. As higher education raises the earnings of individuals, it also tends to increase the taxes they pay, contributing to the range of government expenditure (Barr, 2004a; Wobmann and Schutz, 2006; Woodhall, 2007; Santiago, *et al.*, 2008).

These benefits are part of the externalities that higher education contributes to economic growth, social cohesion and citizenship values, benefits such as mutual trust, social cohesion, social norms, civic mindedness and other connections between individuals contributing to social well-being (Wobmann and Schutz, 2006). It is these social as well as private benefits that underpin debates on how costs should be distributed.

Before exploring this issue further, it is important to recognize that there is a distribution problem within education, particularly how expenditures should be distributed between primary, secondary and higher education. Psacharopoulos and Patrinos (2004) show that in most countries, the social rate of return to primary education is considerably higher to higher education and, moreover, the private returns to HE were much higher than its social returns. They suggest that this may be due to the public subsidization of higher education but it may also be that social rate of return estimates do not include all social benefits. Nevertheless, they point out that the degree of public subsidy increases with the level of education and that this has regressive implications for income distribution. Consequently, their recommendations include proposals for cost-recovery in HE and a re-allocation of public expenditure to primary education (Field *et al.*, 2007).

In effect, the evidence on the private benefits of a degree suggests that graduates should bear some of the cost of the services offered by HEIs, an argument all the stronger when limitations in the public funding of higher education lead either to rationing the number of students, decline of instructional quality or limited availability of funds for supporting disadvantaged groups. Thus, cost-sharing allows systems to continue to expand with no apparent sacrifice of instructional quality. They may also make institutions more responsive to student needs (OECD, 2008).

While arguing that a 'no charge' system suggests societal benefits are at least equal to the subsidy, Chapman and Ryan (2005) recognize there is little agreement on the size of higher education externalities and, therefore, the amount of the subsidy. A no-charge system is also unquestionably regressive and is related to equity issues. As university students are more likely to come from privileged backgrounds and graduates do well in the labour market, a no-charge system means the less well-off are subsidizing the more privileged; on this

argument, a shift towards a more equitable financial partnership with greater financial commitment from beneficiaries is justified (Greenway and Haynes, 2003; Dearden *et al.*, 2007).

Another justification for subsidizing higher education is capital market imperfection which prevents students from borrowing against future human capital income. Subsidies therefore provide equality of chances to all students, no matter their family wealth but even these need to take account of the net benefit of higher education to graduates. Thus, if the average tax payer has a lower lifetime income than the average university graduate, such a subsidy from general taxation implies reverse lifetime redistribution (Garcia-Penalosa and Walde, 2000).

Nonetheless, the external benefits justifies some level of taxpayer subsidy, as well as the social argument for ensuring students from low-income families have a better chance of participating in higher education. This remains an argument for sharing, however, and not full subsidy (Goodman and Kaplan, 2003; Barr, 2004a). While economic reasoning backed by empirical analysis of private and social rates of return support the global trend towards greater cost-sharing in higher education, the problem is finding a balance that is efficient and equitable (Woodhall, 2007).

3.4 Cost-sharing in Higher Education

Cost-sharing is a shift of the cost burden from reliance on government and taxpayers, to some reliance upon parents and/or students, either in the form of tuition fees or of “user charges” (Johnstone, 2004a, 2006; Johnstone and Marcucci, 2007). With public funds in most countries being limited, changes in the past 20 years include charges in countries where HE was

previously free and substantial increases in fees in countries where they already existed. Such changes have been the subject of controversy and debate (Woodhall, 2007).

Supplementing governmental revenues with non-governmental ones has been very widely accepted and is supported by the World Bank in countries at different levels of economic and higher educational development. The costs of higher education are increasingly being shared with students and their families via mortgage-type student loans; income-contingent loans; tuition fees; full cost recovery fees; means-tested grants and differential tuition fees in many countries (Johnstone *et al.*, 1998; Barr and Kemnitz, 2004; Chapman and Ryan, 2005; Guest, 2006; Barr, 2006; Johnes, 2007).

However, choice of terminology can be crucial. For example, The Australian government was astute to call its new financing system in 1989 the “Higher Education Contribution Scheme (HECS)”, a title that emphasizes the cost burden is shared by students (or graduates) and taxpayers. In the UK, on the other hand, the government aroused great hostility by using the term “fees,” both in 1998 when they were first introduced and in 2003 when variable, or “top-up,” fees were proposed. In contrast, the Scottish Parliament won popular support when it announced it was abolishing fees in Scotland in 2001 and, instead, requiring a compulsory contribution to a Scottish Graduate Endowment Fund (SGEF). However, Johnstone D. - one of the leading authors on cost-sharing- is sceptical whether a change of name makes any difference, arguing that “If it looks like a duck, and quacks like a duck, then it is a duck – whatever it is called.” Yet, in several countries the term cost-sharing seems to attract greater support than “cost recovery” or “user charges” and certainly than “tuition fees” (Woodhall, 2007, p.25).

Whatever language is used to describe cost-sharing, the analysis has identified the many reasons why countries are pursuing such policies: the scarcity of governmental

resources; the increased financial needs of higher education systems; the dramatic increase in demand for higher education because of population growth; increasing secondary school completion rates; competition with other public services; and the private benefit of higher education. Cost-sharing may also function as a market device, stimulating quality in education and guaranteeing that students and governments receive greater value for their money through enhancing the effectiveness and responsiveness of HEIs. It is also suggested that if students experience some of the costs of higher education, they will make better enrolment decisions based on their abilities, interests, and aims. Sharing the costs of higher education may also be a greater incentive on students to study hard and graduate on time (Johnstone, 2001; Johnstone, 2003; Vossensteyn, 2004; Kemnitz, 2004; Jongbloed, 2004; Johnstone, 2004a; Johnstone, 2006b; Marcucci and Johnstone, 2006; Johnstone, 2009).

Cost-sharing can also be related to the issue of university autonomy, particularly the ability to charge and retain fees. Also, unlike most forms of faculty entrepreneurship, fees do not divert faculty, academic staff, from the core instructional mission (Johnstone and Marcucci, 2007). Thus, policy orientations include the need to develop and work towards strategic visions to use cost-sharing between the state and students as the principle to shape the sector's funding (OECD, 2010a).

3.5 Funding Mechanisms

After discussing the concept of cost-sharing and its rationale, this section examines different mechanisms for funding higher education. They fall into several overlapping categories, mechanisms by which: (i) governments fund HEIs; (ii) governments fund students to attend; and (iii) how governments retrieve/recoup funding from students. Table 3.2 shows which mechanisms are associated with each category and, as noted, some appear more than once. No funding mechanism is ideal as such a mechanism does not exist but the goal is to have

mechanisms that are fit-for-purpose, seeking to match the goals of policy-makers (Jongbloed, 2004; Jongbloed, 2008, Jongbloed, 2010). Moreover, mechanisms that work well in one country may not work in the structures and traditions of another, Johnstone (1986) arguing that solutions are rarely transportable although they can give some guidelines for application elsewhere.

Nonetheless, it has been argued more generally that:

a funding approach is more likely to succeed in steering the tertiary education system if it is transparent, flexible, predictable, fair (to institutions, students and taxpayers), ensures public accountability, permits freedom to innovate, is sensitive to institutional autonomy, is demand-driven, recognizes the missions of institutions, and is open to private institutions (in some circumstances) (OECD, 2008, 7).

Implicit here and, in some degree, explicit are the four concepts of autonomy, accountability, efficiency and equity, and these guide this analysis of funding mechanisms. Mechanisms differ in their nature. Some are focused on alternative methods of channelling public funds, such as performance-based funding, competitive funding and demand-driven, input-based funding through clients (Jongbloed and Koelman, 2000; Jongbloed, 2004). Others are mainly cost-sharing mechanisms, such as tuition fees, pure loan schemes, graduate tax and income-contingent loans (Garcia-Penalosa and Walde, 2000; Greenway and Hynes, 2003; Barr, 2003; Chapman and Ryan, 2005).

3.5.1 Planned, input-based funding through providers

Under planned, input-based funding through providers, funding can be given to HEIs either in the form of line-item funding or in the form of block grants.

3.5.1.1 Line-item funding

It is a centralized system of funding using a traditional type of budgeting, where allocations are based on requests (activity plans; budget proposals) submitted to budgetary authorities.

Sometimes known as negotiated funding, in practice allocations are often based on the previous year's allocation of specific budget items. Separate budget items are negotiated between representatives of HEIs and the funding authorities (the ministry, or funding council). It is line item-based with categories such as staff salaries, material requirements, building maintenance costs, and investment. The German and French funding systems still retain much of these characteristics (Jongbloed, 2004).

From the description of this funding mechanism, it can be argued that the centralization and excessive control of HEIs worsens the dialogue of accountability between government and HEIs as it restricts institutions' autonomy over the management of their human resources, creating inflexibilities and limiting them in finding responses to challenges they face which thus provides no incentive for efficiency gains and improvements. Given the fact that government is the main source of funding with no cost-sharing mechanisms in place, this funding type might make HE systems less fair as the beneficiaries of government spending on higher education tend to come from relatively well-off families who therefore benefit most from tax funding.

3.5.1.2 Block grants

To resolve the problems of inefficiency and inflexibility, some governments have tried to give more autonomy to HEIs by replacing line item budgets with block grants or lump sums. However, it is argued that block grants can only increase the flexibility of internal allocation of funds; they do not provide HEIs with the ability to decide their own directions. System planners argue greater institutional autonomy will, in return, promote transparency and enhance efficiency because those who use the resources are in the best position to determine how they should be employed (Johnstone *et al.*, 1998; Cheung, 2003; Salerno, 2005). Allowing HEIs greater autonomy to spend their budgets according to their priorities to

achieve their targets is expected to enhance the dialogue of accountability between funders and HEIs. Allocating block grants to universities according to a funding formula for teaching and research also enhances transparency and makes the system fairer. In a number of OECD countries, governments have attempted to separate their support for teaching and research by providing block funding for each activity (Jongbloed, 2004; Jongbloed *et al.*, 2008b).

There has also been a move away from line-item funding towards outcome-based and formula-driven schemes. There is also a tendency to replace block funding for research with competitive funding mechanisms, or performance-based funding mechanisms (Salerno, 2005).

3.5.2 Performance-based funding of providers

In this funding system, a formula is used that allocates funds for institutions that are successful in achieving previously established goals or outcomes, such as the number of students passing exams. For instance, in Denmark, funds are allocated to HEIs depending on the number of credits accumulated by their students, while in Sweden a mix of enrolment numbers and credits determine the funds allocated to HEIs. In the UK, research is also funded in proportion to a measure of research quality which is periodically assessed in Research Assessment Exercise (Jongbloed, 2004; Herbst, 2007) and policy interest in performance-based funding for research is growing (OECD, 2010b).

This type of funding is supposed to improve the dialogue of accountability between funding bodies and universities as funding is allocated to HEIs according to their success in achieving the agreed upon goals or outcomes. HEIs are autonomous to decide their own direction to achieve the previously established targets, which therefore improves the efficiency of the system as it provides incentives for improvement and make universities more responsive. Finally, allocating public revenues to HEIs according to established criteria is supposed to improve equity of spending.

This argument is supported by Frolich (2008) who sees improved efficiency, accountability and quality as the primary objectives as well as the main justifications for performance-based funding. However, linking quality to funding is a controversial issue, which has pros and cons. The pros are: (a) linking quality to funding is important for accountability and is an incentive to improvement; (b) linking quality in research to funding is widely accepted; (c) risks of compliance exist under any evaluation system. The cons are: (a) linking performance to funding undermines improvement and incites hiding weaknesses, game playing and manipulation of data; (b) difficulties in measuring quality and linking it to funding; (c) and links to funding create compliance culture among higher education institutions (Kis, 2005).

Proponents of performance-based funding believe that budgeting by enrolment can lead an institution to over-enrol at the detriment of quality while performance budgeting drives public revenues by criteria other than, or at least in addition to, enrolments. These criteria can be degrees awarded; average time to degree completion; performance of graduates on postgraduate or licensure examinations; success of faculty in winning competitive research grants; or peer-based scholarly reputation of the faculty (Johnstone *et al.*, 1998).

3.5.3 Purpose-specific purchasing from providers

In this market-oriented funding system, HEIs are invited to submit tenders for a given supply of graduates or research activities and those selected are those that are most price-competitive. In this process, HEIs are encouraged to compete with one another to provide education, training and research to meet national needs. Another example is research funds awarded by research councils through contracts that are signed between the funding agency and HEIs. In the contract, both parties should obey certain criteria. Only if these criteria are fulfilled, the HEI will receive core funding. In most OECD countries, there is a tendency to replace block

funding for research to competitive funding mechanisms, or performance-based funding mechanisms (Jongbloed, 2004). Much governmental funding is disbursed on the basis of competitive research funding exercises, as in the UK, or according to competitive, peer-reviewed proposals, as in the United States (Johnstone and Marcucci, 2007).

It is argued that well designed competitive funds greatly stimulate the performance of HEIs and can be powerful vehicles for transformation and innovation. In Argentina, the Quality Improvement Fund has encouraged universities to engage in strategic planning for the strengthening of existing programmes and the creation of new interdisciplinary Master programmes. In Egypt, the Engineering Education Fund was instrumental in introducing, for the first time, the notion of competitive bidding and peer evaluation for the allocation of public investment resources. The Fund promoted the transformation of traditional engineering degrees into more applied programs with closer linkages to industry. However, a fundamental prerequisite for the effective operation of competitive funds, as well as one of their significant benefits, is the establishment of transparency and fair play through clear criteria and procedures and an independent monitoring committee (Holm-Neilsen, 2001).

Competitive funding, similar to performance-based funding, is supposed to enhance accountability as HEIs get core funding only if they fulfil certain criteria. This funding type is also reckoned to enhance efficiency of the system through raising competition between HEIs, which drives up the quality of provision. Concerning equity, Holm-Neilsen (2001) argued that it can be equitable if compensatory mechanisms are set to create a level playing field between strong and weak institutions, as happened in the latest higher education project in China and in the Competitive Fund in the Engineering Education Reform project in Egypt through forming partnerships between strong and weak institutions.

3.5.4 Demand-driven, input-based funding through clients

This funding system makes use of vouchers. The potential for using vouchers or learning entitlements has been debated for a long time, though largely in the context of primary and secondary rather than higher education (Greenway and Haynes, 2003, Lee and Wong, 2002). A voucher system is a method that allows money to move with students, a clear market-oriented process (Cheung, 2003). In this system the consumer ‘drives’ the system. Students (clients) who have satisfied entry requirements receive a voucher to a given value to use at a university of their choice. It is intended to give students more choice in education and to incorporate market mechanisms into higher education. Another goal of such student-centered funding is to increase competition among institutions so as to provide incentives to improve quality and efficiency as unpopular programmes will not receive sufficient funding (Le Grand, 1991b; Albrecht and Ziderman, 1992; Middleton, 2000; Jongbloed, 2003; Jongbloed, 2004; Jongbloed, 2006).

Vouchers are, therefore, a potentially flexible instrument for distributing public monies but in themselves do not alter the overall level of funding going to higher education. In effect, one is disbursing public funds via the individual rather than via institutions. The only way vouchers could bring in additional resources is if students were able to top up their value, which they would need to do were vouchers used as a device for distributing public subventions to students in an environment where universities were permitted to set differential fees. It is argued that charging fees will make students pay attention to the quality of the service they get from HEIs. So, combining vouchers and fees may result in a system which is responsive to individual students’ demand (Greenway and Haynes, 2003; Jongbloed, 2004). Jongbloed and Koelman (2000) conclude the advantages and disadvantages of demand-driven funding system in Table 3.1.

Table 3.1: The pros and cons of demand-driven funding system.

Pros	Cons
<ul style="list-style-type: none">-strengthening student choice-strengthening responsiveness to customers-increase in diversity of educational services (both in delivery methods and range of programs)-strengthening flexibility in learning routes-increase in efficiency of provision-increase in quality of provision-increase in private contribution to cost of education ('topping up' the voucher)-greater opportunities for lower income families and minorities	<ul style="list-style-type: none">-inability of clients to assess information on the quality of education-geographical factors will limit choice-over-subscription will require rationing (selection) and favour high-income families-high administrative complexity (and costs)-need for government regulations to protect subjects, individuals, quality and equity-large variations in enrolment and funding may lead to under-utilisation of capital and insecure jobs for teachers-programs with high cultural value but with small enrolments will be forced to close-if used to the full, vouchers lead to additional government expenditures

Source: Jongbloed and Koelman (2000, p.28).

Indirect funding models have been used extensively in the form of student grants and loans, but very little use has been made of vouchers. In some countries, e.g. Finland and Australia, plans were made but were not submitted or implemented due to the high level of resistance from the higher education field to the far-reaching proposals (Cheung, 2003).

The voucher system is supposed to allow universities greater autonomy as there is no direct control from the government. It also increases the autonomy of students through allowing them more choice. HEIs are more accountable and responsive to students' needs as a result of the tense competition between them, which is supposed to enhance efficiency and the quality of provision. If this mechanism is put in place, it would be fairer as all eligible students are treated the same way, regardless of their socio-economic backgrounds.

Having discussed the typical mechanisms for allocating public funding to HEIs, the next sections examine cost-sharing mechanisms as a way of recouping public spending, or part of it, on HE.

3.5.5 Tuition Fees

Under this system universities are financed from a mix of taxation and tuition fees. Fees give universities more resources to improve quality and, through competition, help improve the efficiency with which those resources are used. Fees are fairer since they reduce the regressiveness of a system based on tax finance. The obvious argument against fees is that they deter students from poor backgrounds. That argument is only true for up-front fees, however, as prospective students without sufficient resources to cover fees will not be able to enrol. But, when students go to university for free and make a contribution only after their graduation, in principle, tuition fees will not harm access. Thus, it is suggested that fees should be covered by a loan with income-contingent repayments (Barr, 2004b; Barr, 2005).

Tuition fees are becoming the international rule and not the exception. International perspectives suggest that higher differential fees can be introduced without adversely affecting the participation of students from less well-off families, particularly when backed by fee deferral arrangements (Department for Education and Skills, 2004). Evidence shows that equity is not at stake in the majority of the countries that have introduced tuition fees (OECD, 2006).

Tuition fees can be argued to improve institutional autonomy as it enables HEIs to diversify their sources of funding without much reliance on the government. HEIs are accountable for the quality of students' education and for taking them to graduation and to the market place. Charging differential tuition fees raises competition between universities which is for the benefit of enhancing the quality and efficiency of the system. Deferred fees, in contrast with up-front fees, are fair for students as they reduce the regressiveness of a system based on tax finance. What follows are three different mechanisms of deferring fees.

3.5.6 Pure Loan Schemes

Traditional tax-subsidy system threatens reverse income distribution and a trade-off between the various policy goals, efficiency and equity. A pure loan scheme, which is a public loan with mortgage-type repayments has the benefit that it is not a charge on public revenues, and removes the constraints imposed by imperfect capital markets without generating reverse redistribution. Under this scheme, each student pays back exactly the amount she has borrowed plus interest (Garcia-Penalosa and Waldet, 2000). This solution, however, neglects the problem of the uncertainty related to investment in human capital.

Pure loan schemes, as a cost-sharing mechanism, increases the autonomy of HEIs as the government is not the main source of funding. The fact that students (clients) pay for their education make HEIs more accountable for their education as students become more demanding. It does not improve efficiency so much as students who are risk-averse will be reluctant to invest in higher education. In that sense, it is inequitable as uncertainty affects investment decisions when individuals are risk-averse.

3.5.7 Graduate Tax

The difficulty whereby pure loan schemes fail to overcome the problem of uncertainty in investment decisions are intended to be addressed by a graduate tax (*Ibid*). A graduate tax is a supplement which applies only to graduates rather than a levy on all taxpayers. Thus, additional funding could be secured from the primary beneficiaries of HE, its obvious attraction. Moreover, because the revenue is generated from future earnings, payment is deferred and HE continues to be free at the point of consumption. In principle the collection mechanism is straightforward and administration costs could be very low, which is a further attraction (Greenway and Haynes, 2003). Graduates who do not obtain a skilled job do not have to meet the education costs they have incurred while those who end up working as

skilled workers pay both their own education costs and an amount used to cover the subsidies to those who have failed (Garcia-Penalosa and Waldet, 2000). A Department for Education and Skills' report (2004) states that, 'graduate tax is a theoretical possibility but in practice is non-existent in the OECD countries or beyond'.

Like Pure loan schemes, graduate tax boosts the autonomy of HEIs as the government is not the main source of funding. Students (clients) become more demanding as they pay for their education which makes HEIs more accountable for their education and more responsive for their needs. Such a system provides partial insurance. Hence, if students are risk-averse, insurance persuades more individuals with low wealth to invest in education, thus, increasing efficiency (Garcia-Penalosa and Waldet, 2000). One can argue that, although this system increases efficiency by providing partial insurance, it is unfair for successful students to pay both their own education costs and a portion of the costs of unsuccessful ones.

3.5.8 Income-contingent Loans

Under this approach, students are provided with a loan with income-contingent repayments. The loan entitlement should be large enough to cover fees and, in richer countries, living costs, with an interest rate broadly equal to the government's cost of borrowing. Students pay nothing at the time they go to university. In this case, higher education is free at the point of use. Part of the cost is paid through taxation and part through income-contingent repayments (Barr, 2005; Chapman and Rayan, 2005). This type of loan is currently in place in several countries such as Australia, Sweden, Ghana, New Zealand, South Africa since 1996 and, since 1998, in the UK. It makes repayments conditional on whether the income of the student exceeds a pre-specified level and computes repayments as a percentage of weekly or monthly earnings (Garcia-Penalosa and Walde, 2000; Steier, 2003; Johnstone, 2004b; Chapman, 2005; Johnstone, 2005; Chapman, 2006).

With income-contingent loans, unlike mortgage-loans, repayments take the form of X per cent of the borrower's subsequent earnings until the loan plus interest has been repaid. Thus, the duration of repayment is variable. With a graduate tax, repayments continue for life, or until retirement. With income-contingent loans, in contrast, students only repay what they have borrowed. Thus, income-contingent loans are logically equivalent to a grant financed by an income-related graduate contribution (Barr, 2003; Greenway and Haynes, 2003; Barr, 2004a; Tulip, 2007).

The fact that tuition fees are paid to universities in advance and students, graduates, have to pay back in the form of income-contingent loans allows universities more autonomy as it reduces the dependency of universities on the government. HEIs are accountable for the quality of students' education and for taking them to graduation and to the market place. Backing tuition fees with income-contingent loans enhances the efficiency and equity of the system as argued by Barr (2003) and Garcia-Penalosa and Waldet (2000). Collecting repayments as a payroll deduction alongside income tax means they match ability to pay, which enhance equity. Repayments automatically and instantly track changes in earnings. Borrowers with low current earnings make low (or no) repayments; borrowers who do well repay in full, those with low lifetime earnings do not. Thus, the loan has built-in insurance against inability to repay which makes the system more efficient as it reduces the uncertainty facing students.

Having investigated the different funding mechanisms for higher education, Table 3.2 sums up how such funding mechanisms might affect universities in terms of autonomy, accountability, efficiency and equity.

Table 3.2: The impact of different funding mechanisms on autonomy, accountability, efficiency and equity

<div> <div>The Four Evaluative Concepts</div> <div>Funding Mechanisms</div> </div>	Autonomy	Accountability	Efficiency	Equity
Line-item funding	This mechanism delimits universities autonomy over the management of their human resources.	Governments exercise tight fiscal control over HEIs' day-to-day operations. Thus, the dialogue of accountability is worsened under this mechanism.	It provides no incentive for efficiency gains and improvements.	It makes higher education system less fair as the beneficiaries of government spending on higher education tend to come from relatively well-off families who therefore benefit most from tax funding. Lack of a funding formula also makes the system less transparent.
Block Grants	It allows universities greater autonomy to spend their budgets according to their priorities to achieve their targets.	It enhances the dialogue of accountability between funders and HEIs.	It enhances efficiency because those who use the resources are in the best position to determine how they should be employed.	Allocating block grants to universities according to a funding formula for teaching and research enhances transparency and makes the system fairer.
Performance-based funding of providers	It gives HEIs' more autonomy to decide their own directions to succeed in achieving the previously established goals or outcomes.	It improves accountability as funding is allocated to HEIs' according to their success in achieving previously established goals or outcomes.	It improves efficiency as it provides incentives for improvement and makes universities more responsive.	It improves equity as performance budgeting drives public revenues by criteria other than, or at least in addition to enrolments.
Purpose-specific purchasing from providers	It improves HEIs' autonomy as there is no direct control from governments on their day-to-day operations.	It improves accountability as HEIs receive core funding only if they fulfilled certain criteria.	It improves efficiency as it encourages competition between HEIs and can be a powerful vehicle for transformation and innovation.	It can be equitable if compensatory mechanisms are set to create a level playing field between strong and weak institutions.
Demand-driven, input-based funding through clients	It increases the autonomy of learners as it gives students more choice in education.	Universities are accountable to be responsive to students' needs. They are responsible for taking students to graduation and to the market place.	It increases competition among HEIs so as to provide incentives for improving quality and efficiency of provision.	If this mechanism is put in place, it would be fair as all students who have satisfied entry requirements receive a voucher to use at a university of their choice.
Tuition fees	Fees improve institutional autonomy as they enable HEIs to diversify their sources of funding and, thus, become less dependent on government funding.	HEIs are accountable for their students' learning and for taking them to graduation and to the market place.	Fees give universities more resources to improve quality and, through competition, help improve the efficiency with which those resources are used.	Deferred fees are fair as they reduce the regressivity of a system based on tax finance. Up-front fees, in contrast, deter students from poor backgrounds to enrol, which is unfair.
Pure loan schemes	It increases the autonomy of HEIs as the government is not the main source of funding.	HEIs are responsible for their students' learning and for taking them to graduation and to the market place.	It does not improve efficiency so much as students who are risk-averse will be reluctant to invest in higher education.	It is inequitable as uncertainty affects investment decisions when individuals are risk-averse.
Graduate Tax	It increases the autonomy of HEIs as the government is not the main source of funding.	HEIs are accountable for their students' learning and for taking them to graduation and to the market place.	The partial insurance included in this mechanism increases efficiency as it persuades more individuals, who are risk-averse, with low wealth to invest in education.	It is unfair for successful students to pay both their own education costs and an extra amount to cover the subsidies of the costs of the unsuccessful ones.
Income-contingent loans	It increases the autonomy of HEIs as the government is not the main source of funding. Part of the cost is paid through taxation and part through graduates' subsequent income-contingent repayments.	The new trend in loans repayment increases the degree of responsibility borne by HEIs regarding the kind of degrees they offer to students and its link with the needs of the market place.	The loan has built-in insurance against inability to repay. Thus, it makes the system more efficient by reducing the uncertainty facing students.	It makes the system fairer as higher education is free at the point of use. Besides, Collecting repayments as a payroll deduction alongside income tax means that they match ability to pay, which enhance equity.

It is clear that the table shows three main categories of funding. The first four funding mechanisms form the first category through which governments channel public funds to HEIs. As line-item funding is an overly centralized system with too much intervention of governments in HEIs' day to day operations, the international trend of allocating public funding to HEIs moves to block grants to allow more autonomy for HEIs. It is also increasingly characterized by greater targeting of resources through performance-based funding and competitive funding procedures (Santiago *et al.*, 2008).

The fifth funding mechanism forms the second category through which governments channel public funds to HEIs through students, a more market-oriented mechanism, vouchers. Although very little use has been made of vouchers, it can be argued that tuition fees in the UK, for example, can be considered as a form of vouchers as money moves with students. If a student decides to go to X university rather than Y university, the government pays tuition fees to the university of the student's choice. However, in a sense, it is a voucher in a more regulated market as there are caps on student numbers and tuition fees and it is a repayable voucher through income contingent loans.

The last four funding mechanisms form the third category through which governments recoup/retrieve funding from students. There is an international trend to use cost-sharing between the state and students as the principle to shape the sector's funding (OECD and World Bank, 2010). Despite the international shift to cost-sharing and the fact that tuition fees are becoming the international rule, there remain systems of financial assistance to support access and provide equity. As up-front fees were found to deter students from poor backgrounds to enrol, the international trend is to defer fees or devise student financial support mechanisms to counterbalance the effect of tuition fees on access and equity (Johnstone *et al.*, 1998).

The counterbalance to tuition fees can take two main forms: grants, fellowships or scholarships which are not to be repaid, and loans which are to be re-paid (Goastellec, 2005). Woodhall (2007) advocates that changes in the finance of higher education in the past twenty years include changes in student aid systems with a shift towards student loans to supplement or replace grants. Economic logic suggests that loans are the preferred form of student support, since HE is a profitable private investment.

What are the consequences of the shift in student aid system towards student loans to supplement or replace grants? Dougherty (2004) argues that there is evidence that the shift from grant based student aid to loans in the United States has negative consequences for college access and retention for minority and low-income students because they fear that they will be unable to repay the loans after they graduate, in good part because they expect lower returns to their education. Holm-Nielsen (2001) advocates that the concurrent establishment of tuition fees and elimination of the maintenance grant in Scotland in 1998 resulted in a decline in enrolment among low income students. Blondal *et al.*, (2002), in contrast, concludes that in the United Kingdom, the replacement of grants by loans and the introduction of tuition fees in the 1990s had no obvious effect on participation rates. In New Zealand, the replacement of grants by a loan system in 1992 had no marked observable effect on the growth rate of participation in higher education as well. Thus, the experience of countries that have combined an increase in tuition fees and an increase in student loan facilities suggest that there are no significant adverse effects on participation.

Overcoming the possible impact of the shift in student aid system toward student loans requires the overall funding approach to be backed with a comprehensive student financial support system which facilitates access by reducing liquidity constraints faced by students and their families. Students enrolled in public and private institutions should benefit from the

same basic financial support to cover living costs and tuition fees in order to facilitate students' freedom of choice. In many countries student support systems need to be expanded, diversified and place extra-emphasis on the financial needs of students. A solid student support system could be founded on a universal, income-contingent loan system complemented with a means-tested grants scheme. It would represent an important component in a system based on the principle of cost-sharing as it could offset the effects of high fees for poorer students as the income contingency creates a built-in insurance against inability to repay the loan (OECD, 2008; Wobmann and Schutz, 2006; Blondal *et al.*, 2002). Unlike pure loan schemes and graduate tax, income-contingent loans are logically equivalent to a grant financed by an income-related graduate contribution which might advance equity objectives without compromising efficiency goals.

Thus, the international trend to conciliate the financial needs of higher education systems and meet efficiency and equity objectives consists in organising a loan framework with later repayment, once the former student is active in the labour market. This trend in loans repayment also increases the degree of responsibility borne by institutions, regarding the kind of degrees they offer to students and its links with the needs of the market place which is supposed to drive up the quality of provision (Goastellec, 2005). Moreover, to prevent the fear of debt deterring some social economic groups to enrol, the government should also target some of its efforts (communication and grants) to students from disadvantaged groups in society for whom access is fragile. In that sense, financial support for students will guarantee equal access of opportunities for all (Jongbloed, 2004).

To sum up, there have been significant reforms/changes in funding arrangements in the last three decades in almost all countries based on the belief that the level, composition and

method of funding matter when it comes to the performance of higher education systems (Jongbloed *et al.*, 2008a).

3.6 An Overview of Funding Mechanisms in Egypt and the UK

This section briefly discusses the funding systems in Egypt and the UK. Table 3.3 gives an overview of their funding models.

Table 3.3: An Overview of the Funding Systems of Higher Education in Egypt and the UK

Country Comparison	Egypt	The UK
Funding model	Line-item based	Block Grant
Funding teaching	No funding formula	Student-based
Funding research	No funding formula	Quality-driven
Diversification	Universities are allowed to diversify their sources of funding.	Universities are allowed to diversify their sources of funding.
Tuition Fees	Students pay very modest token registration fees and universities are not allowed to charge students higher tuition fees.	Universities are allowed to charge undergraduate students higher tuition fees up to a certain cap decided by the government. There are no caps on tuition fees for postgraduate studies so universities can charge variable tuition fees.
Student Financial Support Mechanisms	Financial incentives for students based on merit. Other social and financial support for needy students from the Social Solidarity Fund.	Income contingent loans for both tuition fees and living expenses.

3.6.1 Funding Mechanisms in Egypt⁴

Egypt has a line-item based funding where the budget should be spent according to certain categories. Although Egypt has recently made use of competitive funding under the Engineering and Technical Education Project (ETEP), 1991-1998, and the Higher Education Enhancement Project (HEEP), phase 1 2002-2007 (Holm-Neilsen, 2001; World Bank, 2009),

⁴ For more information about finance and governance of higher education in Egypt, see (MoHE, 2007; SPU, 2008; Said, 2008; OECD and World Bank, 2010).

the main resource allocation system is still line-item funding. Both projects have been beneficial in spreading the culture of competitive funding and preparing academic and administrative staff to operate in a competitive environment. Competitive funding was meant to be a complementary funding system for higher education institutions, for investment, after the completion of the first phase of HEEP. However, without reforming the resource allocation system (line-item funding), a competitive funding mechanism could not be sustained (World Bank, 2009). There are other international funding sources, such as the World Bank; European Union; Agency for International Development, but the government is the main funding body.

It is a centralised system with no funding formula for teaching or research as universities negotiate their annual budgets, directly or through the Ministry of Higher Education (MoHE), with the Ministry of Planning (MoP) and MoP together with the Ministry of Finance (MoF) decide budgets for each individual university. In practice, allocations are often based on the previous year's allocation with small incremental changes. The sector's budget was around 8.5 billion Egyptian pounds in 2008. However, more than 70% of the budget goes to wages because of the huge numbers of administrative staff which means that less than 30% of the budget is allocated for operational costs, which weakens the efficiency of the system. In 2006-07 there were 2,542,739 undergraduates and 210,022 graduates in Egyptian HE. Around 28% of the age group 18-23 year old are in HE (Said, 2008; Farouk, 2008, Fahim and Sami, 2009).

Universities are not allowed to charge students higher tuition fees as HE must be free (Universities Regulatory Act - 49/1972, 2009). However, in 1994-95, the state's share of finance for universities was reduced to 85 per cent, leaving universities to generate funds through various revenue diversification strategies including: a) higher tuition fees for

alternative academic programs that are perceived to be of high quality, e.g. foreign language programs, where students pay up to 5000£E a year; b) nominal fees for all students, Egyptian students pay between 30£E -150£E per year as a token registration fee for non-instructional services in the general programs in government funded universities (they also pay for necessary equipment, books, transportation, and residence fees); c) Dual Track Policies: in 1995-96, the government introduced a new admission criterion that applies to the faculties of Law, Commerce, and Arts and allows less qualified students to obtain places by paying 360£E in addition to the nominal fees paid by regularly admitted students; d) the running of Open Learning Centers, which are considered as private units owned by public universities; e) diversifying educational products; f) income generation by specialized university centers from cooperation with industry, patent rights, provision of continuing education to industrial employees, access to laboratory and scientific equipment, manufacturing intermediate industrial products, extension services, language instruction and private donations, especially for student fellowships (ICHEFAP, 2009; TEMPUS, 2010).

OECD and the World Bank (2010) argued that the increase in private higher education enrolment and the growing segmentation, within public institutions, between students who study free-of-charge and those who pay fees in various forms (such as foreign language programs, dual track programmes), could result in serious social disparities in terms of access to higher education and labour market outcomes. Moreover, despite significant progress in the past decade, gender and regional inequities still require special efforts.

Students are given aid through financial incentives based on academic merit. Social and financial support for needy students is provided from the Social Solidarity Fund in each

university and students are also offered university accommodation⁵, including stay and meals, for nominal fees (MoHE, 2007; Universities Regulatory Act - 49/1972, 2009). In 1998, the International Finance Corporation (IFC) conducted an extensive feasibility study on the market for student loans and recommended against launching a student loan program due to the following reasons: (a) limited market size; (b) underdeveloped debt/credit market; (c) a cultural attitude uncomfortable with personal debt and loans; and (d) absence of a consumer credit agency (World Bank, 2000). However, by 2000, the Government had established a 100 million Egyptian pounds loan program for needy university students. Under this scheme, students who can prove they are in need of financial assistance for education-related expenses were eligible to receive up to 1000£E per year in government loans. Loans were to be interest free and repayment to be spread over 40 years after graduation. However, the program lasted only for one year and existing loans were cancelled (ICHEFAP, 2009).

Fahim and Sami (2009) argued that the recommendations of the IFC no longer apply as the financial institutions have developed over time with the presence of foreign banks, new financial products such as car loans, personal loans and mortgage finance. The market has thus changed drastically since 1998.

3.6.2 Funding Mechanisms in the UK

Universities in the UK are unlike the majority of universities in other European countries or in the United States in one major respect. They are all formally private institutions/corporations or enterprises, though established as charities serving a public benefit (Floud, 2005, Harris, 2011).

⁵ University accommodation is offered for students living outside the governorate/city, or its suburbs, where the university is located. The rules for joining university accommodation also include the grades students get in the General Secondary Certificate (new students) or the grade they get in the university (current university students). A certain per cent of the available places is allocated for students from disadvantaged backgrounds, students with disability and students living in remote areas.

Funding in the UK is more devolved as universities are given block grants for both teaching and research with funding for teaching student and subject based, and funding for research is quality-driven, which is assessed in RAE. Universities are autonomous to spend that grant according to their own priorities and, thus, each university has its own financial mechanisms. Universities can diversify their sources of funding through different public and private activities. There is strong competition between universities as they are allowed to charge students higher tuition fees up to a cap decided by the government. Students are given loans for tuition fees and living expenses and these are repayable by graduates through the tax system once their income reaches a threshold of £15,000⁶ per annum. A specific means is dedicated to students from low-income families, who should be exempted from tuition fees and entitled to means-tested grants. Universities have bursary schemes and other financial measures, such as need-based fellowships (Goastellec, 2005; Clark, 2006; HEFCE, 2008).

Research Councils UK (RCUK)⁷ also distribute public funds for research to universities and colleges to support projects and some postgraduate students. These are funded by government (HEFCE, 2008; RCUK, 2011).

It is clear that the UK has a mixed economy of mechanisms (block grants, performance-based funding (RAE), competitive funding (RCUK), tuition fees and income contingent loans) with the bulk allocated as block grants, one for teaching and another for research.

6 Based on the Browne report (2010), this threshold will be increased to 21,000 starting from 2012 accompanied by increases in tuition fees.

7 A strategic partnership of seven UK Research Councils investing, each year, around £3 billion in research covering the full spectrum of academic disciplines from the medical and biological sciences to astronomy, physics, chemistry and engineering, social sciences, economics, environmental sciences and the arts and humanities.

3.7 Conclusion

The analysis shows how funding mechanisms differ in their impact on universities in terms of autonomy, accountability, efficiency and equity and this would be reflected by assessment of the impact of the funding systems in Egypt and the UK in chapters six and eight.

CHAPTER FOUR

GLOBAL TRENDS IN QUALITY ASSURANCE IN HIGHER EDUCATION: THE CONTEXT OF EGYPT AND THE UK

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4.5.2 Quality Assurance Systems in the UK Higher Education

4.5.2.1 A Historical Context

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CHAPTER FOUR

GLOBAL TRENDS IN QUALITY ASSURANCE IN HIGHER EDUCATION: THE CONTEXT OF EGYPT AND THE UK

4.1 Introduction

This chapter begins by discussing the meaning and complexities of quality and its importance in higher education. It then considers the emergence of QAS in higher education through drivers of change, delivery systems and the process for delivering change. The major elements of QAS are then discussed followed by a section giving a brief account of QAS in Egypt and the UK. It ends with a brief conclusion.

4.2 Understanding Quality

4.2.1 Quality as a Generic Term

Quality as a generic term can be defined as something of high standard, a characteristic or a feature telling us how good or bad someone or something is (Cambridge Advanced Learner's Dictionary, 2003). It can be seen as a standard, measured against similar things or defined as general excellence (Concise Oxford English Dictionary, 2004). An earlier term, Quality Control (QC), can be defined as a process assessing a production process to ensure goods are of an intended standard or acceptable standard (Cambridge Advanced Learner's Dictionary, 2003; Collins COBUILD Dictionary, 2003). The more recent and broader term, Quality Assurance (QA) can be defined as an integrated system of activities involving planning, quality control, quality assessment, reporting and quality improvement to ensure a product or service meets defined standards of quality with a stated level of confidence (Quality Assurance Division, 1997).

As these terms originated in industry and business before being applied to education, what do they mean in higher education?

4.2.2 Quality in Higher Education

Quality in higher education includes interrelated concepts, such as quality assurance; quality assessment/review; quality control; quality management; total quality management; quality audit; quality culture ... and quality enhancement (CHEA, 2001; Tempus, 2001; Vlăsceanu *et al.*, 2007; Biggs and Tang, 2007).

It can be argued that quality has always been part of the academic tradition and the change is the external interest in making quality more explicit, reflecting a change in the relationship between higher education and society (Vroeijenstijn, 1995). It is these changes which have led to the greater visibility of QA in higher education.

Some argue that quality in higher education is too complex to define whereas others imply, or explicitly state, that it is something one knows when one sees or experiences (Harvey, 2004). For these observers, the external demands for greater attention to quality is a burdensome phenomenon referring to procedures, such as ‘quality visits’, ‘preparing for quality’ and government bodies, such as ‘the quality agency’ which ‘takes time out from the real job of teaching’. As with usage outside education, quality issues are closely related to issues of standards and, in debates about the nature and functioning of higher education, there is considerable overlap between the concepts of ‘quality’ and ‘standards’. Yet, quality and standards are not the same, as ‘standards’ are specified and measurable while quality is something different (*Ibid*).

Harvey and Green (1993) argued that quality in higher education is a relative concept in two senses. First, it is relative to the user of the term and the circumstances in which it is invoked. Thus, it means different things to different people and even the same person might adopt different conceptualisations in changed circumstances. Stakeholders in higher education (e.g. students, employers, teaching and non-teaching staff, government, etc.) are also likely to

have different perspectives on quality. Second, the benchmarks of quality are themselves relative. While some view quality in terms of absolutes, others see it judged in terms of thresholds that have to be exceeded to obtain a quality rating.

In seeking to classify the many definitions of quality in higher education, Harvey and Green (1993) proposed a typology with five discrete but interrelated notions of quality as shown in Table 4.1. It has also been developed here to present similar definitions by other authors.

First, *the exceptional view of quality* is linked to notions of excellence. Second, *quality as perfection* sees quality as a consistent or flawless outcome. However, Lomas (2001) argues that this is not suitable for higher education as it is an approach used by much of Japanese motor manufacture and is inappropriate because it is not the purpose of HEIs to ‘produce’ uniform students. Watty (2003) agrees that HE does not aim to produce defect-free, standardised graduates.

Quality as fitness for purpose can be linked either to external objectives as defined by an accreditation or QA body or internal objectives based on the ability of an institution to fulfil its mission or to fulfil the aims of a programme of study (Harvey and Green, 1993; CHEA, 2001; Tempus, 2001; Vlăsceanu *et al.*, 2007). *Quality as value for money* sees quality in terms of returns on investment. Accountability seems to be central to this definition because of limited resources; the growing tendency for governments to require accountability reflecting a concern for value-for-money. Moreover, students and their families also increasingly require value-for-money from higher education.

Table 4.1: Different approaches to defining quality in higher education

Quality in HE Authors	Exceptional	Perfection	Fitness for Purpose	Value for money	Transformation
Harvey and Green, 1993	Excellence.	Consistent/ flawless outcome.	The ability of an institution or programme to fulfil its mission, aims and objectives.	Returns on investment with a focus on the notion of accountability.	The enhancement and empowerment of students or the development of new knowledge.
CHEA, 2001	-	-	Meeting generally accepted standards as defined by an accrediting or QA body.	-	-
Tempus, 2001	-	-	Acceptability or suitability for a given purpose.	-	-
Vlăsceanu <i>et al.</i> , 2007	The best standards of excellence.	-	Meeting generally accepted standards as defined by an accreditation or QA body or fulfilling the pre-defined mission and objectives of an institution or a programme.	How the inputs are effectively and efficiently used by the processes and mechanisms involved.	Continuous search for permanent improvement. It is student-centered focusing on adding value to students through their learning experience.
Kemmenade, 2008	-	-	-	-	Are the learning results that are asked for by students and the world of work exceeded?

Finally, *quality as transformation* focuses on the enhancement and empowerment of students and the development of new knowledge. Kemmendae (2008) see this definition doing justice to education as a process wherein learners are at the centre so they get the added value. Vlăsceanu *et al.*, (2007) call it enhancement, rather than transformation, focusing on the continuous search for permanent improvement and stressing the responsibility of HEIs to make best use of their autonomy and academic freedom to add value to students through their learning experience. They add that achieving quality is central to the academic ethos and the idea that academics know this quality better than others.

Lomas (2001) argues that none of the definitions given by Harvey and Green (1993) is mutually exclusive, as quality is often viewed as a blend of two or more and Newton (2007) also argues that ‘quality is not a unitary concept; it is open to multiple perspectives’.

In relation to higher education, that greater focus is two notions, an accountability-led view, focused on fitness for purpose and value for money and an enhancement-led view focused on improving the quality of provision, and enhancing and empowering students through their experience of higher education.

4.3 The Emergence of Quality Assurance Systems in Higher Education

4.3.1 Drivers of Change

For education as for industry, quality improvement is no longer an option, it is a necessity (Sallis, 2002, 5).

Until relatively recently, QA in higher education was largely an implicit activity, a prevalent view being that quality could not be measured but could be recognized by academics when and where it existed. However, over the last two decades, this traditional view about quality and how it is assured has been challenged (Campbell and Rozsnyai, 2002) with pressures from organizations such as UNESCO and World Bank making QA “a central objective of governmental policies and an important steering mechanism in higher education systems worldwide” (Van Damme, 2002, cited in Campbell and Rozsnyai, 2002, p.15). What have been the drivers for this change, the challenges which have led to concern about quality and the emergence of QAS (Campbell and Rozsnyai, 2002; Sallis, 2002; Amaral, 2007; Newton, 2007; Altbach *et al.*, 2009).

- Massification of higher education. The increasing demand for higher education has led to substantially increased participation but it has not always been well planned or controlled.

- Financial austerity. The expansion in student numbers was accompanied by either constant or declining (public) funding which has been compounded by inefficient use of available resources.

- Diversification of higher education. As traditional public HEIs cannot meet the increasing demand for places, new providers have appeared, sometimes in competition with traditional providers, as well as new modes of provision, such as on-line learning. These forms of provision make quality an international issue because, in some countries, traditional providers face competition from transnational providers as well as from local commercial providers. Through the internationalization of higher education, national systems, qualifications and individual institutions have become exposed to the wider world, stimulating demands for better information and transparency about quality and standards.

- The emergence of markets in higher education. Diversification, the introduction of (or sharp increase in) tuition fees and competition for students, funds and research money have led to the emergence of markets with students being considered as clients or customers and HEIs as providers of an education product (OECD, 2004). 'This represents a drastic shift in the power balance between the university and its clients, to which universities have to respond with more flexible and more resource efficient education and training programmes' (Meyer, 2002; Middlehurst, 1997). All these factors have led to increasing concern for quality with HEIs seeking to show they are committed to the needs of students by ensuring that both classroom practice and institutional management are operating to the highest standards. Focusing on satisfying the needs of the customer is seen as one of the most effective means of facing and surviving competition amongst HEIs (Brown, 2005).

- Increasing demand for accountability and pressures for efficiency gains. Deregulation and increased autonomy to HEIs in regard to such matters as curriculum design, selection of

students, and appointment of staff has led to increasing demands for accountability. Moreover, the increasing cost of HE for governments, students and their families has also led to increasing demands for accountability, in terms of getting value for money spent on HE and for efficiency gains. HEIs are part of their communities and, as such, they must meet the public and political demands for education to be more accountable and publicly demonstrate high standards.

- Addressing the employability agenda. Meeting expectations in terms of the “employability” of graduates is accompanied by addressing demands from stakeholders for increased and improved information about programmes and institutions and the skills, competencies, and aptitudes which graduates possess.

- Addressing social and political agendas. HEIs are under pressure to contribute to achieving social and political agendas on access, inclusion, and equity.

All these challenges, accompanied by growing state and public interest in quality and increasing demands for accountability, have led to the establishment of national quality agencies. By the end of the 1990s, concern for quality and standards was global (Newton, 2007).

4.3.2 Delivery Systems

The delivery systems for responding to these drivers are mainly focused around quasi-markets and new managerialism.

The imperfections of markets in higher education, including students as immature consumers, means the government intervenes to protect consumers (students) and create what Le Grand and Bartlett (1993) call quasi-markets which, Amaral (2007) adds, have been associated with increased institutional autonomy. Increased autonomy, combined with

competition, may create difficulties for market regulation, as autonomous institutions might follow strategies aimed at their own development and survival, even if it is to the detriment of the public good or the government's objectives. The introduction of competitiveness, autonomy and user choice is inseparable from the provision of information through systems of evaluation made available to users and funders alike (Calero, 1998). So, through QAS, the government intervenes to preserve the public good and manage the rules of the game, using quality assessment as a compliance tool to regulate these markets.

It can also be argued that the expansion of the sector accompanied by severe fiscal constraints and the introduction of quasi-markets have led to the advent of an audit and assessment culture which is referred to as new managerialism (Deem, 1998; Deem and Brehony, 2005). The main characteristic of new managerialism is the removal of power from professionals to auditors and managers on the basis that professionals were seen to be more 'knaves' than 'knights' (Le Grand, 2003). New managerialism also refers to the adoption by public sector organisations of forms, technologies, management practices and values more commonly found in the private sector. These discourses of management from the for-profit sectors have been encouraged by governments seeking to reduce public spending (Cutler and Waine, 1994; Cutler and Waine, 1997; Deem, 1998; Dixon *et al.*, 1998; Deem, 2006; Deem *et al.*, 2007; Trowler, 2009). Thus, new managerialism is associated with the emergence of quasi-markets or market regulation (Amaral, 2006).

Under new managerialism (neo-liberalism, total quality management, new public management, etc.), students become customers or clients and QAS and accountability measures are put in place to ensure that provision meets clients' needs and expectations. Its emergence and demands for greater efficiency from public services is claimed to be a result of a loss of trust in public sector professionals and their institutions (Floud, 2005). However, it is

appropriate to recognize that the massification of higher education has also played a role in loss of trust with quality assessment and accreditation being used as a replacement for that trust (Amaral, 2007). In this way, ‘control and regulation of academic labour seem to have replaced collegiality, trust and professional discretion’ (Roberts, 2004, 7).

Governments are not wholly convinced that markets can deliver quality because markets for higher education and research are imperfect, which means they do not spontaneously produce the optimal solution (Weber, 2005). These market inefficiencies as well as concerns about equity provide the basis for government intervention (Schoenenberger, 2005). Therefore, governments set performance targets, agreed contracts with providers to achieve them and then have performance monitoring systems in place. It helps explain why QAS have evolved in higher education over the last three decades across the world.

4.3.3 The Process for Delivering Change

The rapidly changing environment of higher education has seen the introduction of national QAS into many countries and its planned introduction elsewhere (Campbell and Rozsnyai, 2002). These are interesting developments with QAS becoming the process for delivering change (Kemenade *et al.*, 2008) as a major component of governance in higher education (Jacob and Rust, 2010). This leads the discussion to examining the major elements of QAS.

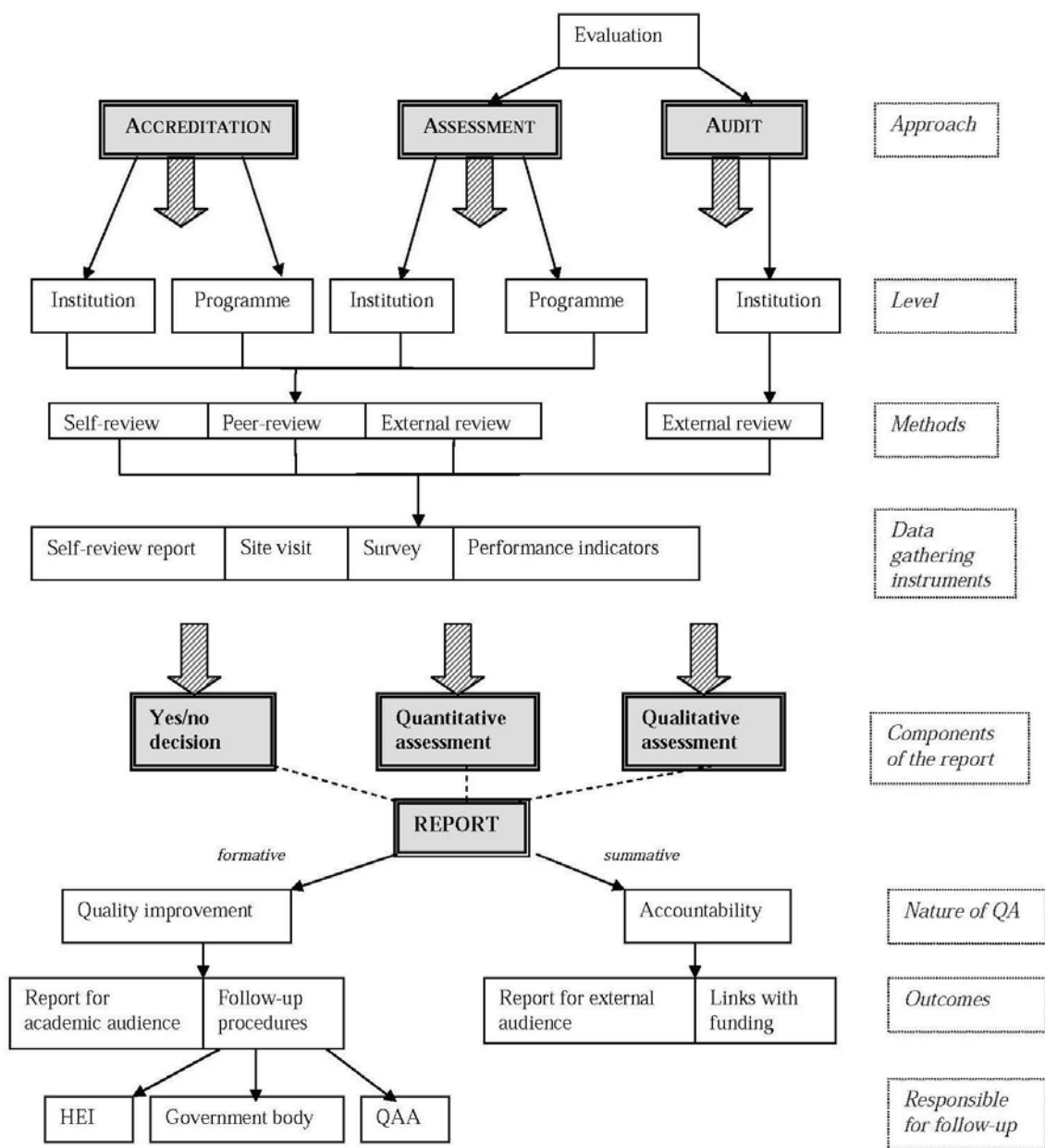
4.4 Major Elements of Quality Assurance Systems in Higher Education

Kis (2005) summarises the major elements of QAS as: approach; level; methods; data gathering instruments; components of the report; nature of QA; outcomes and the responsibility for follow-up. Figure 4.1 shows three main approaches to quality: accreditation, assessment and audit (the last two are both forms of evaluation). While accreditation and assessment monitor the quality of teaching and learning, audit focuses on the internal

procedures adopted by a HEI in order to achieve its objectives. Although the *level* of QA varies widely among countries, it focuses mainly on either the institutional level or programme level or both.

QAS use three basic *methods* for quality review: self-review (or self-study, usually done by the institution) followed by peer-review (by other academics usually in the same discipline) and/or external review (by panels including non-academics and sometimes people from other countries, in addition to peers). The body of research into higher education quality assurance has established that while internal institutional self-evaluation serves the improvement rationale, the externally imposed accountability rationale is fulfilled by accreditation measures (Kohoutek, 2009). Generally, QAS use four major *sources of data*: self-review reports (which provide a foundation for peer or external review teams); site visits (widely used as a follow-up on the self-review reports); surveys (questionnaires or interviews); and performance indicators. QAS can serve two major *purposes*: improvement (formative approaches where the focus is on improvement not control) and accountability (summative approaches aiming at external oversight and control). The *outcomes* of QAS include reports (on an HEI or a programme). *Follow-up* procedures, where responsibility can lie with a government body, a QAA or the HEI itself and linking evaluation to funding, which is important for accountability and an incentive to improvement but is an area of considerable debate.

Figure 4.1: Major Elements of Quality Assurance Systems in Higher Education



Source: Kis (2005, P.41).

On the balance between the purposes/functions of QAS, it should be noted that some definitions confine QA to accountability to stakeholders whereas others see QA covering both accountability and enhancement. Some definitions also link QA with specified standards as shown in Table 4.2.

Table 4.2: Functions/Objectives of Quality Assurance in higher education

Quality Assurance in HE Authors	Ensuring accountability to stakeholders	Covering both accountability and enhancement	Achieving specified standards
Harvey and Knight, 1996; Spanghel, 2001 cited in Lomas, 2007; Biggs and Tang, 2007; OECD, 2007.	-accountability to stakeholders -value for money and fitness for purpose -ensuring that money has been well spent		
Vroeijenstijn, 1995; Quality Assurance Division, 1997; Woodhouse, 1999; CHEA, 2001; Campbell and Rozsnyai, 2002; William, 2002; Lenn, 2004; Vlăsceanu <i>et al.</i> , 2007, OECD and World Bank, 2010.		-maintaining and developing the quality of higher education -maintaining and enhancing the quality of standards of education	
Tempus, 2001; HEQC, 2004.			-standardization of products -ensuring that specified standards are met

For the first group which confines QA to ensuring accountability to stakeholders, Harvey and Knight (1996) argue that, through its external quality monitoring systems, QA is mainly concerned with value for money and fitness for purpose and, in their view, the UK government is mainly concerned with these factors. Biggs and Tang (2007) and Spanghell (2001, cited in Lomas, 2007, p.403) agree with Harvey and Knight that QA is concerned that money has been spent well and services are fit for purpose. In their definitions, OECD (2007) also focused on conforming to established requirements and fitness for purpose while Billing (2004) argues that, in countries such as the UK, where there is considerable institutional autonomy, the focus is mainly on accountability.

For the second group of definitions which sees QA covering both accountability and enhancement, the Council for Higher Education Accreditation (CHEA, 2001) defines QA as a

Planned and systematic review process of an institution or program to determine that acceptable standards of education, scholarship, and infrastructure are being maintained and enhanced. They add that QA usually include expectations that mechanisms of quality control are in place and effective. Also (U.K.), the means through which an institution confirms that the conditions are in place for students to achieve the standards set by the institution or other awarding body.

Campbell and Rozsnyai's (2002) definition of quality assurance also focuses on maintaining and developing the quality of higher education and William (2002) argued that QA is not the opposite of enhancement. Billing (2004) argues that this approach is typical of countries where the sector is subject to strong state regulation, as in continental Europe, and there is no need for further control through QA, hence the emphasis on enhancement.

The third group of definitions links quality with achieving specified standards. Tempus (2001), for example, links quality with standardization of products and sees the main purpose of QA as ensuring final users get a standard quality service. Higher Education Quality Council (HEQC, 2004) also sees QA as a process of ensuring that specified standards or requirements have been achieved.

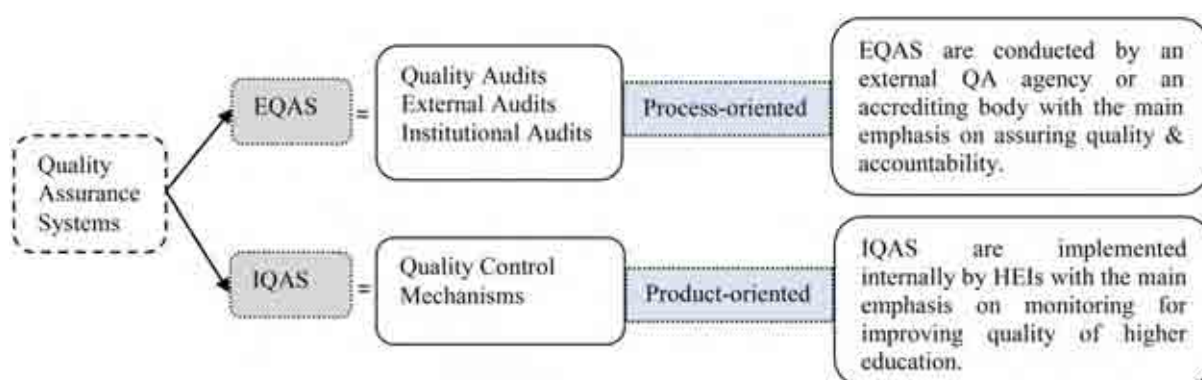
This account suggests something in common between definitions of quality and quality assurance. They share a focus on both accountability (value for money and fitness for purpose) and enhancement (improving the quality of provision) as two main functions/objectives. Thus, quality assurance can be argued to be a blend of these two objectives/functions with a successful system striking a balance between them.

As shown in Figure 4.2, it is helpful to distinguish between two types of applications of QA: External Quality Assurance Systems (EQAS), usually called quality audits or external/institutional audits, and Internal Quality Assurance Systems (IQAS) which are usually called Quality Control (QC) mechanisms. Vlăsceanu *et al.*, (2007) argues that IQAS, or quality control mechanisms, are crucial to any QA system, defining Quality Control as “the

process of quality evaluation that focuses on internal measurement of the quality of an institution or a programme. It refers to a set of operational activities and techniques ... elaborated and used to fulfil requirements of quality”.

However, Harvey (2004) argues that most of the definitions he reviewed state or imply that QA is something done to institutions by an external agency, although assurance of quality can be done by a self-regulatory process within an institution. The internal/external difference may also be distinguished on the basis that internal systems are concerned with monitoring for improving quality while external systems may be more focused on assuring quality and accountability.

Figure 4.2: Types of Quality Assurance Systems



In addition, quality assurance systems aim to ensure that institutions have sound internal QC systems in place, Vlăsceanu *et al.*, (2007) arguing that quality audit, as an EQAS, looks at the system for achieving good quality and not at quality itself. Simply put, quality control is concerned with the quality of higher education products, services, or processes, with an emphasis on the assurance that a prescribed threshold of quality is met whereas quality assurance, through institutional audits, is process-oriented and designed to make sure processes and procedures of monitoring quality are appropriate and sufficient. That is, QA, through EQAS, is process-oriented whereas QC is product oriented. There is on-going debate

whether the emphasis of EQAS should be on accountability (value for money and fitness for purpose) or on improving teaching and learning (enhancing the student experience and empowering students as life-long learners).

While Vlăsceanu *et al.*, (2007) argue that quality assurance as a regulatory mechanism focuses on both accountability and enhancement, Biggs and Tang (2007) see its main focus on accountability so that Quality Assurance (QA) and Quality Enhancement (QE) are different. In their view, QA is concerned with maintaining the quality of work and is a retrospective process, assuring quality by requiring conformity to externally imposed standards. It aims to assure that “appropriate accountability and fire-fighting mechanisms have been working well and that money has been well spent”. QE, however, is concerned with reviewing not only how well the whole institution works in achieving its mission but how it may keep improving and, in this sense, is prospective in seeking continual improvement (p.263). Thus, QE aims to improve performance by disseminating good practice while QA is concerned with ensuring that university services are fit for purpose. It is also argued that the nature of QA tends towards greater standardization whereas QE provides for greater differentiation, diversity and distinctiveness (Spanghehl, 2001 cited in Lomas, 2007).

Harvey and Knight (1996) see that quality assurance, through its external audits, are mainly concerned with accountability, value for money and fitness for purpose and not with service orientation, client empowerment and continuous improvement; enhancement is seen as a secondary function, a consequence or side effect.

In examining a balance between the two objectives/functions of QAS, Campbell and Rozsnyai (2002) argue that much depends on context and circumstance. For instance, when addressing the rapid growth of unregulated private education or the introduction of new types of institutions or qualifications, it would be appropriate to put emphasis on accountability and

compliance. However, as institutions develop more effective and sophisticated internal quality assurance systems, the emphasis should move towards enhancement.

Williams (2002) tried to explain quality assurance to academics by arguing it is not (necessarily) something that has to be done to them by malignant sadists or a self-reverential priesthood, that it is not the opposite of "enhancement" ... and that it is not the enemy of academic freedom or integrity. Quality assurance is as much a route to self-assurance as to public reassurance, adding that institutional autonomy, academic freedom, accountability, intellectual development are, or should be, the stuff of dialogue between society and academy, as important as widening participation, employability and retention rates. On this argument, there is no contradiction between the different objectives of quality assurance.

Kemmenade *et al.*, (2008) concluded that the lack of acceptance of external evaluation systems in higher education by academia might be connected with too much control and too little improvement. The decline in use of the European Foundation for Quality Management (EFQM) model in higher education, for example, might be caused by its degeneration from continuous improvement to control, and some signs of increase of use of ISO9000:2000, as a QA model, might be caused by its greater focus on continuous improvement than its former versions ISO9000:1994 and ISO9000:1987.

From this discussion, it is clear that much of the criticism of QA has been of EQAS as they are more concerned with control and accountability than enhancement. Thus, it could be argued that there should be a change in the steering paradigm of quality assurance with more emphasis on enhancement if it is to be accepted by academia and become well-embedded and activated for the benefit of the sector. This is reflected in recent OECD and World Bank reports which advocate that policy orientations should include the need to develop and work

towards strategic visions, to ensure that quality assurance serves both improvement and accountability purposes (OECD and World Bank, 2010; OECD, 2010a).

How these different concepts are manifested in QAS in Egypt and the UK is examined in the next section.

4.5 Quality Assurance Systems in Egypt and the UK

4.5.1 Quality Assurance Systems in Egypt Higher Education

4.5.1.1 A Historical Context

It is worth mentioning that the emergence of markets in HE (through the introduction of - or sharp increase in- tuition fees, competition among HEIs, lack of trust in professionals and the increasing demand for accountability and efficiency gains) has been one of the main rationales behind the emergence of QAS in HE in the UK and many other western countries, whereas it is not the case in Egypt.

During the last three decades, there have been several attempts to improve the quality of higher education in Egypt, some individual/semi-individual initiatives, such as establishing a Faculty of Medicine in Suez Canal University, the country's first community-oriented, problem-based, and student centred medical school. Others were institutional/semi-institutional, such as establishing a system of credit hours in faculties in selected universities. One of the most important trials was an initiative from the Supreme Council for Universities (SCU), a governmental body for public universities, in 1989 which directly addressed the evaluation of institutional performance (Sliem, 2006).

A committee for enhancing institutional performance was established in 1989 and its report suggested the adoption of self-evaluation for institutional performance. It also recommended accrediting academic programmes as a starting point for enhancing and

promoting quality. Institutions were to be asked to evaluate their performance and a list of steps was suggested so that self-evaluation could be implemented successfully (SCU, 1991 cited in Sliem, 2006):

- establishing a council for evaluating institutional performance and accrediting academic programmes;
- setting academic standards for different disciplines;
- establishing a unit in each faculty or institute which is fully aware of the dimensions of self-evaluation;
- asking all academic departments to do programme specifications for its programmes and specifications for its courses;
- joining similar departments together and into permanent academic committees and then linking them to committees of education sectors in the SCU;
- and revising the laws of higher education to assist in implementing the proposed development.

However, Sliem (2006) argues that a weakness of the proposal is that it linked the evaluation of institutional performance to a committee belonging to the SCU which is not independent of HEIs. Clearly, Sliem represents the view that such a body should be independent, a contested view depending on positions adopted in relation to the debate on professional autonomy and trust (Codd, 2005; Thomas, 2005; Le Grand, 2007).

In 2000, a National Conference on Higher Education Reform was held (National Conference on Higher Education, 2000) to discuss the national plan for enhancing higher education. This helped shape the reform agenda with 25 specific initiatives/projects to be implemented over a 15-year period, 12 given priority and funded through a loan agreement between the Government of Egypt (GOE) and World Bank (IBRD Loan No. 4658EGT) through the Higher Education Enhancement Project (HEEP) (World Bank, 2002a). These 12

projects were bundled into six and given priority in the first phase of the strategic plan (2002 – 2007) (HEEP, 2007):

- FOEP: Faculties of Education Project
- ETCP: Egyptian Technical Colleges Project
- FLDP: Faculty-Leadership Development Project
- ICTP: Information & Communication Technology Project
- QAAP: Quality Assurance and Accreditation Project
- HEEPF: Higher Education Enhancement Project Fund

QAAP is described further to show how a system of quality assurance has been established.

Before discussing the major elements of QAS in Egypt higher education, I would like to give a brief summary about the progress in the QAAP project. QAAP is intended to support HEIs in establishing QA systems and preparing them to apply for accreditation from National Authority for Quality Assurance and Accreditation in Education (NAQAAE) which was established in 2006 upon a presidential decree (People's Assembly, 2006). QAAP's mission is assuring the quality, ongoing improvement and efficient performance of HEIs and, thereby, gain the confidence of society in the abilities, calibre and efficiency of graduates. QAAP activities were implemented from 2003 to 2008 and related to eight objectives (QAAP, 2007a; QAAP, 2008a; HEEP, 2010).

QAAP Objective 1: Development of six pilot self-studies, as a role model. Six pilot studies in six faculties undertook a full self-study of their strengths and weaknesses with suggested corrective actions. This created awareness and disseminated basic ideas of quality assurance and clarified the actual situation, including potential developments and problems. All sites were also visited by external teams.

QAAP Objective 2: Establishment of QA centres at the universities. Sixteen quality assurance centers were established and monitored by QAAP.

QAAP Objective 3: Establishing Internal Quality Assurance Systems and QA units at faculty level. One hundred and fifty quality assurance units were established in faculties at all public universities to support the establishment of Internal Quality Assurance Systems (IQAS). Equipped and managed by trained and qualified staff, their aim is to secure sustainable implementation of institutional quality assurance measurement and support communication between departments and administrations.

QAAP Objective 4: Development of Strategic Plans for each university. All 17 government-run universities⁸ have been funded to prepare strategic plans. This project was the first of its kind to assess the status of an institution *via* Strengths, Weaknesses, Opportunities, and Threats (SWOT analysis) and to set up action plans targeting accreditation. Fifteen plans were submitted to QAAP, externally evaluated and finalised.

QAAP Objective 5: Establishing National Academic Reference Standards (NARS) for the different sectors. QAAP has developed NARS for 10 academic sectors: Nursing, Agriculture, Engineering, Veterinary Medicine, Basic Science, Pharmacy, Home Economics, Medicine, Arts & Literature and Physical Education. These standards were prepared with expert members of each sector committee according to international standards and the needs of the labour market. The programmes of each sector were reviewed to ensure the applicability of the proposed standards.

⁸ There were 17 government-run universities at that time (2007) but now they are 19, after two branches recently became independent.

QAAP Objective 6: Raising the awareness among HEIs and the community about the culture of quality in education and building their capacity through training on different quality assurance approaches. QAAP placed much effort into raising awareness and disseminating ideas through workshops on a range of methods and techniques for different groups. Awareness campaigns included distributing publications, TV programmes and interviews along with newspaper articles.

QAAP Objective 7: Conducting Developmental Engagement (DE) Visits to Egyptian faculties to support them to be ready to apply for accreditation. One hundred and fifty one faculties undertook self studies and submitted them to QAAP who sent monitoring and supporting teams prior to peer review site-visits. One hundred and twenty faculties received these DE visits and submitted their evaluation reports and 29 had follow-up visits in a programme of work that is continuing. These visits help in identifying the strengths and weaknesses of HEIs and has led some faculties to apply for participation in the second phase of the project, the Continuous Improvement and Qualifying for Accreditation Project (CIQAP).

QAAP Objective 8: Participating in the establishment of the National Authority for Quality Assurance and Accreditation in Education (NAQAAE). QAAP is involved in preparing for the establishment of a national accreditation body, providing expertise on accrediting faculties, academic reference standards for 10 sectors and a data base of trained experts.

Given the challenges ahead, much of the necessary groundwork has been laid: quality assurance documentation and manuals have been developed and made available to academic staff of higher education institutions; training and professional development opportunities have been provided; and indications have been given that good performance will be recognized and rewarded. However, important work remains to be done at the institutional

level in moving beyond compliance, and to mature the internal quality culture and management capacity (OECD and World Bank, 2010).

4.5.1.2 An Overview of QAS in Egypt Higher Education

Figure 4.3 shows the major elements of QAS in Egypt, representing its accreditation and evaluation roles. Both monitor:

- the extent to which internal quality systems and processes are in place and are effective; and
- the academic standards of the programmes, quality of the learning opportunities, research and other scholarly activity, community involvement and the effectiveness of quality management and enhancement (QAAP, 2007a, P.207).

In the case of research activity, however, the procedure reviews the quantity of research, its contribution to institutional mission and impact on the educational programme(s) but does not attempt to assess its quality (QAAP, 2007a, P.4).

The figure shows that QA is mainly focused on the institutional and the programme level but, for the purposes of quality assurance and accreditation, accreditation will initially be accorded to a HEI, a faculty or a college within a university (QAAP, 2007a). The methods of quality review include self-review followed by peer-review (by academics usually in the same discipline) and external evaluation which provides an independent professional opinion on the assessment of student performance and the academic standards achieved on graduation (QAAP, 2007a). There are three major sources of data: a self-review report, a site-visit and surveys.

These mechanisms serve two major purposes: improvement and accountability. The outcomes include reports, follow-up procedures, where responsibility can lie with the National Quality Assurance and Accreditation Committee (NQAAC) or the National

Authority for Quality Assurance and Accreditation of Education (NAQAAE) or the HEI itself. Evaluation is also linked to funding under Continuous Improvement and Qualifying for Accreditation Project (CIQAP⁹), which is an important factor in improving the dialogue of accountability and also an incentive for improving efficiency; indeed, even an accredited HEI is expected to continue to improve. The HEI is responsible for preparing its action plan for further development, informed by its mission, the accreditation report and NAQAAE's criteria for accreditation. This may include any application for funding from CIQAP (QAAP, 2007a, p.68; PCIQA, 2009).

⁹ CIQAP (Continuous Improvement and Qualifying for Accreditation Project) was then called PCIQA (Program of Continuous Improvement and Qualifying for Accreditation) in the second cycle of the project.

Figure 4.3: Major Elements of Quality Assurance Systems in Higher Education in Egypt

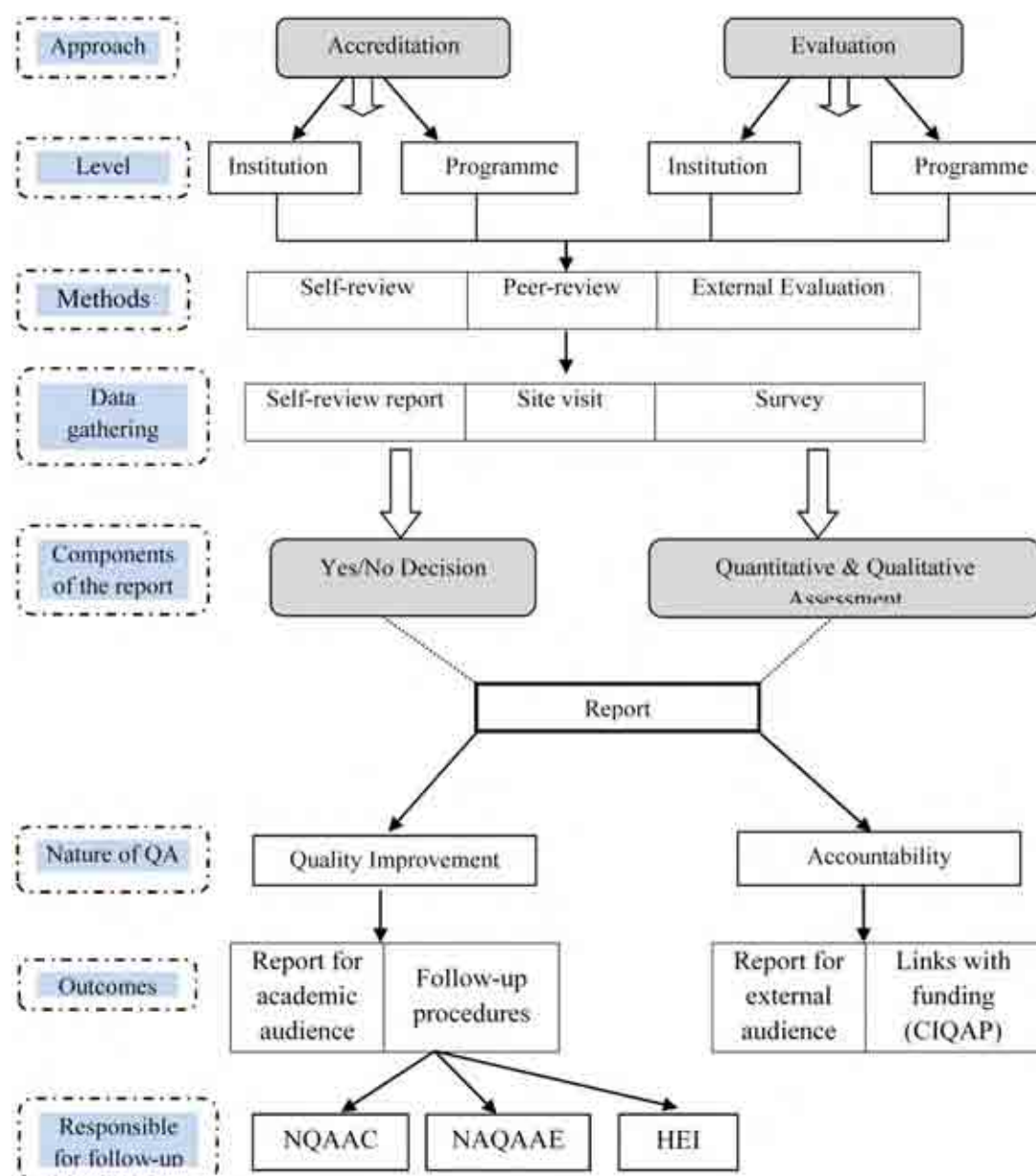
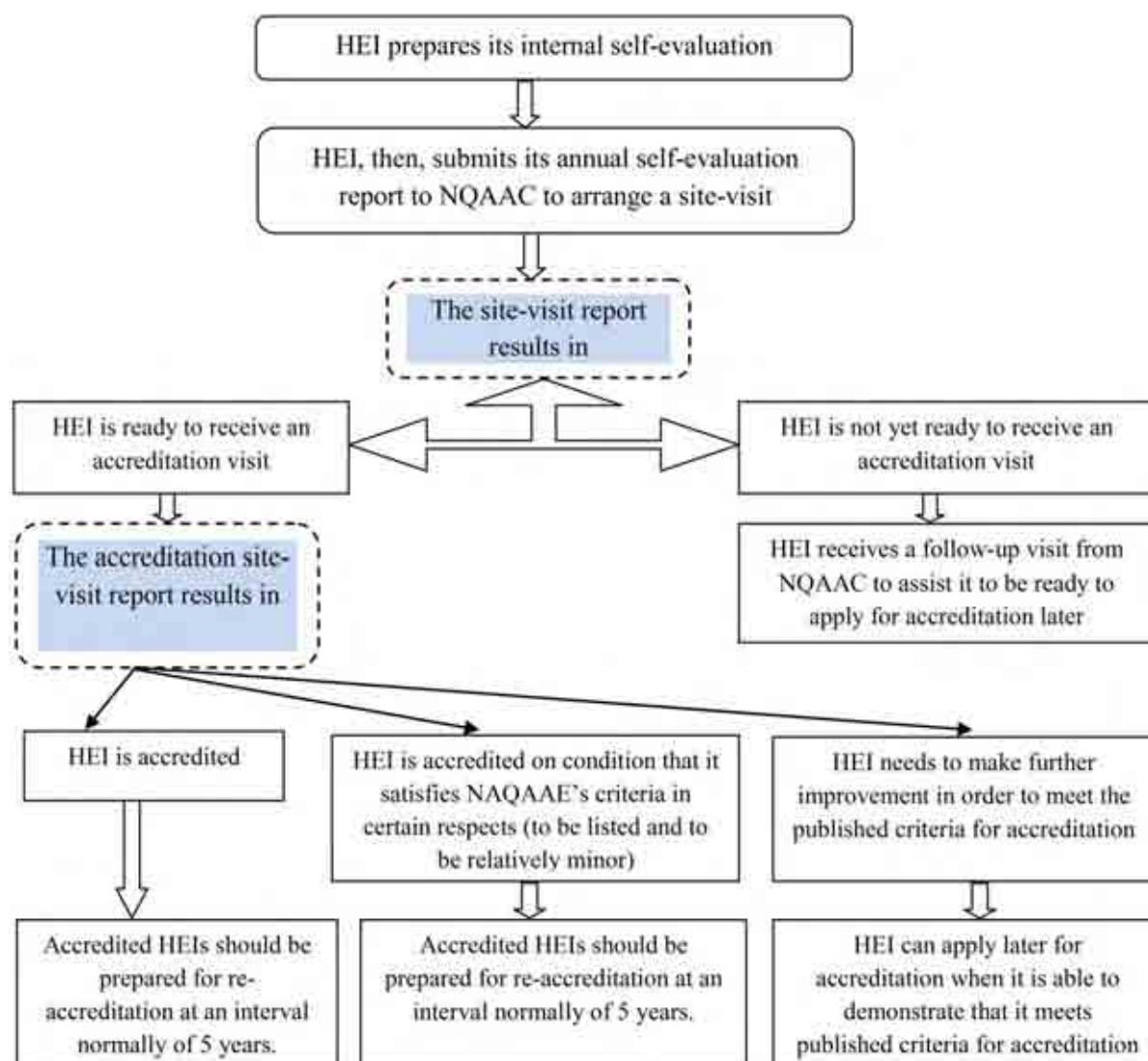


Figure 4.4 is an overview of the process, commencing in the HEI with the preparation of course, programme and faculty self-evaluation reports. A HEI may also prepare a periodic (five yearly) strategic report. After submitting its annual report to NQAAC, the HEI and NQAAC consider the timing of a site-visit and size and composition of the review team (*Ibid*, 13; 35). The review team's site-visit report results in one of two decisions, that the HEI is either ready or not ready to receive an accreditation visit.

Figure 4.4: An Overview of Quality Assurance Systems in Higher Education in Egypt



If the HEI is not ready to receive an accreditation visit, it will be responsible for preparing its action plan for further development and it may apply for funding from CIQAP to assist its work. A plan should be submitted to NAQAAE within eight weeks of receiving the review report and the NQAAC will continue to support and monitor progress and, if appropriate, arrange a further follow-up or monitoring visit until the HEI is ready to apply for accreditation. Unlike the accreditation site-visit report, the peer review site visit report is not published but NQAAC sends copies to the institution (QAAP, 2007a).

For HEIs which are ready to receive an accreditation visit, the site-visit report results in either accreditation, accreditation conditional upon satisfying relatively minor changes or an HEI is not ready to be accredited. An accredited HEI is listed in a published register for a period not exceeding five years and are invited to prepare for re-accreditation, normally every five years¹⁰. HEIs which need to make further improvement can re-apply when they satisfy the published criteria. In all cases, the accreditation report will be published and a copy sent to the HEI before publication (*Ibid*).

4.5.2 Quality Assurance Systems in the UK Higher Education

4.5.2.1 A Historical Context

While the role of HEIs in assuring and improving the quality of teaching and learning is recognized, much of the debate in the UK in the 1990s has been about the arrangements for external quality assurance. A major impetus for altering arrangements for external quality assurance was the Further and Higher Education Act 1992 and its abolition of the binary divide in higher education, creation of a unitary system of funding and the creation of quality assessment arrangements (Clark, 2006; Brennan *et al.*, no date; Brown, 2004).

The funding councils were given a statutory responsibility for assuring the quality of the provision they funded, to be fulfilled through a system of external peer review. Assessment focused on subjects and aimed to link quality to funding in order to improve quality and also provide information to users. Quality assessment reports were published containing a graded summative result. The process required a self-assessment by the institution and a three-day visit by a team of “peers” from other HEIs selected by the funding

¹⁰ It is worth mentioning that some faculties have recently been awarded accreditation from NAQAAE such as Faculty of Medicine, Suez Canal University; Faculty of Nursing, Alexandria University; Faculty of Pharmacy, Cairo University; Faculty of Science, Assiut University; Faculty of Engineering, Assiut University; and Faculty of Pharmacy, Mansoura University (NAQAAE, 2011).

council. Much of the assessment visit was spent observing teaching, meeting staff and students and reviewing course documentation (Brennan *et al.*, no date).

Such a system was entirely new to the old universities whose external scrutiny had come mainly from external examiners, while the former polytechnics had experienced these types of processes for many years through reviews by Her Majesty's Inspectors while their academic standards were accredited by an external Council for National Academic Awards (CNAA), intended to ensure similar standards across institutions. When a single system was created, the Government was determined to ensure the maintenance of quality in teaching and learning and not be neglected by more emphasis on research in the new sector (Clark, 2006; Brennan *et al.*, no date).

In addition to external assessment of teaching, the councils also assessed research, a process first introduced for the old universities in the 1980s. Although its methodology changed over the years, it also was based on peer review. The most significant feature of research assessment, however, was the strong link to funding as significant resources depended on the outcomes (Brennan *et al.*, no date).

A third form of external assessment was the quality audit process carried out by the Higher Education Quality Council (HEQC). HEQC was a creation of the institutions themselves and "owned" by them through the Committee of Vice-Chancellors and Principals (CVCP). Created in 1992 out of separate organisations in the previous sectors, its' audit procedure was adopted from the Academic Audit Unit of the CVCP, introduced in the "old" universities in 1990. The process also used peer review and was focused at the institutional level. Audit assumed and emphasised the autonomy and responsibility of institutions and its function was to test whether institutions had their own internal quality systems and whether they were working properly (*Ibid*).

Thus, by the mid-1990s and for the first time, HEIs faced assessment of quality of three kinds: teaching, research and institutional management of quality. This system was initially unpopular, especially among the old universities, who prided themselves on their autonomy and felt it was threatened by what were regarded as over-intrusive systems (Brown, 2004; Brennan *et al.*, no date). Moreover, the subject reviews proved to be a massive logistical exercise and there were concerns about the amount of bureaucracy involved. While some academic staff believed this intrusion into academic affairs should be resisted at all costs, the majority recognized there should be some accountability for one of the main functions of universities. Many accepted that reviews served a useful purpose and some welcomed the increased attention being given to the quality of teaching and learning. But there was persistent concern about the resources needed and the time taken to participate in them. As a result, it was decided in 2000 that subject reviews should be regarded as complete at the end of the current round (Clark, 2006).

Since 1993 there had been proposals for a single quality assurance regime, which led in 1997 to the creation of a new Quality Assurance Agency (QAA) which took over responsibility for assessing teaching from the funding councils and institutional audits from the HEQC, while responsibility for assessing research remained with the funding councils (Brown, 2004; Brennan *et al.*, no date). QAA continues to audit quality control procedures and monitors quality, along lines adopted in many European countries, relying on institutional self regulation and imposing a significantly smaller resource burden on institutions (Clark, 2006) as it has moved back from detailed forms of quality assessment, including of particular subjects, to a lighter touch (King, 2006).

4.5.2.2 An Overview of QAS in the UK Higher Education

The QAA is independent of UK governments and owned by the organisations that represent the heads of UK universities and colleges (Universities UK, Universities Scotland, Higher Education Wales and the Standing Conference of Principals). Universities and Colleges are responsible for managing the standards and quality of their awards through Internal Quality Assurance Systems (IQAS) and the QAA carries out External Quality Assurance Systems (EQAS) in order to judge both how reliably institutions fulfil their responsibility and the effectiveness of their processes for doing this. QAA safeguards the public interest in relation to higher education qualifications and also encourages universities and colleges to keep improving their quality and its management (QAA, 2005a; QAA, 2005b; QAA, 2009) through:

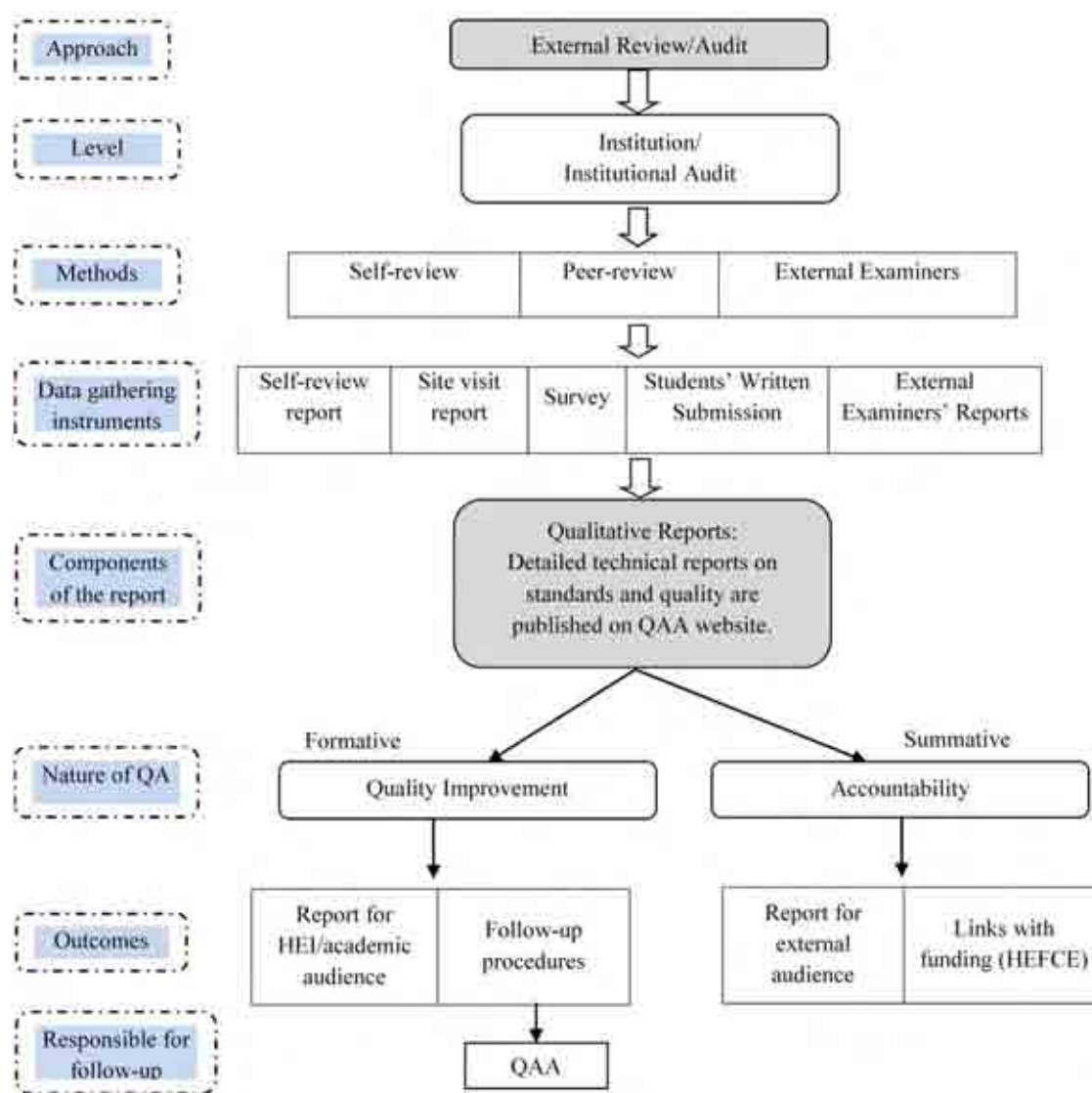
- conducting external reviews in universities and colleges at institutional level and at subject and programme level (academic review of HE delivered in FE colleges, major review of healthcare education in England, review of Foundation Degrees);
- advising government on applications for degree awarding powers and university title;
- describing clear academic standards through the Academic Infrastructure comprising the frameworks of higher education qualifications, the Codes of Practice for the assurance of academic quality and standards, and subject benchmark statements and programme specifications;
- the licensing of authorised validating agencies to recognize Access to Higher Education programmes and award Access certificates;
- offering advice on academic standards and quality.

The switch to institutional-level reviews is the result of a desire to reduce the amount of external scrutiny and recognize institutional autonomy (QAA, 2005b), each approving its own

programmes using QA procedures, while QAA makes sure they do this satisfactorily. In addition, however, individual programmes that lead to professional or vocational qualifications are also accredited by professional, statutory or regulatory bodies, a form of accreditation designed to ensure that students are competent to undertake professional practice. For example, the General Medical Council accredits programmes in medicine and licenses doctors to practice medicine in the UK (QAA, 2005a; QAA, 2005b). The British Accreditation Council, which is independent of Government, is the national accrediting body for further and higher education outside the state sector (QAA, 2005b).

Figure 4.5 sets out the major elements of QA systems in the UK. It shows external audit as the main approach for institutional level assessment. There are three basic methods of review: self-review followed by peer-review (by academics usually in the same discipline) and external evaluation (External Examiners) which provide an independent professional opinion on the appropriateness of the assessment of students' performance and standards achieved on graduation.

Figure 4.5: Major Elements of Quality Assurance Systems in Higher Education in the UK



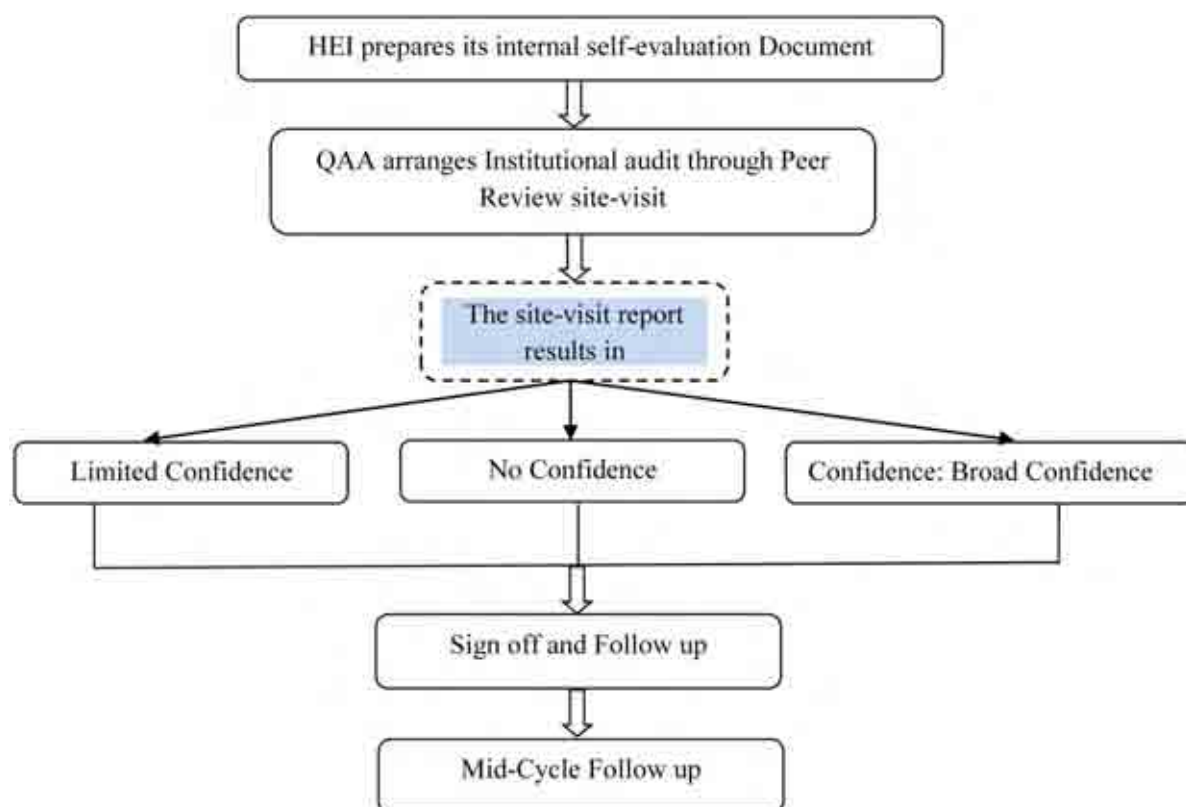
There are five major sources of data: self-review reports (a key reference point for the peer review team); site-visits by peers (sometimes including professionals and students); surveys; students' written submission and external examiners' reports. The site-visit results in a judgment in the form of qualitative reports and these are published on the QAA website (QAA, 2009).

QA systems in the UK serve two major purposes: improvement and accountability. On improvement, QAA reports to the audited HEI with recommendations for its further consideration, including identifying good practice. There are follow-up procedures to ensure

HEIs continue managing academic standards and quality. On accountability, the full report is published on QAA's website for the wider public and potential students. When a HEI receives a judgment of limited or no confidence, the report will be published with a programme of follow up action. If the institution does not progress satisfactorily after implementing the remedial plan, HEFCE reserves the right to withdraw some or all of its funding (QAA, 2009, PP.6-27).

Figure 4.6 is an overview of the process, beginning with the preparation of an internal self-evaluation document. QAA then arranges a peer review site-visit. Institutional audit is intended to encourage self-evaluation and to offer opportunities for enhancing institutional management of standards and quality (QAA, 2009, QAA, 2005a; QAA, 2005b). These audits take place every six years and visits over five days where the audit team speaks to staff and students and reviews relevant documents. The team makes a judgment about the confidence that can be placed in the soundness of the present and likely future management of the academic standard of awards and the quality of learning opportunities. The judgment is either limited confidence, no confidence or confidence/broad confidence. The report is published on the QAA website and follow up procedures are taken when required. A mid-cycle follow up serves as a short check for the HEI and QAA on the continuing management of standards and quality, and is normally three years after an institutional audit, and is a paper-based exercise conducted by two senior QAA officers drawing upon institutional documentation and making limited demand on institutions (QAA, 2009, pp.25-26).

Figure 4.6: An Overview of Quality Assurance Systems in Higher Education in the UK.



While QAA reviews include some postgraduate research programmes to see how research activity informs learning opportunities, the quality of research is reviewed through a Research Assessment Exercise (RAE), which allocates money on the basis of peer review and has serious impact on the reputation of departments through the published ratings (Bush, 2007; Neyland, 2007).

Having presented an overview of QAS in higher education in Egypt and the UK, the main features of both systems are summarized in Table 4.3.

Table 4.3: Quality Assurance Systems in HE in Egypt and the UK

Country Comparison	Egypt	The UK
Approach	External review/audit and accreditation	External review/audit
Level	Programmes and institutions	Institutions
Quality of Teaching	NAQAAE	QAA and other professional bodies such as TDA for teacher training programmes
Quality of Research	No organisation is committed to evaluate the quality of research	RAE
Informing Funding	Neither the quality of teaching nor the quality of research informs distribution of budgets among universities	Quality of teaching does not impact distribution of funding whereas quality of research informs the distribution of quality related (QR) money among universities
Nature of QAS	Accountability and Quality enhancement	Accountability and Quality enhancement

It is clear from the table that the approach to QA in Egypt higher education is done through external review/audits with the main aim of getting HEIs in Egypt accredited by NAQAAE. Although the approach to QA in the UK higher education is done through external review/audits, as well, the main aim is to make sure HEIs have sound internal quality assurance systems in place and are working properly. In Egypt, QAS are mainly focused on the institutional level and the programme level but, for the purposes of quality assurance and accreditation, accreditation will initially be accorded to a HEI, a faculty or a college within a university whereas in the UK, QAS are mainly focused on the institutional level.

Whereas NAQAAE is in charge of assuring the quality of teaching in Egypt higher education, no organisation/agency is committed to evaluating the quality of research. In the UK, on the other hand, QAA and other professional bodies such as Training and Development Agency (TDA) are in charge of assuring the quality of teaching whereas the quality of research is assessed through RAE. Neither the quality of teaching nor the quality of research informs the distribution of budgets amongst universities in Egypt higher education. In the UK, the quality of teaching has no impact on the distribution of funding among universities

whereas the quality of research informs the distribution of QR money among universities. Quality assurance systems in both countries aim to cover both accountability and enhancement (enhancing the management of higher education and the quality of provision).

4.6 Conclusion

It is clear that there is much that is similar in QAS in higher education in Egypt and the UK. This is not surprising as the development of QAS in Egypt has been undertaken by NQAAC in collaboration with British consultants (QAAP, 2007a). Thus, it can be said that QAS are very similar in both countries but the UK has a well established system whereas QAS in Egypt are still in a transitional phase. While there is much that is similar in the QAS of Egypt and the UK, its novelty in Egypt may cause it to be viewed differently in terms of autonomy, accountability, efficiency and equity. It may also be that different cultural and historical contexts will influence how these concepts are understood in relation to QAS. Chapter seven examines perceptions of QAS in Cairo University and the University of Birmingham.

CHAPTER FIVE

RESEARCH DESIGN

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CHAPTER FIVE

RESEARCH DESIGN

5.1 Introduction

This chapter discusses conceptual and practical elements of the study. A brief introduction sets out the research problem and the research questions that arise. Subsequently, the research design is discussed and includes: the methodological stance and approach; methods of data collection; piloting and evaluating methods of data collection; approach to the analysis; followed by other issues such as validity, reliability and ethical considerations.

5.2 Research Questions

Earlier chapters have identified the multiple challenges facing higher education in Egypt, notably issues of finance, quality and governance, reinforced by massive numbers of students and demographic pressures for more expansion (Said, 2001; World Bank, 2009; OECD and World Bank, 2010).

As Egypt is not alone in facing these problems, the study draws upon wider international experience of higher education reform and examines their implications for Egypt. The main aim of this study, therefore, is to consider options for funding and quality assurance in light of the Egyptian context and international experience, including a comparative study with the UK.

Specifically, the study addresses five research questions:

- 1- What is an appropriate theoretical framework for examining the impact of funding and quality assurance systems on higher education?
- 2- How do funding mechanisms affect higher education in Egypt and the UK?

- 3- How do quality assurance systems affect higher education in Egypt and the UK?
- 4- In the context of findings from the empirical enquiry, what are the implications for funding and quality assurance systems of higher education in Egypt?
- 5- How do these implications meet key goals related to autonomy, accountability, efficiency and equity?

5.3 Research Design

In summary, this study is located within a broadly interpretive methodology, using a case study approach with document analysis and semi-structured interviews as methods of data collection, utilizing qualitative and quantitative data and approaches in all its components.

Although mainly qualitative, document analysis, for example, uses both quantitative and qualitative operations on the text, taking account of the frequency of issues as well as their nature. In analysing interview data also, a limited amount of quantification is used, such as how many people make similar comments. It is argued that both approaches have strengths but greater strength comes from their appropriate combination. That is, they can be seen as complementary approaches. In addition, combined methods can have greater impact as numbers can be very persuasive to policy-makers whereas stories are often used by them for illustrative purposes (Gorard and Taylor, 2004).

5.3.1 The Methodological Stance of the Study

The recent history of educational research has been dominated by the apparent conflict between positivist and interpretivist paradigms perceived as mutually antagonistic ideal-types. Yet, both traditions are essentially concerned with understanding phenomena but through two different lenses (Cohen *et al.*, 2007; Oakley, 2000; Ernest, 1994; Pring, 2000; Ritchis and Lewis, 2007; Thomas, 2009).

Bryman (2008) distinguishes between two main ontological positions: objectivism, which is closely linked to positivism and natural science disciplines, and constructivism, which is closely linked to interpretivism, sociological and social science research. This study adopts a constructivist approach as the researcher believes that people have an active role in constructing social reality and social structures and that categories and concepts within society are socially constructed, and these phenomena are in a state of flux as people and society change (*Ibid*). Located within an interpretive methodology, it seeks to understand the perceptions (different interpretations) of participants (academic and administrative staff) on the way funding mechanisms and QAS might affect universities in Egypt and the UK in terms of autonomy, accountability, efficiency and equity. The approach recognizes that participants may have different views or definitions of these four concepts as they seek to make sense of or interpret these phenomena.

The interpretive methodology is viewed as suitable as it is believed that there are multiple interpretations of, and perspectives on, single events and situations (funding and QAS in Egypt and the UK) and that reality is multilayered and complex. An interpretive approach is primarily concerned with human understanding, interpretation and intersubjectivity, in essence lived experience or lived truth in its natural social context from the standpoint of individuals who are part of the ongoing action being investigated (Ernest, 1994; Sparkes 1992, Randor, 1994; Usher; 1996; Smeyers, 2001; Robson, 2002; Mackenzie and Knipe, 2006; Alexander, 2006; Black, 2006; Cohen *et al.*, 2007).

However, precautions are required to overcome the risk of bias and subjectivity in largely qualitative forms of enquiry (Denzin and Lincoln, 2000). These include data triangulation (through gathering multiple view points) and cross-referencing cases within the

sample together with other precautions to enhance validity and reliability and ensure rigour of the findings discussed later in the study.

According to Usher (1996) researchers as interpreters must recognize their situatedness and must 'bracket' (i.e. temporarily set aside) their meanings, suspend their subjectivity, and assume the attitude of disinterested observers. In contrast, Gadmar (1975, cited in Usher, 1996, p.21) argues that researchers cannot escape from their 'pre-understandings' even temporarily. Far from being closed prejudices or biases, their pre-understandings, make them more open-minded as they are put at risk, tested and modified through the encounter with what they are trying to understand. So researchers should use them as the essential starting point for acquiring knowledge rather than bracketing them. Guba (1990) adds that knowledge is a human construction which is never certifiable as ultimately true but problematic and ever changing. If there are always many interpretations that can be made in an enquiry, and if there is no way by which the ultimate truth or falsity of these interpretations can be determined, so the researcher should take the position of a relativist, where relativism is the key to openness and the continuing search for generating one or a few constructions on which there is substantial consensus. Following Gadmar, the researcher has used his 'pre-understandings' as the starting point for acquiring knowledge and was open-minded whilst conducting the study in the sense that those pre-understandings were put at risk, tested and modified through the study. Thus, the researcher here has attempted to recognize his pre-understandings and sought to ensure that the research was conducted in such a way to avoid those pre-understandings becoming a determinant of the study's findings (Thomas, 2009).

5.3.2 A Case Study Approach

Case study has been chosen as the methodological strategy/approach and is the logic underpinning the research designed (Mason, 2002).

This study is a detailed investigation of the perceptions of academic and administrative staff in two organizations (University of Birmingham/UK and Cairo University/Egypt) on funding and QAS. Interviews were conducted with staff with a view to an analysis of the context and processes involved in the phenomenon under study. The selected cases have enabled the researcher to develop detailed knowledge of the experience of participants on funding mechanisms and QAS and an examination of the strengths and weaknesses of existing systems, leading to an identification of the implications for alternative approaches for Egypt.

There are several reasons for selecting a case study approach. Case studies examine relationships between cause and effect but do not claim to establish a direct causal link. A strength is that they enable researchers to observe effects in real contexts, recognizing that context is a powerful determinant of both causes and effects. Another strength is that they provide fine-grain detail (Cohen *et al.*, 2007) and are a means for seeing situations through the eyes of participants. They are widely used in organizational studies in the social sciences (Meyer, 2001). Classified under flexible design research, they are preferred as they have the advantage of using mixed-methods, often yielding quantitative and qualitative data, although qualitative data are almost invariably collected (Robson, 2002). Lastly, the multiplicity of the variables and sources of evidence that characterise a case study inquiry are a holistic approach which investigates the case as a whole, recognizing its real-life context, rather than dealing with isolated factors (Yin, 2003; Denscombe 2007).

After a review of the literature, initial analysis of policy documents on funding and QAS in HE in both countries and deciding the theoretical/conceptual framework of the study (autonomy, accountability, efficiency and equity), the research design operated in two phases: phase one focused on Egypt (CU) and phase two on the UK (UoB) with the intention of getting insights from a comparative perspective to propose appropriate implications for policy and practice in Egypt. It took the researcher around seven months to conduct the field work in both countries with Egypt field work conducted between April and July, 2009 and the UK field work conducted between July and October, 2009. This shows that case studies using interviews and document analysis are very time and resource intensive, however; the output is worthwhile in terms of the evidence and rich data generated from such an approach.

5.3.2.1 Sampling

The UK has been chosen, as HEIs are funded through a block grant mechanism, contrasting with line-item funding in Egypt which many reports have recommended replacing with a block grant system to allow universities more autonomy and flexibility (Said, 2001, Fahim and Sami, 2009; OECD and World Bank, 2010). British consultants have also been involved in establishing QAS in higher education in Egypt (QAAP, 2007a) and thus QAS have many similarities with the system in the UK. Thus, the researcher aimed to take the perceptions of UK participants on how funding and QAS affect universities in terms of autonomy, accountability, efficiency and equity. Identifying these perceptions is thought to be helpful as QAS are well-established in the UK whereas they are still new in Egypt. The intention is to use the UK experience to propose implications for policy and practice for enhancing funding and QAS in Egypt.

Non-probability sampling was adopted as the researcher has deliberately chosen the two universities (CU and UoB) which are not representative of the overall population. This

choice is due to several reasons: (a) the researcher has chosen Birmingham because access to staff is easier as he is a doctoral researcher at the University; (b) Cairo University¹¹ was chosen as it is one of the oldest universities in Egypt and has been subject to reforms relating to funding and quality assurance; (c) expense and time are limited on a PhD programme and that is why only two cases were selected; (d) non-probability sampling is suitable for case studies as they do not aim to generalize to the whole population; (e) purposive sampling has been used to access ‘knowledgeable people’, i.e. those with in-depth knowledge about funding and quality.

The initial plan was to interview around 20 academic and administrative staff in each university. However, more interviews (47 in CU and 29 in UoB) have been conducted as the researcher decided continuing interviewing people as long as he finds himself getting new data. Snowball sampling was also utilized as participating deans of faculties (heads of schools) were asked to recommend academic staff involved/interested in funding and quality assurance (Cohen *et al.*, 2007). In UoB, interviews were conducted in four schools, two of more theoretical disciplines nature and two of more practical disciplines. The same approach was adopted in CU with four schools: two theoretical and two practical. However, during the field work, the researcher was advised to take two more faculties (sub-cases) in CU to approach a sound/representative sample of massive faculties with up to 60,000 students; faculties with reasonable numbers of students (2,000 to 5,000 students); faculties that had participated in QAAP for some time and faculties only recently started. Finally, CU ended up with six faculties (sub-cases), three practical and three theoretical faculties.

11 Originally established as a private institution in 1908, it became the State University in 1925, was later renamed Fouad the First, in the name of the King of Egypt, and then became Cairo University after the 1952 revolution (Farag, 2007).

A mixed sample of academics, senior manager academics and senior managers was approached for two main reasons. Firstly, to avoid a methodological problem identified by Stensaker (2003) and Kis (2005) concerning the possibility of managers having an interest in creating a successful image of quality management to show a good impression of their own efforts. Secondly, having a mixed sample allows for triangulating the data through comparing the perceptions of participants on issues under investigation. CU's sample is comprised of 47 participants: 7 senior managers; 16 senior manager academics and 24 academic staff. UoB's sample is comprised of 29 participants: 7 senior managers; 9 senior manager academics and 13 academic staff. It is worth mentioning that in both cases, senior managers held high posts in finance and quality management; senior manager academics included deans and vice deans of faculties in Egypt (which is similar to heads of schools and their deputies in UoB); academics included academics doing teaching and research with some heads of departments or directors of quality assurance units/committees at different levels.

5.3.2.2 Generalisability

The extent to which the findings of this study can be applied to people or settings more widely (Fraenkel and Wallen, 1993) may be questionable. Its main limitation is its limited ability to make generalizations, owing to non-probability sampling. While the purpose of 'generalization' is attached to the logic and power of probability sampling, 'in-depth understanding' is attached to non-probability sampling (Patton, 2002). According to Patton, the proposals of this study could be implemented only in Cairo University as the case included in the study.

However, the researcher argues that generalisation of the findings to the other 18 public universities in Egypt is feasible as there are many similarities between Cairo University and Egypt's other universities. They are all funded publicly, follow the regulations

of the Supreme Council for Universities (SCU) and have been subject to the same reforms for funding and quality assurance. Moreover, the legislative framework for finance, governance and quality management is the same for all public universities. So, Cairo University might be a “typical case”, as proposed in Denscombe (2002), with similarities that warrant such generalisations.

5.3.3 Data Collection Methods

Document analysis and semi-structured interviews have been used as the principal methods of data collection. The study has used triangulation of different methods to map out or explain more fully, the richness and complexity of human behaviour. The aim is to study phenomena from more than one standpoint as a way of gaining different insights into the same situation (Cohen *et al.*, 2007; Yin, 2003; Lacey and Luff, 2007).

5.3.3.1 Document Analysis

Document analysis has been used as a secondary source to analyse policy documents and reports on funding and QAS in Egypt and the UK. These help address the research questions by giving breadth of data and triangulating data generated from interviews. The researcher has collected government policy documents; guidelines and reports on funding, and quality assurance and documents from the selected universities. Such data are analysed critically recognizing that not all material may be made available. Although document analysis can be time consuming, its advantages are that data are relatively inexpensive but can provide a good source of background information and identify issues not noted by other means.

As a case study approach is mainly concerned with understanding phenomenon within its context; document analysis is helpful in clarifying context. Data generated from available documents have been grouped into three categories: the historical background/context and policies of funding mechanisms and QAS in both countries and both universities; the

strengths and weaknesses/challenges of the systems; and the reforms taking place in HE in both cases.

5.3.3.2 Semi-structured Interviews

Semi-structured interviews have been used as a primary method of data collection on the perceptions of academic and administrative staff and a systematic approach has been adopted in their description, conduct and analysis (Breakwell, 2006) to maximize the chance of securing meaningful, valid and reliable conclusions. Although the interviewer using this technique has some established topics (questions) for investigation, the method allows for exploring emergent themes and ideas. The interviewer used a standardized schedule but was free to pursue and probe for novel and relevant information through additional questions (see Appendices '1' and '2': Interview Schedules) (Arksey and Knight, 1999; ESDS Qualidata, 2007).

A strength of face to face semi-structured interviews in this study is that they offered the possibility of modifying the line of enquiry, following up interesting responses and investigating underlying motives. Second, they provided non-verbal clues which helped in understanding the verbal response, possibly changing or even, in extreme cases, reversing its meaning. Third, they provide rich and highly illuminating material compared with other methods of data collection. Fourth, the interviewer could explain misunderstandings, as the same question may have different meanings for different people; they are better than questionnaires for handling more difficult and open-ended questions such as those included in this study (Robson, 2002; Cohen *et al.*, 2007). Fifth, interviews enabled the researcher to gather information that could not be obtained by other methods. Surveys, for example, might offer mass data about a particular issue but they lack the depth of understanding that interviews provide (Tierney and Dilley, 2002). A final and major advantage of interviews is

their adaptability, as researchers can follow up answers to obtain more information as well as clarifying vague statements. They are also helpful in building trust and rapport with respondents, making it possible to obtain information that the interviewee probably would not reveal through other methods (Gall *et al.*, 2003).

There are disadvantages with interviews. They are money and time-consuming and require careful preparation. Notes have to be written up; tapes transcribed, taking much time, especially with 76 interviews. Analysis of these transcriptions is also time-eaters. There is also the reverse phenomenon with the interviewee glad to have a willing ear that the researcher cannot escape. However, the researcher had good closure skills and was able to go back to the questions on schedule. Although the main disadvantage of interviews is being time-consuming, it can be argued that time planning is a crucial skill of successful enquiry in all research (Robson, 2002) and that the rich data generated from this technique is worth the time, money and effort.

On the argument that interviews are prone to subjectivity and bias on the part of the interviewer (Cohen *et al.*, 2007; Gal *et al.*, 2003), several precautions have been taken to avoid these. The researcher used standardized/established questions and questions have been asked in the same order. The fact that the interviewer is, to some extent, an insider in both places helped build trust and rapport between interviewees and the researcher and facilitated the flow of data. Finally, participants were assured that there is no wrong or right answer; it is their perceptions which matters.

Great attention was paid to the construction of the interview schedule. First, I began to translate my research questions (*e.g. How do funding mechanisms affect higher education in Egypt and the UK?*) into a form (a series of questions) that can be used with interviewees (*e.g. 1- What is your understanding of the means by which universities are funded?; 2- What would*

you identify as the main strengths and weaknesses of the existing system for funding higher education?). I began with a wide range of questions with a direct bearing on my research with questions about funding mechanisms and QAS. I listed all the questions I thought needed answering, compiling a total of 27, a very long schedule. Thus, I began to sort through them, deleting any unlikely to contribute towards answering my research questions. I grouped the remaining questions concerned with the same topic and then checked that the range of questions with which I am left was sufficient to cover the topic thoroughly. Having made sure the range of questions was sufficient, I revised individual questions (Lofland, 1971, cited in Arksey and Knight, 1999, p.90) so that the schedule used main questions to begin and guide the conversation with follow up questions to pursue implications. Probes were used, asking participants to clarify and explain and also prompts directed towards what may have been overlooked (Rubin and Rubin, 1995 cited in Warren, 2002; Drever, 1995). Overall, the schedule is intended to have a logical sequence to allow interviewees develop a coherent pattern of thought.

5.3.3.3 Piloting and Evaluating Methods of Data Collection

An early version of the interview schedule was piloted in April, 2008 with eight doctoral researchers from UoB, four of which were home (English) students; three international (Egyptian) and one European (Greek). I learned much from this experience, as Breakwell (2006, 241) argues ‘properly conducted pilot work pays off’. It minimizes the risk of finding part-way through the study that a vital issue has been ignored or that certain questions cannot be understood. I learned that interviewing for collecting data is quite different from ordinary conversations, requiring skills of being an active listener, the ability of taking notes while listening and not impose his/her ideas on the interviewees. The interviewer should also have the ability to use probes and follow up questions to discover further information and follow up new emergent themes/issues.

Tape recording (5 interviews) and note taking (3) were used to decide on a preferred method for providing adequate data. Tape recording was found to be better as it was possible to gain insights into how interviewees handled questions and become aware of problems that escaped them during the interview itself (Gal *et al.*, 2003). Its use did not eliminate the need for notes but did allow the researcher to concentrate on taking strategic and focused notes (Patton, 2002). Alongside strategic notes, tape recordings helped greatly, especially in categorizing and analyzing data.

Piloting helped in devising my final interview schedule. Preliminary data generated through piloting gave some valuable insights which aided the preparation of the final schedule. Having that mix of respondents added value since their different cultures enriched the data and gave good insights to the researcher, as there are variations in the context of higher education between those countries.

An updated version of the earlier version of the interview schedule was re-piloted with two academics in UoB (February, 2009) before conducting the actual field work and suggestions for possible changes (e.g. rewording; reordering, adding and deleting some questions) were addressed. The same process also took place in Egypt (March, 2009). The final version of the schedule was quite different from the first version used in April, 2008 which had relied on the brief literature review which the researcher had done by that date. In contrast, the final version was prepared after a fuller review of the literature and initial analysis of policy documents on funding and QAS in both countries, which led to some changes in the direction of the study. This process reflects one of the main characteristics of qualitative research, which is its evolving nature.

Re-piloting my interview schedule was beneficial in several ways (Teijlingen, 2002) developing and testing the adequacy of research instruments; identifying logistical problems

which might occur using proposed methods; collecting preliminary data; assessing the proposed data analysis techniques to uncover potential problems; and modifying the words and the order of the questions according to the provided feedback. Having reached the final draft of my interview schedule, interviews were conducted with 76 participants (47 in CU and 29 in UoB).

5.3.4 Data analysis Procedures

After conducting the first couple of interviews, the researcher started transcribing and reviewing the collected data in light of the research questions so as to be able to reflect on the work at an early stage and see if methods of data collection were helping address his research questions or needed more adaptation. I transcribed the interviews myself as a way of familiarising myself with the data and doing initial data analysis concurrently with my field work (Silverman, 2005).

There was an intention of using NVIVO to analyse the interviews but, whatever its merits (Richards, 1999), it could not be used as interviews in Egypt were conducted in Arabic which NVIVO does not support and it was not practical in time and effort to translate 47 interviews from Arabic to English. Besides, literal translations may not give the same meaning accurately. As a result, I analysed the Arabic interviews manually to overcome these difficulties and, as matter of consistency, the UoB data were also analysed manually.

Framework analysis was used in data analysis. It is a recent approach to qualitative analysis which was developed in the context of applied policy research. It shares many features with qualitative analysis, especially ‘thematic analysis’. Its benefit is that it provides systematic and visible stages to the analysis process, so that funders, other researchers and readers can be clear about the stages by which the results have been obtained (Lacey and Luff,

2007; Ritchie and Spencer, 1994). It should be noted that framework analysis is a data-management tool and not a substitute for interpretation.

There are several reasons for adopting such approach. Research is often bounded by constraints of time and resources and analysis has to be brought to a close when specific questions have been answered; framework analysis is suited to asking specific questions with limited timescales, especially with a single researcher conducting a PhD research. Another reason is that although framework analysis is mainly inductive, it allows for the inclusion of *a priori* as well as emergent concepts in coding (*Ibid*). As mentioned earlier, the researcher had *a priori* concepts, from existing literature and document analysis (autonomy, accountability, efficiency and equity), which he wished to use as codes in addition to codes developed from emergent themes.

Framework Analysis has five key stages which can be undertaken in a linear fashion, although it can be used when data collection and analysis occur concurrently.

1- Familiarization: The tape recorded interviews have been transcribed verbatim. Even, non-verbal cues, such as silence; pause; words such as ‘well...er’ and laughter or gestures have been transcribed as they might give added meaning to the spoken word. Thus, an interview database of full transcribed interviews is available. The transcriptions have been written in a word file with two columns: the first includes the whole transcription and the second identifies the main points/message from participants’ answers, initial codes. After transcribing the data, I have organized it into retrievable sections. Each interview has a number and a code and given interviewees pseudonyms (SM: Senior Managers; SMA: Senior Manager Academics and AS: Academic Staff) with a file which helped link pseudonyms to the original informants (e.g. SMA1 means Senior Manager Academic number1). This file was kept confidential and will be destroyed 10 years after completion of the project in line with the

University of Birmingham's code of ethics (2007). Names or other identifiable material have been removed from the transcripts.

The data have been organized in a systematic way and any unit of text can be traced back to its original context. I have listened to tapes; read and re-read the data, made memos and summaries to get familiar with the data before starting formal analysis.

2- Identification of a thematic framework: This is the initial coding framework which is developed both from *a priori* issues (autonomy, accountability, efficiency and equity) and emerging issues from the familiarisation stage. This thematic framework was developed and refined during subsequent stages through re-coding to develop better defined categories. Some of the themes emerging from the data were also the issues with which I began my research, which suggests my data confirmed their importance and enabled me to explore them further. For example, during the interviews, academic and administrative staff raised other issues/themes, especially in the case of CU (such as lack of job satisfaction; favouritism/lack of transparency; etc.). Having reviewed these emergent themes, I found they all fit within the four main themes with which I began my research and, as a result, I have included them within these themes.

3- Indexing: Having identified the thematic framework for the study, the process began of applying that framework to the data, using codes to identify specific pieces of data corresponding to the themes. I searched the data for material that could be coded under this framework while concurrently searching for emergent concepts. The preliminary codes, used at this stage, were modified later but served to begin the process of categorizing and analysing.

4- Charting: This process began by using headings from the thematic framework to create charts of my data so that I could read across the dataset. These charts could be thematic for each theme across all respondents (cases) or by case for each respondent across all themes. Both types were utilized as shown in Table 5.1 which shows how data can be compared both ways.

Table 5.1: An example of the process of charting done during data analysis¹²

- How do funding mechanisms affect higher education in Egypt?				
Themes Cases	Autonomy	Accountability	Efficiency	Equity
SM1	Funding restricts institutional autonomy (lack of flexibility, complexity and bureaucracy).	Strong system of financial accountability to the representative of Ministry of Finance and Central Agency for Public Mobilization and Statistics (CAPMS).	Insufficient public funding & poor efficiency.	Distributing funding among universities is quite fair.
SM2	Funding does not affect institutional autonomy as it is always insufficient.	Strong financial accountability.	Insufficient & inefficient	Distributing funding is quite fair.
SMA8	Public funding does not affect academic freedom at all. It does not affect institutional autonomy as well.	We have a strong system of financial accountability.	Inefficient.	There would never be equity in funding HEIs as long as the funding does not meet the real cost of teaching students.
SMA10	It does not affect academic freedom but it really affects institutional autonomy.	I think accountability in Egypt is only an administrative one, not a technical one.	Inefficient at all.	Have no idea about how funding is distributed so I cannot decide if it is fair or not.
AS30	It does not affect academic freedom but affects institutional autonomy negatively.	There is no proper system of accountability for academics but I think the QAAP is working on improving the accountability system.	It is difficult to talk about efficiency of funding now as we are in a transitional period with lots of projects, lots of funding coming and lots of changes.	I do not know how universities and faculties are funded.
AS31	It does not affect academic freedom but affects institutional autonomy seriously.	It does not provide accountability for academics.	Inefficient, inflexible and insufficient.	The way funding is distributed among different universities is unfair.

¹² This table represents a much abridged version of the actual transcript just to give the reader a taste of the process of charting done during data analysis.

5- Mapping and Interpretation: After the charting process, the analysis went further searching for patterns, associations, concepts, and explanations in my data, aided by visual displays and plots. This stage aimed at identifying points of consensus and contradiction between the different types of participants (SM, SMA and AS). In this final stage of analysis, the researcher started to identify the main findings, which were then compared with findings from document analysis and cross referenced with findings from the literature.

5.3.5 Other Design Issues

Other issues crucial to the study are validity, reliability and ethical considerations.

5.3.5.1 Validity and Reliability

Although ‘It is impossible for research to be 100 per cent valid; that is the optimism of perfection’ (Cohen *et al.*, 2007, 133), precautions have been taken to secure different aspects of validity.

Content validity is demonstrated through a careful process of piloting and re-piloting. This has increased validity by making sure that the instrument measured what it purported to measure. Construct validity is demonstrated through triangulation, which involved the use of a twofold method for data collection to enhance rigour: document analysis and semi-structured interviews. Moreover, it combined quantitative and qualitative data, though mainly qualitative. The multi-method approach adopted increased the validity or search for truth of the research and also helped overcome the problem of method-boundedness. Internal validity is demonstrated through ensuring that the findings were drawn from the data and accurately described the phenomena under investigation. External validity is demonstrated through the choice of CU as ‘a typical case study’ which has similarities with the other cases that warrant generalisations to the other public universities in Egypt (Robson, 2002; Cohen, 2003; Yin, 2003; Lacey and Luff, 2007; Cohen *et al.*, 2007).

Particular precautions were taken to minimize threats to validity and avoid possible sources of bias and subjectivity in interviews and data analysis. During the interviews, the researcher made sure the interview schedule did not include any leading questions and avoided imposing his own definitions of situations on participants. During the data analysis stage, the researcher sought to avoid subjective interpretation of the data and made sure that the data analysed are lived interpretations and not interpretations of interpretations (Levering, 2006). Thus, the researcher sought to avoid subjective interpretation by avoiding selective use of data and using multiple respondent sources and multiple methods of data collection. Careful attention was given to presenting the perceptions of participants accurately and honestly without exploitation of the generated data.

Concerning reliability, careful attention was given to achieving consistency of findings generated from the study. The researcher considered the reliability of his research methods and research practices by thoroughness, care and honesty in carrying out the work (Robson, 2002). Reliability was demonstrated through the piloting and re-piloting of the methods and enhanced through methodological triangulation in two ways: the use of multiple methods of data collection (document analysis and semi-structured interviews) and multiple respondent sources (SM; SMA; and AS). Triangulation was approached by putting more than one quotation to support the same argument and to ensure the researcher avoided selective use of data. Evidence was also cross-referenced with material in policy documents, reports and the literature on funding mechanisms and QAS. Careful attention was given to constructing a reliable case study database and demonstrating a clear chain of evidence as recommended by Yin (2003).

Much attention was given to ensuring transparency and rigour through the detailed description of every stage of the design including all research decisions, especially the

construction of methods of data collection and data analysis. The researcher's position as an insider has also been identified and is thought to enhance the validity and reliability of the findings as it helped build trust between the researcher and interviewees, allowing them to give their perceptions frankly. The setting of the case studies and participants have been described in detail so that findings can be understood in context and can be applied to similar settings where appropriate.

5.3.5.2 Ethical Considerations

The application of ethics began at the conception of the research idea and its implications remained even after the research was over. High standards of ethical care have been followed, following the School of Education Research Ethics Protocol (2007) and the British Educational Research Association (BERA) Revised Ethical Guidelines for Educational Research (2004).

- Ethics Approval

Before conducting the field work, ethics approval has been obtained. A letter was issued from the University of Birmingham for participants in the university and another letter from Cairo University to its participants. After the protocol had been approved by the ethics committee at the School of Education, emails were sent to the selected participants telling them about the nature of the study with the interview schedule attached to give them a clear idea about the issues under investigation (Crow *et al.*, 2006; Lofman *et al.*, 2004). Those emails also asked for their consent to participate in the study while ensuring confidentiality and anonymity. They were also asked for their permission to tape record and/or take notes during interviews.

- Informed Consent

Interviewing each respondent, I started by thanking him/her for being willing to participate in the study. Firstly, I introduced myself to respondents and gave them an oral introduction

about the research and the purpose of the interview. This introduction was to give appropriate information to respondents so that they were able to give informed consent to participation. Although Gary (2004) argues that a written statement is better than verbal agreement, I have deliberately taken consent verbally. The reason for this is that the experience of funding mechanisms and QAS did not seem to be personal or sensitive issues. Moreover, in the context of Egyptian culture, respondents may not feel comfortable when being asked to give written informed consent and doing so might have affected their answers.

- Anonymity and Confidentiality

The generated data have been treated with utmost confidentiality and honesty. Once the data were collected, the names of participants were removed from all data collection forms and transcripts and replaced by assigning pseudonyms. Only the researcher has had access to the data (Denscombe, 2002; Fraenkel and Wallen, 2006). Interviewees were assured they would remain anonymous, no record of the interviews would be kept with their names, and the data would not be used for any other purpose. The generated data would be kept in line with the University of Birmingham's code of ethics on a password secure computer for ten years, then destroyed. Interviewees were informed they had the right not to answer any question they did not wish to answer and had the right to withdraw at any time and request that data collected not be used for other purposes than research (Craig and Charles, 2005). Finally, participants were informed that a report of the main findings of the study would be sent to those who have provided their email address.

5.4 Conclusion

The adopted research design is intended to provide greater depth to the research, more attention to the dynamics of the situation and better insights from detailed knowledge and understanding. However, implementing this design caused some difficulties for the

researcher. First, the research tools and materials had to be prepared in English, translated into Arabic, administered in Egypt and then translated back into English to be presented in the thesis. While the researcher has the bi-lingual capability for this and has done formal training in translation from English to Arabic and vice versa, time is definitely a resource to be considered. The second difficulty is about scheduling and rescheduling interviews with 76 academic and administrative staff in both cases. The process of transcription and data analysis was also time-consuming but the rich data generated from this technique is worth the time, money and effort. Another difficulty is getting the required policy documents, most of which was not easy to get, especially in Egypt case.

Using case studies has provided detailed knowledge of the selected institutions compared with more superficial investigation of several universities. The selected methods of data collection fit the research design well. Document analysis helped the researcher examine the historical context, policies and strategies, strengths and weaknesses, and reforms taking place of both funding mechanisms and QAS in Egypt and the UK. Interviews with academic and administrative staff about their experience of these phenomena helped to understand how funding mechanisms and QAS might affect universities in terms of autonomy, accountability, efficiency and equity. The generated data from both methods have been critically analysed to help triangulate the data and address the research questions.

To sum up, the adopted methodology, strategy and methods of data collection have not been chosen because they were preferred by the researcher but for their suitability in addressing the research questions. Clearly, no educational research is perfect as each has its strengths and limitations but the researcher has done his best to make this research as valid and reliable as possible whilst being clear about its limitations.

CHAPTER SIX

FUNDING MECHANISMS IN HIGHER EDUCATION IN EGYPT AND THE UK

6.1 Introduction

6.2 Funding Mechanisms in Egypt (Cairo University)

6.2.1 Autonomy

6.2.2 Accountability

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6.2.5 Summary

6.3 Funding Mechanisms in the UK (University of Birmingham)

6.3.1 Autonomy

6.3.2 Accountability

6.3.3 Efficiency

6.3.4 Equity

6.3.5 Summary

6.4 Conclusion

CHAPTER SIX

FUNDING MECHANISMS IN HIGHER EDUCATION IN EGYPT AND THE UK

6.1 Introduction

This chapter examines how funding mechanisms in Egypt and the UK affect universities and the people who work in them in terms of autonomy, accountability, efficiency and equity. The data reported have principally been obtained from document analysis and semi-structured interviews conducted with 47 staff in CU and 29 in UoB.

To explore how funding mechanisms affect autonomy, accountability, efficiency and equity, direct questions on these issues were included in the interview schedule, with other questions about funding mechanisms, their strengths and weaknesses and changes interviewees would like to make if they had the opportunity (see Appendices ‘1’ and ‘2’: Interview Schedules).

While answering those questions, however, academic and administrative staff raised other issues/themes, especially in the case of CU (such as lack of job satisfaction; favouritism/lack of transparency; lack of trust... and the urgent need to rationalize the policy of providing HE for free). Having reviewed those emergent themes, I found that they all fit under the four main themes and, as a result, they have been included within them. That all emergent issues/themes can fit within the four main *a priori* themes emphasizes their importance in HE policies and their analyses. The evidence gathered from interviews is presented in the text either through direct quotations or by summarising and paraphrasing the perceptions of participants.

The chapter proceeds as follows. The next two sections address the results and discussion of funding mechanisms in Cairo and Birmingham, starting with a brief overview about funding mechanisms in each university. Then, the evidence on funding is analysed using the four themes of the study, followed by a brief summary. The chapter ends with a brief conclusion.

6.2 Funding Mechanisms in Egypt (Cairo University)

As an overview of funding mechanisms in Egypt has been provided in Chapter Three, this section discusses funding mechanisms in Cairo University. In fact, CU is a little different from other public universities in that they all follow the regulations of the Supreme Council for Universities and are funded in the same way (line-item funding). Thus, interviewees at CU were asked how their national funding mechanisms might affect universities and people who work within them. However, they were encouraged to add any specific information about CU in relation to self-generated income or other financial aspects relevant only to CU.

6.2.1 Autonomy

Interviewees were asked for their perceptions of how the way universities are funded might affect institutional autonomy and academic freedom. Their answers/perceptions have been grouped into two groups. The majority, 35 out of 44¹³, falls into a group who sees that the way universities are funded affects institutional autonomy seriously but has nothing to do with academic freedom in terms of teaching and research activities. The second group is those who do not see funding as impacting on institutional autonomy or academic freedom.

¹³ As indicated before, the total number of interviewees in CU is 47 but not all of them have answered both sections of my interview schedule (the funding section and the quality assurance section). For example, three of my interviewees have chosen to answer only the questions in the quality assurance section as they are mainly involved in it. Thus, the total number of interviewees in this section is 44.

An analysis of the views of those in the first group identify problems of institutional autonomy in several ways: inflexibility; bureaucracy and complexity as there is much intervention from the government; inadequate funding to meet the developing needs of HEIs; HEIs have to spend the money according to budget line item rather than their own priorities; academics are neither involved in taking decisions nor have the right to choose their leaders; senior managers and academics have no say on the number of students; and, finally, lack of transparency. These items support the earlier discussion that budget allocation in Egypt is not informed by sector policy or linked to the needs of individual institutions. Budget allocations to different institutions are determined unilaterally by the Ministries of Finance (recurrent budget) and Planning (investment budget) and are assigned by budget line item where universities do not have the latitude to shift resources from one budget line item to another because these line items come from diverse resources (*e.g.* staff costs come from the Ministry of Finance and the investment budget comes from the Ministry of Economic Development) (SPU, 2008; World Bank, 2002a).

In this respect, the first issue raised by interviewees is the inflexibility of line-item budgets. They argued that public funding affects institutional autonomy seriously as it lacks flexibility and has many constraints which impede HEIs from doing their job properly, as stated by one senior manager:

Public funding affects the management of universities as it lacks flexibility and is controlled with line-item budget. In certain items of funding, you cannot transfer any amount of money to another item even if it is in the same category and any unspent amount of money should be returned to the Ministry of Finance by the end of the financial year. The university is controlled by the budget and has lots of constraints and cannot change anything in that system even if it is against its own priorities. There is lots of bureaucracy and complexity which leads managers to be coward in taking any decision. (SM, 1)

Purchasing Problems is another issue. Lack of flexibility becomes a big issue when buying the required equipments (such as computers, data show projectors ... chemicals) for HEIs. Both senior managers and academics said that it is a long journey of paper work and the laws of auctions are too bureaucratic and delay their work. Sometimes, they are not able to spend the entire fund they have as most of the required equipment are imported from outside the country and the inflexibility of the laws of auctions delay their work.

Laws should not delay our work, they should be more flexible because sometimes we have funds for buying some equipment but we cannot spend it because of the inflexible laws and those funds have to be returned to the Ministry of Finance by the end of the financial year. So, I am quite sure the inflexibility of funding affects the autonomy of universities and the way they manage themselves. (AS, 31)

The second issue is insufficiency of public funding. Interviewees see public funding as insufficient to enable HEIs to achieve their developing needs. They commented that they cannot produce good bread out of bad flour. Thus, they recommended that both government and the society as a whole should help in adequately funding HEIs (providing excellent flour) before holding them accountable to giving high quality outcomes (excellent loaves of bread).

Moreover, funds are not matched to HEIs' priorities. Line-item funding lacks flexibility as funds must be spent according to predefined budget line item, not according to HEIs' priorities; which leads HEIs - and CU specifically - to rely heavily on their self-generated income to attempt to cover the low level of public funding.

Self-generated income gives universities more flexibility and more autonomy than public funding, which has lots of restrictions and lacks flexibility. We have more financial autonomy to spend our self-generated funds as we need according to the priorities of the university. (SM, 3)

Most respondents were really troubled with the limited budget which comes in the form of line-item funding and some suggested universities should be given their budget in the form of a block grant so that they are flexible and autonomous to spend it according to their priorities,

instead of having to modify their priorities several times to fit pre-defined line-item categories.

Universities should have more financial autonomy. They should be given the funding as a block grant so that they are free to spend that funding according to their own priorities not according to the items and categories which the Ministry of Finance decides in advance (e.g. certain funding to be spent on new buildings, on maintenance ... or on research), which is believed to be inflexible at all. (SMA, 20)

Commenting on line-item funding, some interviewees argued that even if universities are given their funds in the form of block grants, it would not make a big difference. It would provide more flexibility but would still be insufficient as the first category of the budget (salaries and compensations for academics and administrative staff) consumes around 70% or more of the whole budget because of the huge numbers of administrative staff, which means that less than 30% is allocated for operational cost which is nothing.

Limits on academic affairs is one of the reported impacts of public funding, arising from bureaucracy, complexity and much intervention from the government in the academic affairs of universities. They see that because government is still the main source of funding HE, it intervenes so much in all academic affairs of universities and restricts their autonomy. That is why it was suggested that the government should take the role of supervision rather than intervention in universities affairs.

I can remember President Al-Sadat (ex-president of Egypt) when he used to say “Whoever owns his loaf of bread, owns his opinions and his decisions”. That is, if you make your loaf of bread by yourself, not waiting for someone else to provide you with it, you own your views as your decisions come from your mind, not from the one who provides you with bread. We, as academics do not own our bread, we are provided by bread (funding) through the government, so we do not own our opinions and our decisions because of the intervention and bureaucracy of the system. (AS, 31)

Control of senior academic appointments is another reported impact of public funding as academics are neither involved in taking decisions nor have they the right to choose their

leaders, at all levels starting from heads of departments to the vice-chancellors because of the overly centralisation of taking decisions and the outdated system of promotion through the seniority system.

We have no voice on the appointment of heads of departments, deans, vice-deans as there is a great centralization in taking decisions from the faculty to the university and from the university to the government. (AS, 33)

Level of student recruitment is one of the main issues which both senior managers and academics perceive to greatly restrict institutional autonomy as they have no say on the number of students that universities are forced to accept each year. The number of students is imposed by the government - through a centralized office, Admission Office of Egyptian Universities - and universities have nothing to do with such decisions. They added that allowing these students to enter HE is considered to be a must for political, social and security reasons. However, there is always a trade-off between the massive numbers of students, poor funding and quality which is always compromised.

Each year we say that our faculty can accommodate 500 new students and we are forced to accept 2000 students or more (which is four times the number we asked for) as the government wants to provide places for all students who have finished their secondary school. When we say we can accommodate 500 students, we mean we guarantee a space, a computer, a place in labs, suitable lecture halls, sufficient academics to provide high quality teaching and learning experience for students. (SMA, 16)

Thus, neither senior managers nor academics have a say on the number of students universities accept each year and recruitment seems to be regardless of capacity and is seen as detrimental to the quality of provision.

The last issue which both senior managers and academics perceive as affecting institutional autonomy is lack of transparency. Most commented that there should be more transparency in how the budget is decided and how it is distributed between different universities so that academics know how it works. They suggested that there should be a

funding formula to distribute budgets between universities and that the budget for HEIs should be published in newspapers with an explanation of how it works as a means of building the eroded trust between HEIs, government and society.

Public funding really affects institutional autonomy as it lacks transparency. If X person of X department holds a high post (a dean of school for example), then the department where he/she works would live its golden age and get the best fund and facilities in everything. And if X head of school holds a high position in the management of the university (such as a vice chancellor), his/her faculty would live its golden age and get the best funds and best facilities ever. So, I can say that there is no transparency in distributing funds among faculties in the same university or even among departments in the same faculty as it depends on who rules the game...i.e. from which department or school he/she is. (AS, 37)

Although most¹⁴ interviewees in this group agreed that the way universities are funded affects institutional autonomy seriously but has nothing to do with academic freedom, ten interviewees did mention that it might affect academic freedom indirectly. While they agreed that it does not affect academic freedom in terms of teaching and research, where academics are autonomous in choosing the material of teaching and topics of their research, they did express the view that inadequate salaries for academics affect them as they have to have additional jobs to secure an acceptable livelihood and there are *negative consequences of having 2nd and sometimes 3rd jobs*:

The way universities are funded does not affect academic freedom but it forces academics to look for additional jobs to secure their livelihood. So, it does not affect academic freedom directly but it affects it indirectly as lack of proper funding might prevent academics from doing certain types of research in which they are interested. Inadequate funding also affects the quality of academics' teaching and research and their scientific/academic productivity as it does not enable them to have enough time to enhance their teaching and their research. (AS, 24)

¹⁴ When the word 'most' is used, it means 'an overwhelming majority'.

It is quite clear from the above quotation that insufficient public funding and inadequate salaries for academics force them to have additional jobs to secure their livelihood and might also prevent them from doing certain types of research in which they are interested. Thus, insufficient public funding does not enable academics to enhance their teaching and their research practices and affects their academic productivity.

The second group of interviewees, 9 out of 44, expressed the view that the way universities are funded has nothing to do with institutional autonomy or academic freedom. They see that public funding is too weak to affect institutional autonomy as it is always insufficient so universities spend it quickly while they depend heavily on their self-generated income to cover the shortage of public funding.

Public funding does not affect institutional autonomy as it is too weak to affect our activities. For example, the public funding for our research plan in X Faculty is 60,000 which is nothing to affect our institutional autonomy. It just has some restrictions in allocating funding according to certain items and categories and it really needs to be more flexible. When I went to visit some universities in USA, I found that their fixed cost was only 30% and their operational cost was 70% and they want to increase the percentage of funding available for operational cost. If we compare ourselves to them, we will find that 70% or more of our budget is for salaries (fixed cost) which means that less than 30% is for our operational cost which is nothing. (SMA, 22)

They agree with the first group that academic freedom is not affected at all by the way universities are funded.

I do not think funding affects academic freedom at all. I am a member of the Scientific Research Academy and I have never seen or heard about a researcher who was funded on condition to give certain findings, never happens. (SMA, 19)

6.2.2 Accountability

Concerning accountability, interviewees were asked for their perceptions of the nature of the dialogue of accountability between universities, the government and other funders. Answers have been organised into three main groups. The first group, which forms a great majority,

sees that the system provides strong financial accountability whereas it provides weak/no accountability for academics. The second group, 5 out of 44, sees that the system, in general, provides weak accountability mechanisms, whereas the third group, 4 out of 44, has no idea about the nature of the dialogue of accountability between universities and funders.

The first group, 35 out of 44, sees the system as providing strong financial accountability whereas it provides weak/no accountability for academics. They see that universities are accountable to spend according to the rules of the Ministry of Finance (budget line item) and that the government expects universities to diversify sources of funding and use their self-generated income to support public funding. Universities are accountable to the representatives of the Ministry of Finance and the Central Agency for Public Mobilization and Statistics (CAPMAS) for their expenditure. Thus, there are two levels of accountability: one before spending the funds, which is done through the representative of Ministry of Finance, and the other level is after spending the money, which is done through CAPMAS.

There is a hard system of accountability from both CAPMAS and the representative of Ministry of Finance. There are two ways of censorship on funding. One before spending any amount of money which is done by the representative of the Ministry of Finance who revises the forms and accepts it or not according to the rules. If it contradicts the rules, s/he does not accept it even if it is approved by the vice chancellor of the university. The second one is after spending money which is done by the CAPMAS. If there are any mistakes, we are accountable to the Administrative Prosecution Authority in Egypt. Thus, there is lots of bureaucracy and complexity which leads managers to be coward in taking any decision. (SM, 1)

There is a regular check to ensure that universities spend the budget according to the line-item funding. If there is any unspent money, it should be returned to the Ministry of Finance by the end of the financial year. But normally there is no money left from the budget as public funding is very weak and universities depend heavily on their self-generated income; however, even their self-generated income is subject for accountability through CAPMAS. Although universities have more financial autonomy in spending their self-generated income

according to their own priorities, they are also accountable for CAPMAS for how they spend those self-generated income.

Even our self-generated income is accountable and open for check by CAPMAS and other censorship agencies at any time. So, actually we have lots of financial accountability in the system. (SM, 3)

The interviewees added that the accountability system of the Ministry of Finance through CAPMAS has many restrictions, especially on buying the required equipments which really affects the efficiency of operation in universities.

Although the majority of interviewees see the system as providing strong financial accountability, they see that it is a rigid one as it is just concerned with compliance and neither puts outcomes into consideration nor provides any incentives for efficiency gains. In addition, they see that the system provides no or weak accountability for academics. Their perceptions are built on several rationales: all academics are civil servants and all are on tenure track; inadequate salaries for academics which cause lack of job satisfaction so that most academics have second and sometimes third jobs to secure their livelihood; the salary is fixed for all academics regardless of their work/outputs so there are no incentives for enhancing the quality of provision.

The first issue which weakens the system of accountability for academics is the tenure track system as all academics are civil servants. Most interviewees commented that the system does not provide accountability for academics as they cannot fire or punish low performers. All deans can do is to give extra financial incentives (from the self-generated income of the faculty, not from public funding) to high performers, which is not adequate to hold academics accountable for their core duties of teaching, research, administration and serving the community. Thus, it can be said that, there is only a slight type of accountability which

mainly lies in the hands of deans but is not highly activated and does not bring the desired results/outcomes.

As for academics, if I have an academic with high performance, I can give him/her some financial incentives. In case of an academic with low performance, I can decrease the financial incentives which he/she takes but in fact I can't fire him/her off as we are all civil servants and all academics have tenure, which I think is the worst thing in HE in Egypt. (SMA, 11)

One of the surprising findings for the researcher is that it is not only senior managers who are not happy with the tenure track system. Academics themselves are unhappy with it as it does not provide any incentives or punishments, which de-motivates academics to put more effort in their work. The tenure track system also leaves academics with very limited opportunities of movement between institutions.

The second most important issue is lack of job satisfaction for academics which is mainly a result of inadequate salaries. Although I have not asked any direct or indirect questions about academic pay, all interviewees (including senior managers, senior manager academics and academics) raised the issue of inadequate salaries and reported that they are not at all satisfied with their salaries. It was reported that academic pay is not adequate to secure their livelihood so that most of them have additional jobs¹⁵ (mostly in private universities and companies). Most academics migrate to Western countries and Gulf countries where they can get good salaries that allow them to have enough time to enhance their teaching and research practices instead of spending time looking for additional jobs in Egypt.

The salaries of academics and administrative staff are so weak, even weaker than the salaries of our graduates who work in private sector, especially in our field (Computer Sciences). The first salary of any of our graduates who works

¹⁵ By law, all faculty members are allowed to hold other jobs. Staff takes advantage of this situation and seeks other part-time employment opportunities in order to augment their income. Having two and sometimes three jobs contributes to widespread absence, particularly in the professional programs (Said, 2001).

in private sector is better than my salary as a professor working in academia for around 20 years now. (SMA, 15)

There is no accountability for academics as they take pennies from universities so how do you get them accountable for the few pennies they get as a salary. (AS, 44)

It is quite obvious from the above quotations that inadequate salaries weakens the system of accountability seriously as academics cannot be hold accountable for high quality teaching and research when they are not provided with satisfactory salaries. It is even the case that some academics prefer resigning from their universities to work full time in private universities or big companies where they are given excellent salaries. In this respect, one senior manager academic stated:

Our demonstrators and assistant lecturers used to work part time in big companies and private universities to secure their life. Nowadays, they began to work full time and do not come to university at all. Some of them prefer resigning from the university and working full time in the private sector as it is much more rewarding. (SMA, 14)

In addition to the weak salaries, academic pay is fixed for all regardless of their performance/outputs so there are no incentives for them to do more work or enhance their educational practices. It was reported that all academics take an incentive called overtime financial incentive (which should be given only for academics who work overtime hours, doing more teaching) although not all of them work overtime hours. Both senior managers and academics perceive that all academics should be given such an incentive, and any other incentive, regardless of their work because their salaries are not at all satisfactory.

They also commented that there would never be a good system of accountability for academics as long as salaries do not satisfy their minimum needs. Academics teach in different places other than their own universities and as consultants in big companies and businesses and no one can prevent them for doing so as it is known to all that salaries are not sufficient. “By law, all faculty members are allowed to hold other jobs... in order to augment

their income” (Said, 2001). As a result, academics do not even have enough time to write good research proposals to apply for competitive funding. Most senior managers reported that there are lots of excellent and creative academic staff in HEIs in Egypt but they just need peace of mind to be really creative and highly competitive. Thus, if the problem of academic pay is solved, they would have time to do excellent research and bidding for competitive funding would be more rewarding but what is happening now is just a decoration of the *status quo* instead of solving the main problem. They reported that in western countries there is an accountability system for academics on the number and the quality of their publications but in Egypt, there is no academic refereeing system for research which affects funding or which links funding to the quality of the research output of academics.

Some senior managers see that the system provides accountability for academics but it is just on paper, not activated. That is, the laws governing HE provide a system of accountability but they are not activated because of poor academic pay. They said that there are many committees and many laws and by-laws in place but no sound activated system of accountability with all academics given the same salary regardless of performance.

We have accountability for academics but not activated. I can give some incentives for good academics who do their best in teaching and research but I can do nothing for bad academics except discounting very small amounts of money from their incentives. (SMA, 12)

All my relation with the university is about the courses I am teaching but they have nothing to do with the way I teach my courses. If students complain that I teach good or bad or teach two hours instead of four hours, the university has nothing to do with me. If I give the lecture or ask one of my colleagues to give it on my behalf, it does not really matter. If students succeed or fail, it does not matter. So, academics do not have any sort of accountability to universities at all. You cannot ask academics to provide a high quality loaf of bread while you provide them with bad flour. (AS, 46)

The second group, only five interviewees, sees the system as providing weak accountability.

They see that the funding system does not provide sufficient accountability as it has lots of

gaps and that accountability is only an administrative one, not a technical one. People from the Ministry of Finance, CAPMAS and from the university come regularly to check that money is spent according to budget line item but have nothing to do with the quality of provision or the quality of outcomes. This finding goes in line with the views of the first group who agree that the system provides a rigid accountability which is only concerned with compliance. That is why they have recommended changing the current system of funding to performance-based funding, funding according to the outcomes not according to budget line item. One senior manager academic commented that:

We have lots of defects and gaps in the accountability system which leads to one of two things: “Anyone who wants to manipulate the system can do that if s/he knows the rules of the game, s/he can steal an elephant without being noticed or being held accountable for anything but if s/he does not know the rules of the game, s/he might be held accountable if s/he even stole an ant”. Thus, there should be a good system of accountability without very strong and firm bureaucracy and without being very loose as well. (SMA, 19)

This quotation supports the argument that accountability in Egypt is only an administrative one, not a technical one which puts outcomes into consideration. If someone said that she has spent 100,000 pounds on painting X building and she got a receipt, no one can ask her if it is too much money or if it could be done cheaper as financial accountability is mainly based on document auditing.

One of the surprising findings is that the last group, 4 out of 44 interviewees, had no idea about the dialogue of accountability between universities and funders. One is a director of a quality assurance unit and the other three are academics. The researcher tried to ask some follow up questions to elicit more information but they preferred not to answer the questions related to accountability.

Having presented the perceptions of my interviewees on the dialogue of accountability, the discussion moves to perceptions on efficiency.

6.2.3 Efficiency

Answers on efficiency fall into two main groups. The first group, which forms the great majority of interviewees, sees the system of funding as inefficient and provides several rationales: insufficiency of public funding; lack of transparency; lack of flexibility; weak salaries for academics and providing HE free for all students. It is clear that some of these rationales have already been discussed in the sections of autonomy and accountability but they were found to affect efficiency as well. Thus, they are discussed only briefly to avoid repetition. On the other hand, the second group, 12 of 44 interviewees, sees that the efficiency of the current system can be classified as poor or medium efficiency. What is surprising is that no single interviewee mentioned that the current system of funding is efficient.

The first group, which forms a vast majority, 32 of 44 interviewees, sees the system of funding as inefficient for several rationales. *Insufficiency of public funding* was reported as the first factor affecting efficiency. Public funding is getting less every year to the extent that it does not satisfy the minimum needs of the different activities of HEIs, especially research. Academics reported that they do all their research on their own and do not get funding to support these activities¹⁶. The insufficiency of public funding goes back to the annual cuts, the expansion of student numbers and the need for new buildings and new laboratories to meet that expansion. It is also reported that the Ministry of Finance decides the funding of the new financial year regardless of what universities have spent the previous year.

¹⁶ Faculty members appear to have very limited access to public funds to support their scholarship. Research funding from the Academy of Scientific Research, even on a competitive basis, is reportedly extremely limited as is financial assistance that would help staff establish links with international scholarly communities. With the exception of one or two-year scientific mission programs, there are no paid sabbatical leaves and a systematic incentive process to encourage professional revival is absent. Faculty members, however, are entitled during the course of their academic career for a total of up-to ten years of unpaid leave (on-loan) from their universities/institutes to other local or foreign universities or even industrial enterprises (Said, 2001).

When I prepare the project for the new years' budget, I make clear how much I have spent the last year and the proposed increase which I need in the budget for the New Financial Year with the justifications for that proposed increase. The Ministry of Finance should take into account the actual amount of money spent the last year and also have to see the average of our spending for the last three years before deciding the new budget but they do not do that and usually their reply is that we decide the increase in the new budget according to the available resources for the HE sector as a whole. (SM, 4)

Lack of transparency is also reported to affect efficiency. Universities have to overestimate their financial needs as they are not allowed to overspend. There should be more trust between universities and the government as universities usually ask for much more money than their actual needs as they know well if they asked for a budget of 100 million, the government will give them just 20 or 30 million. That is why universities ask for 200 million or more so that after negotiation they might end up with a reasonable budget somewhat near their actual needs. If there is more trust and more transparency between universities and the government, this would not happen and there would be more efficiency and rationalization in public funding.

On the other hand, they see that their self-generated income is highly efficient as they have started four years ago with three million pounds (EGP) and this year (2009-2010) they have raised twenty-five million pounds. It has also been reported that the insufficiency of public funding is accompanied by lack of flexibility which really affects efficiency. Public funding has to be spent according to budget line item not according to HEIs' priorities. Thus, any amount of money which comes from the government is spent without thinking about the rationale of its spending or whether it is spent efficiently. This goes back to the inflexibility of line-item funding because if spending is rationalized in a category and an amount of money is saved, it cannot be transferred to another category and should be returned to the Ministry of Finance by the end of the financial year. In addition, there is no evaluation of the outcome of funding. That is why no one thinks about the rationalization of spending public funding.

Public funding lacks internal efficiency. If we are assigned a 100,000 pounds under the category of maintenance to redecorate X building, it should be spent on that purpose regardless of any other criteria of efficiency such as: Is there an urgent need to redecorate that building? Can we redecorate it with 50% of that amount of money and spend the other 50% on something else? Actually, no one cares about efficiency gains in public funding and that is why there is no rationalization in its spending. (AS, 40)

There are also complex procedures and bureaucracy in the process of auctions to buy the required equipment for universities, which also affects efficiency seriously. Academics have reported that sometimes they ask for equipment and it takes too much time for the equipment to be bought, to the extent that when it is bought, it is out of date. Thus, the reaction of public funding is too slow to satisfy academics' needs.

Poor academic pay has also been reported to affect efficiency as most academics have another job and have no time to enhance their educational practices (as discussed in the previous section). Thus, inadequate public funding decreases the efficiency of academics. Both academics and senior managers are really bothered about their pay and commented that 'the HE sector is no less important than State Security and the Armed Forces for their country. It should be funded properly as those other sectors are funded, if we are to live in a developed country'. They are quite sure that academics are innovative and creative. They have recommended reforming the HE sector by rationalizing the use of human and financial resources to decrease waste as, in spite of providing weak salaries for both academic and administrative staff, these salaries consume around 70% or more of the whole budget.

Providing HE free for all students was reported to seriously harm the efficiency of funding. Almost all interviewees in CU support the continuation of providing HE free but with some rationalization. They see that providing HE free is a point of strength as it allows students from all backgrounds to participate in HE but they also believe that the great expansion of student numbers and inadequate funding cause serious detriment to the quality

of provision. That is why they support the rationalization of the policy/constitution of providing HE free and for other several reasons. Quality of provision is always compromised as there is always a trade-off against the number of students; with inadequate funding, quality is compromised. There is no match between the nominal fees which students pay (around 120-150 EGP pounds a year) and the real cost of teaching students in HE. Thus, tuition fees do not reflect the real cost of teaching students in HE, and not having enough funding is to the detriment of the quality of provision.

The system does not provide any incentives for students to finish their degrees on time and be successful graduates who are able to compete in the labour market. Many students do not attend lectures regularly and do not give much attention to their studies and thus fail several times, so that the percentage of repeating students is high. Students can spend up to 12 years in university to finish a degree which normally requires only four years. Thus, Egypt provides HE free for failing students which adds to inefficiency. It does not make sense to provide HE free for failing students. Interviewees added that it is well known that the government is committed to provide HE free but universities have increasing needs; so, if the government wants to keep HE free, it should pay the full cost of teaching those students. However, the current system of allowing all secondary school leavers to enter HE is to the detriment of the quality of provision and, by the end of the day, produces graduates who are not qualified to compete in the labour market.

I know that the problem of providing HE for free has political and social dimensions but we should not do like ostriches and bury our heads in the sand and say this is the constitution and we cannot change it. Of course, we can change it as it's we who have put that constitution and it should be we who change it as it is not a holy religious book. (SMA, 13)

Almost all senior managers, senior manager academics and academics have mentioned that a high percentage of students join pre-HE in private and language schools where they pay very

high tuition fees. In addition, parents pay huge amounts of money for their children for private tutoring in Primary, Preparatory and Secondary schools to enable them to get good scores to be able to join good faculties like Medicine, Pharmacy, Engineering...etc. Thus, it is neither efficient nor fair for such students to join HE for free (with nominal fees of around EGP 150) or that universities are expected to provide high quality graduates on current levels of income. If such students pay higher tuition fees in HE, fees could be spent on enhancing the quality of provision and providing grants for students who cannot pay fees, which is fairer and more efficient than providing HE free for all.

One of the senior managers mentioned that “We pay tuition fees, books fees and living expenses fees for around quarter of our students, who are unable to pay, from the social solidarity fund in our faculty”. However, at the same, time there are students who come to the faculty by their own luxurious cars, students who change their laptops and mobile phones every year or so, why do we have to provide them HE for free? It is unfair as those students used to pay thousands of pounds in private schools and for private tutoring but when they come to university they pay only 150 pounds a year. Unfortunately when we say HE should be provided free only for those who deserve it, the mass media turns the case against us and begin spreading it the wrong way, that those who are able to pay tuition fees will have HE but those who cannot will not be able to enter HE, which is completely wrong (SMA, 20).

The vast majority of interviewees recommended that HE should be provided free for all students for the first year and then continue free only for successful students. Failing students should pay some of the real cost of their teaching. If they fail again, they should pay the whole cost of their teaching to encourage them to finish their degrees on time and achieve more efficiency. Because of insisting on providing HE free, *practical learning becomes like theoretical learning because of lack of proper up-to-date equipment* where students need to

develop practical skills. Thus, to have high quality provision, the full cost for teaching students should be paid by government, students, and society or some combination of all and there should be more trust between them.

There is also duality of criteria in HE policies in Egypt. While the government does not allow public universities to charge tuition fees and says it is against the constitution, it allows private universities to charge fees they choose and also allows pre-HE private and language schools to charge fees they decide. It is not reasonable that private universities are allowed to charge students fees they choose whereas public universities have to provide HE for students for only nominal fees, 150 pounds a year. Thus, there is no fair competition between public and private universities. The interviewees in that group perceive that the policy of providing HE free for all students, regardless of being successful or failing or being able to pay tuition fees or not, is a great failure and should be rationalized. They argued that it is not reasonable that a student pays around 150 pounds tuition annually while her pocket money is more than 150 a month. On the other hand, only four interviewees are against rationalizing free provision, arguing that it is parents who pay and if there are parents who could pay thousands of pounds, there are parents who cannot even pay nominal fees.

A few academics noted a misconception that the more tuition fees HEIs charge, the higher the quality of provision. In other words, universities which ask for the highest tuition fees should, by default, be the best universities, which is a mistaken view. After teaching for a long time in both public and private universities, they discovered that provision is not linked to fee levels but equals the *easiest* provision and that is why students prefer joining private universities and alternative academic programmes. It is worth noting that many academics who teach in public and private universities agree that universities charging higher fees do not equal the highest quality of provision but equals the easiest provision.

The second group, 12 out of 44 interviewees, classifies the efficiency of the system as poor or medium. One interviewee even argued that if the outcomes of HE (e.g. number of graduates) are considered in light of the way it is funded, it can be seen as efficient. They see that it is difficult to judge the efficiency of funding at present as it is a transitional period with lots of projects, lots of funding coming in and several changes. Thus, they prefer delaying judgment on efficiency. One academic described the efficiency of funding as a sick person who is taking pain relief which just kills the feeling of pain but does not cure illness. More appropriately, the system (patient) needs to be examined well (by a good doctor) to decide the main reasons for inefficiency (sickness) and recommend proper changes (treatment).

6.2.4 Equity

Having asked interviewees about the equity/fairness of the current system of funding, answers are in three main groups. The majority, 24 interviewees, falls into the first group who cannot decide whether the funding system is fair or not. While the second group, 12 interviewees, sees the system of funding as unfair; the last group, 8 interviewees, sees it as quite fair.

One of the most surprising findings is that the majority cannot decide whether the funding system is fair or not as *they do not have enough information about the criteria of distributing funding among universities or faculties in the same university* so they cannot decide whether the system is fair or not.

I think money is distributed according to the number of students, staff and the actual needs of each university. If it is done like this, it is fair. If not, it is not fair but actually the criteria of distributing funding are not known. (SMA, 18)

If universities take equal shares of funding, it would be unfair as the number of students and academic and administrative staff should be taken into consideration. I do not know if this happens or not. (AS, 38)

What is more surprising is that almost half of this group are senior manager academics and the other half are academics. Thus, it is not only academics who do not have a clear idea

about the criteria for distributing funds but senior manager academics as well, which shows that the current system of funding really lacks transparency and that the level of disclosure of information is weak. One academic in this group commented that they usually hear that universities which have political importance, such as CU, get more funding than new regional universities and sometimes *vice versa* but they do not have any documents which prove this, which may be why academics prefer not to comment. Additional comments suggested that while they do not have enough information about the distribution of funding, they are sure that universities depend heavily on their self-generated income to cover poor public funding.

The second group, 12 interviewees, sees the funding system as unfair for several reasons. Firstly, *it does not meet the real cost of teaching students which negatively affects the quality of provision*, which is deteriorating. They perceive the system of funding to work in a certain way: if the real cost of teaching a student in X faculty is 1000 pound a year and X faculty has 100 students so the funding given to that faculty should be 100,000 pounds (from the government, students, parents, society or a combination of all). Only in that way can the system be said to be fair as it provides adequate funding for universities. Thus, HEIs in Egypt are not properly funded, which is unfair as they cannot, therefore, do their job properly.

Secondly, *there is no fair competition between public and private universities*. As long as the government permits private HE, it should provide a single framework for competition between public and private universities but it does not. While the government allows private universities to charge students very high tuition fees, students in public universities pay very modest token registration fees and public universities are not allowed to charge higher tuition fees. If both public and private universities are required to provide high quality graduates who can compete in the labour market, the government should allow fair competition between them either by allowing public universities to charge students higher fees or providing them

with proper/adequate funding. Participants have also raised the same issue of the need for rationalizing the policy of free higher education to make the system more efficient and equitable.

Finally, favouritism/lack of transparency has been reported to affect the fairness of funding as there are no objective criteria for distributing funding among different universities and different faculties in the same university. They think that distributing funding between universities depends to some extent on personal relationships (favouritism) and this happens between universities, faculties in the same university and even departments in the same faculty:

I think distributing funding among different universities and among different faculties in the same university is not fair as it depends on the contacts you have. I just want money to go to those who really deserve it not to those who know how to get it through favouritism. (SMA, 15)

When I joined this faculty, it was very bad and had lots of weaknesses but after the dean of this faculty got a high post in the management of the university, the faculty started living its golden age, we got lots of funding to the extent that all our labs have been refurbished and we are one of the best faculties in the university now in terms of funding and the available facilities. Thus, distributing public funding lacks objectivity and transparency. (AS, 47)

They have added that old universities (in major cities) are given less funding than new regional universities because they are perceived to be well established and thus do not need more funding, which is unfair as old universities have more burdens, more academic and administrative staff and more students. It is noticed that in the last few years the Ministry of Finance and Ministry of Planning began to give new universities more funding than old universities which is fair to some extent as old universities are well established and have their own self-generated income but CU, for example, has around 250.000 student which can be divided into five or ten new universities. Thus, there should be more balance in distributing

funding among universities and those with huge numbers of students should be given reasonable funding.

For the last group, 8 interviewees most of whom are senior managers and senior manager academics, the current system of funding is reasonably fair as distributing funding among different universities depends on the actual needs of universities and the available financial resources for the HE sector. Universities decide their needs with their justifications and the Ministry of Finance gives them budgets according to their needs and in light of the funds it has for them. However, this does not mean that it gives equal shares to different universities as distributing funding depends on the number of students; the number of academic and administrative staff (as indicators, not as main factors) and thus it differs between universities. Sometimes new universities are given more funding in certain categories like new establishments as they need it more than old universities. Besides, academic pay is almost the same in all universities. The Ministry of Planning decides the shares of universities in the category of investment according to two things: the actual needs of universities and their self-generated income. Sometimes, new universities are given more than old well established universities as they have less self-generated income, which is seen to be quite fair.

I know that many people would say it is not fair but I disagree with them as all people need more funding to their universities or their faculties and they all have justifications for it. For example, people from CU would say “we are the oldest university in Egypt and we have that much staff and that much students so we need more funding than any other university”. People from a new university would say “we are not well established like old universities so that we need more funding to have new buildings and new labs... etc.” So, each university would have its own justifications. But I can see that distributing funding amongst different universities is reasonably fair in light of the available resources for the HE sector. (SMA, 20)

Although interviewees in this group agree that distributing funding among different universities is reasonably fair, in light of the available resources, they agree that it is inadequate and that universities depend heavily on their self-generated income.

6.2.5 Summary

Having presented the perceptions of interviewees about the current system of funding and how they think it might affect universities in terms of autonomy, accountability, efficiency and equity, it is clear that there are several issues which have a serious negative impact on universities and the people who work within them. Some of these issues (insufficiency of public funding; lack of flexibility; lack of trust; lack of job satisfaction and providing HE free for all) were found to recur under more than one of the four themes and sometimes under all of them. For example, lack of job satisfaction (because of poor academic pay) was reported to affect *academic freedom* indirectly as sometimes academics cannot do certain types of research in which they are interested because of lack of adequate funding. Academics cannot be hold *accountable* for the quality of their teaching and research because of poor pay which forces them to have additional jobs to secure their livelihood. Having additional jobs was reported to affect the *efficiency* of operation/provision as academics do not have enough time to enhance their teaching and their research. However, academic pay, despite being very weak, is almost the same in all universities. In that sense it is perceived to be *equitable*, although paying everyone the same regardless of performance may be regarded as *inequitable*.

It is notable that there are no significant differences in the perceptions of the different groups of senior managers, senior manager academics and academics on these issues. It can be argued that there is considerable agreement about the current system of funding and the

problems which seriously affect it as they all suffer from inadequate funding, lack of flexibility, lack of trust and unsatisfactory salaries.

Having discussed funding mechanisms in HE in Egypt, the discussion moves to funding in the UK and the UoB specifically.

6.3 Funding Mechanisms in the UK (University of Birmingham)

In UoB's case, participants were asked how they think funding mechanisms might affect universities and the people who work within them on two levels: nationally (the UK) as most of them have worked in more than one university in the UK because of academics' transfer phenomenon (ease of movements between institutions); and internally (UoB). This is because the system is more devolved in the UK as the government gives universities funds for teaching and for research as a block grant and universities are autonomous to spend that grant according to their own priorities. Thus, each university in the UK has its own financial mechanisms. As a result, this section will go through the participants' perceptions on funding mechanisms on the national level firstly and then internally in UoB. Before discussing the results, I provide a brief overview of the financial model of UoB.

Despite meeting many senior managers and senior manager academics in UoB, the researcher was not able to get any documents about the old or the new financial models in the university. He was told that there are no written documents about those models and that they have just been presented and explained to senior managers, heads of colleges and heads of schools when they were first introduced. Thus, all information about those financial models has been obtained from the interviews.

The old model was reported to be an income and expenditure model based on how much money the University gets from the funding council for teaching and for which

subjects. Students' tuition fees are added to that block grant and then are distributed to different schools, depending on the number of students and the type of subjects taught. Similarly for research, the funding council grant is distributed according to the quality and the volume of research schools undertook. So, the university used to give schools the income it received and schools would meet their costs, including estates and libraries and so on, and what they have left over, they could keep as a surplus. Thus, the old model was highly devolved.

The new financial model, introduced from 1st of August, 2008, has devised a new college layer between the university and schools where schools have been grouped under five colleges; heads of those colleges act as Pro-Vice Chancellors and sit on the University Executive Board (College Structure, 2011). The university gives colleges a budget for staff costs and non staff costs and also expects them to generate earnings from research and from trading activities and, delivering to agreed targets in terms of student recruitment and research performance. If one of the schools achieves a surplus, 50% of it goes to the central pot of the university to be reinvested across the whole university. The other 50% is retained in the college, and it is up to the college to decide how they want to invest that money. A college can decide to reinvest that money for the benefit of the wider college, reinvest in the school which generates it as a reward, in another school which is not able to generate sufficient funds or divide it among other schools. Heads of colleges can really do whatever they wish; clearly, the new model is not as devolved as the old one and there is much control.

Thus, the old model used to distribute income and give budgets to schools and it used also to charge them for corporate services. So, typically, if a school had two hundred students, they would be given funds that would pay for their staff costs and their non-staff costs, their student costs. On top of that, they would generate money from research, consultancy and

some market price courses. And then, against all of that income, the university charges schools an amount of money for finance, HR, estates and all infrastructure costs. And then they would be left with a surplus or deficit annually. The new model takes away the income that comes from HEFCE, the income to do with research and the income to do with overseas students but it also takes away the charges to do with corporate areas. So what schools or colleges are now left with is a real budget that they can actually manage. “So it is not just about a deficit or a surplus a school has made; it is about, here is your budget and for that budget we would like you to deliver this many students, this much research at this quality and so we try and manage as a whole, really” (SM, 4). The things that have been taken off are the income parts and the corporate services parts. One of the weaknesses of the new model is that definitely not distributing direct income is an issue for academics. Another weakness is that there is a danger that not distributing the corporate charges, the direct costs, could mean people take their eyes off those costs (SM1; SM4; SMA16; AS29).

Additional comments by senior managers and senior manager academics included: “I do not think the model says “all right you can keep X if you do Y” necessarily incentivizes. It might do. And I think the new model is trying to move away and what we’re saying is, look, what do you need to deliver your targets, not what can you keep by delivering them?” The old model was too devolved but it was also very difficult for the university to find people to run 19 schools, which become 28 schools under the new college structure (College Structure, 2011). Although the old financial model was not that difficult to a quantitative person but many heads of schools were not very interested in the details and they did not become academics to run businesses and understand budgets (SM1; SM4; SMA16; AS29). The differences between the old and the new financial models in UoB are summarised in Table 6.1.

Table 6.1: A comparison of the old and the new financial models in UoB

The Old Financial Model	The New Financial Model
- Income and Expenditure Model	- Expenditure-based Model
- has a formula	- does not have a formula
- a very devolved model	- a much more controlled model
- does not allow much strategic planning	- allows more strategic planning
- heads of schools are more autonomous	- heads of colleges are more autonomous
- schools are budget holders	- Colleges are budget holders
- schools could keep any surpluses	- surpluses are divided between the college and the university's central pot
- provides incentives for high performers	- does not provide incentives for high performers
- student-driven	- not student-driven
- quite clear as it has a formula	- less clear as it lacks a formula
- more transparent	- less transparent

6.3.1 Autonomy

When interviewees were asked for their perceptions of how the way universities are funded might affect institutional autonomy and academic freedom, their perceptions fall into three groups. The majority, 18 out of 28¹⁷, sees that funding has no impact on institutional autonomy or academic freedom. The second group, only 4 interviewees, sees that funding has no impact on academic freedom but restricts institutional autonomy to some extent. The last group, 6 out of 28, sees that funding restricts academic freedom in some respects but has no impact on institutional autonomy.

The majority who sees that funding has no impact on institutional autonomy or academic freedom provide several rationales. *Receiving funding in the form of a block grant gives universities a considerable amount of autonomy.* The block grant system is very good in

¹⁷ As indicated before, the total number of interviewees in UoB is 29 but not all of them have answered both sections of my interview schedule (the funding section and the quality assurance section). For example, one of my interviewees chose to answer only the questions in the quality assurance section as he is mainly involved in it. Thus, the total number of interviewees in this section is 28.

maintaining institutional autonomy and academic freedom and is considered to be one of the main strengths of the current system of funding as it allows universities to set their own priorities and make their own decisions on how to spend to meet their needs. In light of the financial constraints within which government allocates funds, they can see that HEIs are well equipped financially compared to the past and this allows universities to invest in facilities, not just in people, which is quite important for the long term health of the sector.

I would always say that, it's better to have more than less. But as an economist, I can see that in light of the financial constraints and the several sectors that the government has to fund, I can see that HEIs are adequately funded. (SMA, 14)

The block grant provides universities with a fair amount of flexibility. The strength of this funding model is that it gives universities a degree of independence from the government. When allocations to individual institutions are announced by HEFCE, the breakdown between teaching and research is shown but the total allocation is provided as a block grant for institutions to allocate according to their own priorities. They added that although HEFCE gives teaching funding according to a formula which defines four broad groups of subjects (price groups) for funding, and have set relative cost weights for each based on expenditure and student FTE (Full-time Equivalence) data by cost centre, it does not ask universities to spend according to those groups.

HEFCE has formulae that say it costs whatever twice as much to teach engineering than it does for teaching English and so it gives funding to universities based on these formulae but it does not tell universities "you must actually spend twice as much on teaching engineering than on teaching English. So, there is quite a lot of autonomy that sets around that funding of institutions and that's fairly strong. Universities can develop new areas which may not be covered exactly by existing funding and that's good. (AS, 29)

In addition to the block grant, universities are free to raise money from other sources. For example, universities can have more autonomy by recruiting overseas students as it enables them to be more autonomous and more innovative with that extra income. On research,

universities can get more funds from industry, business... and donations. Thus, universities enjoy a fair amount of autonomy and flexibility as there are diversified sources of funding. As universities are not reliant on one source of funding, they have more flexibility, providing some protection to changes in the environment and government policies; diversity also reduces the influence of any one source of funding.

Universities have ultimate autonomy to appoint their own governing bodies and staff (including chief executives and Vice-Chancellors). Despite funding much of university activity, governments have no control on governing bodies and staff appointments, unlike many countries where universities depend heavily on public funding (e.g. Egypt). This independence is reflected in their charter status which makes them independent and self-governing. Interviewees in this group agree that funding has no impact on academic freedom as there is no control on what academics teach or what they research. Rather, control is on the quality of teaching and research not on its focus, so they do not think it has an effect on academic freedom:

I personally don't feel under pressure to report in any way because I am being funded by an external agency. The way that universities work is to give the academic freedom within the overall constraints of quality assurance and so on, to teach whatever is relevant for their students. (SMA, 14)

One academic reported that he sometimes feels under pressure to report in a certain way to satisfy sponsors of research but he has never experienced that with public funding.

I do have fall outs occasionally with funders who says well I don't like that interpretation of it or more likely they say I want you now to say that the implications are these but I'm not willing to say that because I'm just protecting the data as it is. So yeah I get that. In terms of the governmental funding, I don't really feel that, up to the way universities are funded I don't feel particularly that my freedom is compromised. (AS, 18)

It has been reported that academics need to have adequate resources to enable them to conduct research consistently and coherently over a period of time and publish its outputs and

outcomes without concern that any particular interest group has any impact on their future resources for research. In that sense, the current system works relatively well because it is diversified with several sources of funding that academics can access to underwrite their work. As long as academics have the resources, time, and the facilities to undertake the research they think is important and publish its outcomes without fear or favour, their academic freedom is not compromised.

The second group, of 4 interviewees, agrees that public funding does not affect academic freedom but believes it restricts institutional autonomy to some extent. They agree with the first group that the block grant provides universities with a good degree of autonomy but perceive constraints in funding. They see that they would have more autonomy if they have no government funding at all but recognize the risk of losing the stability which public funding provides, so it is a trade-off between the two options. They add that it would be better if their sources of funding are directly from students and people who want research done, such as private companies, as this would give them more autonomy as they currently perceive too much government control:

Well for example, if we decided to stop teaching Science and just teach Arts subjects, then apart from the problem of what we would do with our staff, we'd immediately fall outside what called our contract bound. So we'd lose massive funding. We could do that, but probably there'd be intervention from the government before we got to that point. You may know the reaction when Exeter University closed their chemistry department a few years ago and Sussex was going to close their chemistry department. So you know, the government does intervene when you do things that they don't like. (SM, 2)

Thus, they agree that public funding affects institutional autonomy to some extent but recognize it as less centralized as France, Spain and other countries, where there is much control. *Public funding does restrict institutional autonomy in terms of teaching because of the caps on student numbers and tuition fees.* They argued there should be no caps on student numbers to have a real market in HE. They also note the absence of quality measures for

teaching funds, unlike research. It is also difficult to change the number of home/EU full-time students they teach because they have to bid for them. It is argued that this funding system allows the government to support many universities and avoid the risk of some universities failing if universities were free to recruit as many students as they wish. Capacity is also an issue because if 10,000 students wanted to join UoB, the university could not take them. It is, therefore, a model that provides stability but also preserves the *status quo*. They also recommended taking off the cap on tuition fees to allow a ‘real’ market in HE and more competition across the sector.

Public funding, in their view, does not restrict institutional autonomy in terms of research.

But in terms of research, it gives a lot of freedom because once we’re given the funding, it’s pretty much up to us to use it as we wish. Although they do allocate the funding based on performances of different subject areas, we get it as a block grant so we can then distribute it as we want to, so we can actually support the weaker areas and that’s quite positive really. (SM, 3)

Thus, the block grant allows universities to have enough space for successful strategic planning in terms of cross subsidizing weaker areas for the benefit of the whole institution.

The third group, of six interviewees, sees funding as not affecting institutional autonomy but restricting academic freedom in some respects. They see that it impacts on academic freedom in terms of research as academics are being told all the time that research has to have an economic impact:

Well, it certainly impacts your academic freedom in terms of research because now we are being told that for example, research has to have an economic impact. So you have to think about areas of research that can produce impact, preferably economic impact. And certainly in terms of achieving this, you will be successful in getting external grants. You have to think about your research agenda – not in terms of the questions you want to ask, but the answers you provide will fit the constituents’ needs, like an economic need or having to prove an economic impact. I think that’s certainly a restriction. (SMA, 9)

Other academics confirmed that all research funding has to have an impact statement that describes its broader implications, and those cases are hard to make if they are just doing some ‘blue skies’, innovative research. If they have to justify everything in terms of benefit, it curtails opportunities to get funding for new and interesting scientific ideas. They think they are being forced to become an applied research organization, a development organization, rather than doing fundamental science and are being forced to do more short-term research to satisfy sponsors. It has been reported that research councils are inclined to fund certain types of research and, if academics are told that they have to do research in a certain area as it is more likely to be funded, that is a restriction on their academic freedom. What is important to note is that academics have to get research grants to be promoted, which makes them more likely to do certain types of research.

Funding might distort teaching and research through the accountability mechanisms.

Accountability in teaching exists through certain mechanisms such as student feedback and assessment of student assignments and there may be a tendency for these procedures to make teaching less flexible, more regimented and less responsive. In respect of research, there may be a tendency for the research to become more short-term as academics look for four suitable outputs at the end of an RAE period. If academics look at their outputs in terms of how they are going to be valued by the RAE panel, they may produce work which is more conservative and less risky. One of the academics raised a particular concern for research in schools of education most of which may be more professional or scholarly research rather than the empirical work that is more likely to be respected by peer reviewed journals and, therefore, the RAE. So, there is a tension about how fair it is as the RAE seems to prioritize certain types of research.

Having presented the perceptions on how funding mechanisms affect institutional autonomy and academic freedom in HE nationally, the discussion moves to their perceptions on how it works under internal funding mechanisms in UoB. All interviewees agreed that the internal funding model in UoB does not affect academic freedom but they see that the new financial model affects the autonomy of schools, as there is a new college level of administration. *There is a drift of money upwards from schools to colleges.* They see more power devolved to colleges and more autonomy at the college level but less autonomy at the school level. Only one of the senior manager academics argued that schools have reasonable autonomy under the new financial model:

The values of institutional autonomy and academic freedom are respected and we just need to make balance between them and have a fair accountability in the system. I think the new financial model gives schools more autonomy but within a clearer defined set of parameters of what that autonomy is meant to achieve. (SMA, 7)

However, all interviewees agree that *a reasonable amount of autonomy rests within colleges as they are budget holders.* Each college has a strategy and resources which enable it to deliver this within available resources, as long as they meet their institutional targets. Colleges have more flexibility and autonomy to move funding between different schools and different subjects areas. Most of the senior managers see this as a strength as heads of colleges can deploy resources more effectively than under the old financial model. On the other hand, schools are less autonomous as they are no longer budget holders:

Schools have much less autonomy as we don't have budgets and thus we don't have the freedom to use the money in the way we think is best. Colleges are more autonomous than schools as all aspects of the budgets seem to be controlled by them now. (AS, 27)

Schools cannot keep their surpluses anymore. If a school achieves a surplus, 50% of it goes to the central pot of the university to be reinvested across the whole university. The other 50% is

retained in the college to which the school belongs, and it is up to the college to decide how to invest that money (as explained in section 6.3).

Heads of schools have reported that the power of decision-making has been removed from schools to colleges with colleges looking at decision-making from their perspective and their ‘agenda’ which is not necessarily the schools’ ‘agenda’. Senior manager academics who have been heads of schools under both of the old financial model and the new one see the structure as reducing the autonomy of heads of schools in favour of heads of colleges. For example, under the old model, staff payment was met from schools’ budgets and, if a member of staff left a job, a school would make salary savings that can be used in the same year for other purposes. Now, salary costs are actually met at the highest level in the university and, if some savings happen, it is the university that benefits. Even if a head of school wants to appoint replacement staff, s/he cannot automatically do so but has to apply to the college and make the case, and it is up to the college to decide.

6.3.2 Accountability

When interviewees were asked for their perceptions of the dialogue of accountability, all agreed that there is a fair amount of accountability in the system in terms of financial accountability and in relation to the quality of teaching and research in HE in the UK. The dialogue is clear for both teaching and research and universities know what is expected of them. They also agreed that accountability should be reasonable without too much regulation to allow universities to do their job properly.

There is always a conversation between the government and universities to hold them accountable for taxpayers’ money. But, if the government strait-jackets universities with much regulation, universities won’t be able to do their job properly and won’t be able to compete internationally. (SM, 5)

As for financial accountability, it was agreed that there is considerable accountability as universities are accountable for the funds they get from HEFCE for both teaching and research, for the grants and contracts they get from research councils, other governmental bodies and other funders like industrial partners and European funding agencies. Universities also have financial accounts which are open for audit. They are also accountable through performance indicators/targets and statistics about rates of graduation, drop-out rates and employability of students (HESA, 2011).

There is accountability in terms of quality and financial audits in everything universities do. So, I think accountability does work, but again, there's a lot of red tape in the public sector and I think that's something that a lot of other organizations have to deal with, not only universities. We're no different, really. (SM, 4)

In some ways, it is right to have that accountability as it is public money which we should be accountable for but one of the major problems that I see now is that there's a requirement to have very detailed statistical reports on students. I think HESA used to be used primarily for just informing the sector about the student body but increasingly now it's being used as a control mechanism. (SM, 2)

While it is agreed that universities should be accountable for public money, interviewees believe accountability should be a lighter touch.

For research accountability, universities are accountable for the funds they get from HEFCE for research, their grants from research councils, other governmental bodies and other funders. This accountability includes the need to publish high quality papers in top journals as well as accountability to agencies which fund research projects. This accountability is reinforced through the RAE which has a strong impact on distributing money among universities based on the quality of their research outputs. The RAE is considered to be a reasonable way of making universities accountable.

The RAE is a pretty reasonable way of making universities accountable for research income and I think that the institutional audit of teaching inevitably gives us some degree of accountability. (SMA, 7)

As for teaching accountability, universities are accountable for HEFCE to recruit an agreed number of students. They are accountable for the quality of teaching through QAA, National Student Survey (NSS)¹⁸ and other performance indicators. QAA checks the quality of teaching through institutional audits and make these public for all stakeholders, including prospective students. NSS is also helpful to prospective students and performance indicators reported by HESA on rates of graduation, drop-out rates and employability of students, can also be considered as a form of accountability for the quality of teaching. League tables¹⁹, from these data, inform the newspaper reading public.

I assume that universities are accountable in the sense that there are institutional audits, performance targets and the National Student Survey. They literally produce statistics on everything, statistics on completion rates, drop-out rates, and graduation and employment rates. It's all performance management, really, and how we perform, that we're accountable to. (SMA, 9)

It has been added that universities are held accountable for the quality of teaching in three ways: constraints, incentives and disincentives and directives. As for constraints, universities are constrained to a certain number of students which they cannot exceed. However, through incentives, universities can take an extra number of students if they take part in widening participation. Universities can also be given a financial incentive if they develop their

¹⁸ The NSS is an opportunity for final year students to give feedback on all aspects of university life including: teaching; assessment and feedback; academic support; organization and management; learning resources and personal development (NSS, 2011).

¹⁹ League tables of British universities have been published annually, by The Times, The Independent and other organizations, since October 1992. They have become increasingly popular over the last few years regarding the ranking of universities and have an impact on the public's perception of the best universities. The main aim of these rankings is to inform newspaper reading public, especially prospective students, and their parents. Therefore, the ranking is not purely research-oriented. The factors used to assess universities include not only the quality of research but other factors which are relevant to undergraduate students such as teaching quality, entry standards, drop-out rates, student satisfaction and graduate job prospect.

teaching in a certain way, which can be seen as an incentive or a disincentive. Universities are also accountable through directives they get from the government such as those about employability as the government might want universities to develop programmes that will create far greater opportunities for graduate employment.

However, four interviewees see weak accountability for teaching as there is no quality measure in teaching linked to funding. They see funds for teaching distributed according to the number of students taught by each institution and the rate of funding depends on the discipline not the quality of teaching. Quality of teaching does not impact on funding as research quality does through the RAE:

While research money is mainly quality-driven, teaching money is not driven by the quality of teaching or the quality of outcomes. So, there is no real market in education as funding for teaching flows to institutions irrespective of their academic strength and the quality of provision. I think the government wants to support many universities because I suspect if there was a market that says you are free to recruit students and you are free to go wherever you like, a number of institutions would probably fail because they would not be quite so popular. So, in a way, this kind of a model at the moment preserves the *status quo*.
(SM, 1)

Interviewees also noted that although the QAA is supposed to check the quality of teaching, it checks a paper trail rather than the actual quality of teaching:

Accountability is really a tricky thing. In theory, there are official agencies to guarantee accountability. For example, the QAA is supposed to check the quality of teaching, for accountability purposes, but that in reality is completely nonsense as they do not actually check the quality of the teaching itself, they check paper trail instead.
(AS, 29)

Turning to accountability internally in UoB, almost all interviewees agreed that there is much more accountability/control and much less autonomy under the new financial model especially with colleges as a new level of administration. They agree that departments and schools are now accountable to colleges and colleges to the university. However, one senior

manager added that it is not quite as straightforward, as schools are independent units and also have accountabilities directly to the university, depending on the type of activity.

Colleges are responsible for financial and academic management of the schools and they are accountable to the vice chancellor who is in turn accountable to the funding councils. (SM, 1)

One of the interviewees argued that because, technically, accountability lies in the colleges as the budget holders, schools are less accountable than colleges. It can be argued that this is technically correct as all interviewees agree that under the new financial model, there is much more autonomy at the college level and much less in schools.

Under the current financial model, technically, accountability should stop at the budget holder (colleges) as schools have no control over the budget. Previously we've been the budget holder so the accountability starts with us; it's our fault if we have not delivered what we said we were going to do. However, now if the college decides to pump 40% of the budget into one subject area, that's their decision and they should be held responsible for their decisions. (AS, 28)

I think that it is an attempt to manage the academic affairs of the university much more centrally but I don't think it will actually work. (SMA, 16)

In theory schools are now accountable to colleges but I do not understand yet how they could be hold accountable to the university and that's another question. (AS, 29)

One of the senior manager academics sees the new financial model as a reflection of the way in which the managerial system is starting to have more impact upon universities. The university is really trying to balance the sort of autonomy and individualism of academics with the hierarchical and more market-based approaches of the new public management. Thus, the values of institutional autonomy and academic freedom are respected but the university aims to make a balance between them with necessary accountability. It means schools are given more autonomy but within a clearer set of parameters of what they are meant to achieve.

6.3.3 Efficiency

The majority of interviewees, 22 out of 28, sees the system of funding as reasonably efficient while a minority, of 6, finds it difficult to decide whether the system is efficient or not.

As for the first group, they provide several rationales as to why the system is perceived to be reasonably efficient. The first rationale is transparency as universities know the rules, how funding is allocated and how to secure sources of funding. The principles on which funding are based are seen as sensible ones in the sense that teaching money is linked to the number of students and research money is linked to judgments on the quality of research. Thus, transparency is mainly achieved through clarity of accountability.

The block grant provides universities with a good degree of stability, autonomy and flexibility to spend money according to their own priorities. That flexibility allows universities to manage policy objectives properly. While recurrent funding is not viewed as enough to cover the full cost of teaching and research activities, there are other streams of funding. Efficiency is also aided by diversified sources of funding and competition between universities which drive up the quality of provision.

It is quite efficient. I can't think of many better ways of doing it in terms of teaching apart from I would want to put more freedom into the fee regime. In terms of research, I think probably the QR element of research is pretty efficient. (SMA, 7)

Thus, they see that funding is efficient for both teaching and research but they would like to see more competition in the teaching element. The funding system is a fairly diversified one which recognizes that there is a cost for providing high quality teaching and research. Having that diversified system of funding in place shows the government and society's commitment, valuing HE because of its real benefits to individual graduates and to the well-being of the society as a whole. However, they see there is a more complex range of funding for research

than for teaching and that research funding is quality-based whereas teaching funding is student-based. Thus, in this respect, it does not really matter whether the teaching is good or bad as it is a contract between the funding council and universities based on the number of students and not the quality of teaching - unlike research. Interviewees suggested that having a competitive element for both research income and postgraduate student fees would probably drive up quality and, if they have more competition in undergraduate student fees between universities in the same way, it would lead to higher quality teaching.

It has also been reported that the customer culture made universities more responsive to students' concerns for the quality of provision. Since 2006, the government has allowed universities to charge students tuition fees up to £3,000 per year and it is claimed that this has made universities more concerned about the quality of provision in response to students' concerns about the quality of their teaching and learning because students have to re-pay these fees. Thus, universities become more responsive to students because of the customer culture and their concerns for quality make the system more efficient.

Although interviewees in this group agreed that the system of funding HE, overall, is reasonably efficient, they also agreed that there are downsides/inefficiencies in the system which should be addressed. Firstly, they see that universities are underfunded because of the annual financial cuts and that more money is needed to avoid cutting academic jobs. Secondly, most interviewees see that the different bands for funding different subjects are questionable, whether they are accurate and actually reflect the cost of teaching the different subjects. They also recognize that the formula will never please everybody.

Thirdly, they see that there is more bureaucracy in the system especially when you want to introduce something new such as a new programme or a module. The systems for assuring quality require staff to go through a checklist of procedures and activities before

having a new proposal accepted. It can sometimes take up to two or three years to fully develop an initiative, which can be too late and thus universities are not particularly responsive in that sense. The second aspect of bureaucracy is that universities are required to collect quite a good deal of information about what they do and return this to HEFCE to demonstrate that they did what they said they will do; this is particularly true of the RAE which is criticized for being very bureaucratic and an expensive way to assess the quality of research. Finally, interviewees have reservations for research funding through RAE and other research councils. They see that the way research is funded pushes universities to give more attention for research than for teaching. Research-led universities normally give more attention to research than teaching which leads to treating teaching activity as secondary, which might be to the detriment of the quality of teaching:

One of the main weaknesses of the system is that the system does drive academics' efforts to research rather than teaching. You may prepare rather casually for your lecture "it does not really matter, I am depressed by it" but you won't prepare rather casually for research bid because you know that other people compete for the large amount of money that comes from research. So, there is a rather more captured audience on the research side rather than on the teaching side. So, there is an imbalance in the roles funding teaching and funding research do especially in research-led universities which drive efforts to research and minimize efforts for teaching. (SMA, 11)

The effect of the RAE has been to draw money away from teaching towards research so in the research-led universities; there may be a tendency to get teaching done by people who are less qualified, to bring in visiting lecturers and not to give the people who are doing the major part of the research much teaching to do, which may handicap or disable, in some sense, the ability of students to gain from the teaching they are getting because it's not research-led teaching. (SMA, 13)

Academics spend much time on preparing research proposals to get grants and sometimes they end up with nothing as the chances of being successful in getting research grants is becoming very low to a stage where it does not worth academics' time and effort in preparing research proposals. However, this is not the case for all universities as they still find that

most of the research money goes to Oxford and Cambridge which confirms that the funding bodies need to build research excellence centres rather than spreading research money widely.

Oxford, Cambridge and Imperial College attract the best researchers and tend to do the best research and so it's fair that they get more money. On the other hand if you want more universities to do more research then spreading out research money is good. If you want top research that can compete with the rest of the world, then you do have to give more money to Oxford and Cambridge where there is a higher quality research; you can't have all our universities being the top in the world. Thus, there is always a compromise between having a few top universities or several average universities. (AS, 27)

It has been reported as well that a lot of energy, time and money are spent on administrative exercises which are designed to maximize performance on either a teaching quality assessment or RAE and the assessment criteria are often opaque. When research funding was made more selective through the RAE, its advantage is that resources are given to the best researchers but it also has disadvantages. One of these is that the RAE, overall, weakened Britain's university sector because it suddenly created teaching universities and research universities.

The RAE churns out mediocre publications because of the great competition to get research funding. Academics' transfer from a university to another for the sake of securing RAE money or to get promotion is also questionable. (AS, 18)

All interviewees are aware about the high cost of the current system especially in terms of RAE but they do not know a better way of assessing research quality. They are all concerned about the huge amount of money and effort that are put into the RAE. One of the academics raised another concern about its inefficiency:

Will those 20 or 30 people you pick for the RAE panel review team cover the whole areas of one field like Education from critical psychology to web-based learning, motivation studies and whatever other subjects to be? Of course, not and this is only one field in one discipline so what about the other disciplines? Thus, it is totally deficient. (AS, 17)

As for the second group of 6 interviewees, it is difficult to decide whether the system of funding is efficient or not as the term efficiency is so broad and difficult to define and thus difficult to judge:

Well, efficiency is a relative term. I find that it's an enormously difficult question to answer just because efficiency itself is so hard to define. It's more if you talk about producing baked beans, yes, you can talk about efficiency. But producing research, answering questions, and developing new areas of knowledge, it is very difficult to say what efficient would be. (AS, 21)

Turning to efficiency internally in UoB, perceptions fall into three main groups. The majority, 13 interviewees, sees that it is too difficult to decide whether the system is efficient or not, while a second group of 9 sees the financial model in UoB as reasonably efficient. A last group of 6 interviewees sees that it is inefficient.

The majority group sees that it is quite difficult to decide if the financial model in UoB is efficient or not as the model is still new, not settled. Thus, the system needs time to settle down before being judged. They add that the new model is still vague for most of them.

We are in a transitional period and it is too early and too hard to decide if the current model of funding is efficient or not. (SMA, 12)

The weakness is that really nobody understands it well enough at the moment, it is too vague. (SMA, 16)

As for the second group, the financial model in UoB seems to be reasonably efficient. Firstly, it allows for much better strategic planning for the whole institution, allowing more strategic investment because, if UoB gets 10 million GBP in one place, it can invest more strategically than if one million each goes to ten places.

For instance, If you have a medical school, you have to have a chemistry department, medics need chemistry, so having a medical school without a chemistry school is not going to work. But school of Chemistry may not be able to generate enough income to keep itself going so we have to find a way of resourcing. We are like a corporation in that prospect in that we know what each unit can earn and if one can earn much more money, that's fine because it

can support one that can't earn enough money which is equally crucial to an organization like this. And that's what allows us to offer the best programmes we have. Actually it is a weakness if academics do not believe in cooperative behaviour. Academics should think about the university collectively. (SM, 1)

Another strength of having the college layer under the new financial model is the connection between the strategic decisions of the university's executive board and the operationalization of those decisions. The connection between decisions and their implementation is more dynamic as heads of colleges, members of the executive board of the university, are decision makers. Previously, there was a gap between what senior managers decided to do strategically and what was done operationally, which the college system clearly addresses. Thus, having a small number of colleges allows for better management than having so many schools:

When you have 19 different schools under the old model, for all those schools to be managed effectively, you need a lot of managerial and financial expertise in each school and the university did not really provide that which means that some schools would be very badly managed and it was not necessarily the fault of the head of school. So, again if you have a smaller number of colleges, hopefully you can have much more quality in running and managing schools within each college, which means that the quality and financial management of these schools would be better. In that sense, it should be more efficient but you have to balance that again through a model of incentives. If the new system removes incentives for schools to behave in efficient and economical ways, it would be worse. (AS, 29)

I think that being able to sit with other heads of schools and the head of the college on a regular basis is very helpful because you realize the commonality across different schools in terms of the challenges faced. (SMA, 14)

As for the last group of 6 interviewees, the new financial model is completely inefficient. They see that the college layer just adds an extra tier of bureaucracy as there are too many middle managers and committees and much time is wasted in justifying what they want to do rather than actually doing it. They also see that there is not enough money to enable them to do their job properly.

There probably is enough money coming in at the top, but it does not actually filter down to the teaching and research activities which we are delivering. It

gets stuck somewhere in the Aston Web building.
(25)

(AS,

The new financial model, compared to the old one, is not efficient as there is a lot more bureaucracy in e-mails, meetings to go to, lots of committees and papers coming and stuff like that in the new system.
(20)

(AS,

The new financial model lacks transparency as it has no formula. No one actually knows how money is distributed, which means that the university has more control and it is less clear on how they direct that control. Some senior people do not even know the funding streams as it is an expenditure-based model. In their view, the inability to know streams of income cripples the ability to plan in advance. It is quite hard for heads of schools and even heads of colleges to understand which parts of the activity are actually producing surpluses or deficits as they do not tend to see the income in the way they used to under the old model. It has been reported that heads of schools have to overestimate their financial needs as they are not allowed to overspend. Thus, while the current model has the benefit of simplicity, it is less clear and less transparent and that is why they really need to move back to a system where the income streams were transparent.

The new model is a complete mystery to me. I would have hoped that the money followed the number of students, quality of research and the amount of research grant that we win. However, when I speak to the head of school or the head of college, there is no model to explain the way money is split up and delivered to different schools.
(AS, 25)

(AS, 25)

The new financial model is a disincentive. It is viewed as not providing incentives for academics or departments who generate money to do that anymore as schools cannot keep their surpluses. Heads of schools mentioned that, as long as they generate money and make surpluses, they should have a share of those surpluses to invest in their schools and be able to generate higher surpluses in the future but actually what they get back from creating new activities is just a sum of money which covers the cost of those activities.

6.3.4 Equity

Views on the equity/fairness of the current system of funding fall into two main groups: 17 interviewees see the funding system as reasonably fair whereas 11 interviewees find it too difficult to decide whether the funding system is fair or not.

The view of the first group is that the system seems to be reasonably fair. *The system is transparent and HEIs are properly funded* as the way universities are funded for teaching and for research is quite clear; universities know the rules of the game and know how to secure teaching and research money. In terms of teaching money, they see that the system is fair for students, as students in comparable subjects are treated in the same way whatever university they join. They like the fact that universities receive income that represents the number of students multiplied by a known amount of money. However, they have some reservations on the distribution of teaching money according to the four subject bands/categories, which they believe is not really based on objective analysis but has grown out of history and that the real cost of delivering subjects is not recognized by the funding councils.

In terms of research money, funding is not distributed equally among universities and neither should it be as research money should go where the quality is judged to be located. Thus, research money is distributed according to the quality of research outputs, which is considered to be reasonably fair. Research is mainly funded through competition and this is a good mechanism as resources are given to the best universities, researchers and proposals.

Funding for teaching is quite fair as it depends on the number of students. For research, it is different as obviously we get a lot more money than say Birmingham City University because of the quality of our research but we probably won't get as much money as say Oxford or Cambridge or London School of Economics. In that sense, it is fair as it depends on the quality of research outputs. (AS,

20)

Although these interviewees agree that it is fair for research money to be distributed according to the quality of research outputs, they have reservations, as the system in place favours institutions that have done well in the past. Funding tends to be correlated over time so institutions that managed to secure good funding in the past continue to do so, in that sense it is difficult for institutions to move easily up or down the league tables:

Sitting in a Russell Group University like Birmingham, it is probably not a problem because we have a good reputation but for other institutions which are less favoured, it is much more difficult to break into the funding rounds because of the fact that there is a natural tendency for institutions that have done well in the past to continue to receive research funding for its reputation so there is that sort of natural reinforcing which makes it hard for other institutions to break in. (SMA, 14)

The system seems to favour institutions just because of them having a particular name like Oxbridge universities which always get the lion share of research money. So, we do not know what the rules of the game are. (AS, 21)

Interviewees added that the system might be unfair for new, post 1992, universities because the kind of research they do may not be highly valued by the RAE. Although the system seems to be unfair for new universities, interviewees mentioned that it also depends on how much money the government is prepared to devote to fund HE and, if the government simply funds all institutions equally, no British university will have enough money to compete internationally. Thus, they argued that the funding system is reasonably fair but probably could be fairer. However, there is always a compromise between having a few top universities or several that are no more than average.

The UK has a system where there is a hierarchy of universities with different funding and of course the American system does the same with more private money. So, I mean no government is ever likely to give the HE sector so much money that everybody says "Wow, there is no shortage in our system of funding". The British system seems as fair to me as most systems but probably could be fairer. (AS, 29)

For the second group, of 11 interviewees, they find it difficult to decide whether the funding system is fair or not. Firstly, they comment that there is a lack of enough information on

funding HE nationally. They suggest that they do not have enough information to judge the system and decide whether or not it is fair. Secondly, equity is a broad concept which is too difficult to define and thus difficult to be judged. They suggest that equity is a complex word which might include several aspects, such as: equal opportunity; equal quality of opportunity; and whether it is fair to institutions, to students and to staff. They see that funding might be fair in some senses and unfair in others and what is fair for some might not be fair for others. Thus, equity in terms of funding HE is controversial and difficult to define.

I am not quite sure about the fairness of the system of funding. There is a big debate on whether it is fair to institutions, to staff and to students; whether the RAE allocation process is fair or not? You cannot have a fixed answer for that. Do the students necessarily get the education they might expect to get in RUSSEL group universities? I'm not sure that's the case. Do they get it in the new universities? Probably. So, maybe it's the most able students, who have the highest A level grades, who are going to the best universities, are not necessarily getting the sort of academic teaching support that they might have expected. (SMA, 7)

Everything is equitable in one sense for all academic staff. For example, everyone is entitled to have a study leave or have payments to go to conferences. In that sense, all the money is distributed equally between academics. However, one academic argued that "If you take a different version of equity from John Rawl's ideas of equity 'appropriate reward for talent', the system may be unfair for some academics. Thus, there are situations where equality of treatment is the key issue; other where equality in opportunity is the key issue and yet others where appropriate reward for talent is right. So, the system is fair in some senses but unfair in others.

They also have similar reservations as the first group raised about the level of equity in funding between pre and post-1992 universities in terms of QR money. They agree that the system favours institutions that have done well in the past and does not create a fair space for

competition between universities. They see an intention to put universities in categories, research universities that are research excellence centres and teaching universities:

Some of the post-1992 were saying they increased their research output, increased quality of their research across the board as they have gone through each of the RAE rounds but their income through the RAE is actually going down and down. So, they are trying to improve themselves and positioning themselves amongst institutions like Oxbridge Universities and Redbrick Universities but they are actually finding their efforts not being rewarded maybe because other institutions are already ahead of them, ahead of the game and they will hate to change, cannot change to make themselves stronger in research terms. (AS, 19)

Perceptions on equity internally in the UoB fall into three groups. The majority, 18 interviewees, sees that it is too difficult to decide whether or not the system is fair. The second group of five interviewees sees the financial model in UoB as unfair and the last group of five sees that it is reasonably fair.

As for the majority group, they find it quite difficult to decide whether or not the financial model in UoB is fair, as the model is still new and not settled. Thus, the system needs time to settle down before being judged. They add that the new model is extremely opaque, less transparent and has many disincentives. They also have reservations about the way teaching money is distributed according to the different subject bands:

A Medicine programme actually costs more than an English programme as it requires labs whereas an English programme is classroom-based. But actually there are several undergraduate programs in school of Education that do have a lot of practical work that should be funded on the one and half times band but they aren't because traditionally in the old system, all our programs were funded on the same banding. So even if Medicine had a programme that was purely classroom-based, it would be funded on the same banding as if it is a lab-based one. The money you attract for a course should be dependent upon what's in that course, and what it really costs to deliver it, rather than if it costs less in a classroom or in a lab. (AS, 20)

As for the second group of 5 interviewees, they view the financial model in UoB as unfair because it is not transparent and disincentive. The system does not provide incentives for

schools to generate money as they cannot keep their surpluses. The following quotes show their views on the disincentivising features:

I wasn't happy at all when we lost our reserves. I wasn't happy about that because you plan strategically for the future before the system came, and I had an idea of using our reserves for postgraduate bursaries to bring students from outside the UK to come and make us more international. So we worked hard to get the money as a reserve and we have plans on how to use it, and then all the money is gone. On the other hand, schools that are running a deficit would be very happy with that system. (SMA, 12)

The system does not provide any incentives at all. I know no incentives whatsoever, other than you losing your job or the closure of a department which are very negative incentives as they keep academics under threat all the time. So why should I worry myself about generating more money. The only incentive I have is to publish papers and improve my CV so that I can get a better job somewhere else. (AS, 25)

They also have concerns on the unequal patterns of historical resource distribution in terms of teaching and research money.

As for the last group of 5 interviewees, including three senior managers and two senior manager academics, *the financial model in UoB is reasonably fair as it can keep the whole institution alive.* They see the benefits of cross-subsidies within the university, rather than pockets of excellence and areas that are allowed to decline. The money that is returned to the university, from schools' surpluses, is reinvested for the benefit of the whole institution which they think is reasonably fair. They agree that it is difficult to have a 100% fair system but at least the current financial model in UoB treats all colleges and schools as equitably as it can.

Well in the sense that no funding is given to any particular academic activity at the expense of another activity across the college, yes it's fair. But, is it fair because we've managed to equalize what may have been unequal patterns of historical resource distribution so far, no it's not yet fair as we have not managed to do that yet. (SMA, 7)

6.3.5 Summary

Having presented the perceptions of interviewees about the current system of funding, in the UK and UoB specifically, it is clear that most have clear-cut answers about how funding mechanisms affect the dialogue of accountability and autonomy but they had more limited answers to questions on the issues of efficiency and equity of the funding mechanisms. They see efficiency and equity as relative terms which have several meanings. Thus, funding mechanisms might be efficient in one sense and inefficient in another; similarly, they may be fair in one sense and not in another.

There are also no significant differences in the perceptions of the different groups of senior managers, senior manager academics and academics on the issues of autonomy, accountability, efficiency and equity. Unequal patterns of historical resource distribution are viewed as a serious issue in distributing teaching and research funds, nationally and internally in UoB. All interviewees agreed that research money is quality-driven whereas teaching money is student-based. They also agreed that research funding is based on competition which is supposed to drive up quality and recommended having more competition in funding teaching through removing caps on student numbers and tuition fees in order to have a real market in HE.

6.4 Conclusion

To conclude, this chapter has presented the results and discussion related to the second research question “How do funding mechanisms affect higher education in Egypt and the UK?” The analysis and discussion were structured around the four themes, which form the theoretical framework of the study, and themes that emerged from the data were discussed as sub-themes under the four main ones. The most significant data in this chapter were those

gathered through interviews with academics, senior manager academics and senior managers in both cases.

The main findings showed that line-item funding in Egypt HE has a negative impact on institutional autonomy and might have an indirect negative impact on academic freedom. It has weakened the dialogue of accountability as it provides an administrative accountability, not a technical one. It also has negative impact on the efficiency of operation as it lacks flexibility and does not provide incentives for efficiency gains and improvement. Finally, lack of transparency and favouritism have been reported to affect the fairness of distributing funding among different universities and among different faculties in the same university, as the system lacks a funding formulae.

On the other hand, the block grant system in the UK HE has been found to enhance institutional autonomy as it provides universities with a reasonable degree of autonomy and flexibility. It has improved the dialogue of accountability as the system provides sound financial, research and teaching accountability. It has also improved the efficiency of the system as it brought more competition between universities which has driven up the quality of provision. It also provides incentives for efficiency gains and makes universities more responsive to the needs of students and society. Although interviewees did not give clear-cut answers on the fairness of the system, it was found that the majority agreed that the funding system is reasonably fair as it is transparent and HEIs are adequately funded.

The interpretation of results in this chapter has pointed to valuable implications for policy and practice that will be presented in the concluding chapter. The next chapter addresses the third research question “How do quality assurance systems affect higher education in Egypt and the UK?”

CHAPTER SEVEN

QUALITY ASSURANCE SYSTEMS IN HIGHER EDUCATION IN EGYPT AND THE UK

7.1 Introduction

7.2 Quality Assurance Systems in Egypt (Cairo University)

7.2.1 Autonomy

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7.3 Quality Assurance Systems in the UK (University of Birmingham)

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CHAPTER SEVEN

QUALITY ASSURANCE SYSTEMS IN HIGHER EDUCATION IN EGYPT AND THE UK

7.1 Introduction

This chapter examines how Quality Assurance Systems (QAS) in Egypt and the UK affect universities and the people who work in them in terms of autonomy, accountability, efficiency and equity. The data in this chapter have principally been obtained from document analysis and semi-structured interviews conducted with 47 staff in CU and 29 in UoB.

To explore how QAS affect autonomy, accountability, efficiency and equity, direct questions on these issues were included in the interview schedule, together with other questions about QAS, their strengths and weaknesses and changes interviewees would like to make if they had the opportunity (see Appendices ‘1’ and ‘2’: Interview Schedules).

The next two sections report the results of the QAS analysis in Cairo and Birmingham, starting with a brief overview about quality assurance mechanisms in each university. Then, the evidence on quality assurance is analysed using the four themes of the study, followed by a brief summary. The chapter ends with a brief conclusion.

7.2 Quality Assurance Systems in Egypt (Cairo University)

As an overview of QAS in Egypt has been provided in Chapter Four, this section discusses QAS in Cairo University. In fact, Internal Quality Assurance Systems (IQAS) in Cairo University are little different from other public universities in that they are all required to follow the guidelines provided by NQAAC and NAQAAE. However, Cairo University differs in that it has been giving attention to issues of quality and evaluation even before the QAAP. In 1999, it established one of the first centres in Egypt concerned with institutional

performance appraisal and quality assurance. Under QAAP, the title of this centre changed to Quality Assurance and Accreditation Center (QAAC) in 2006.

Since 2006, the centre started to implement quality systems through institutional and programmatic self studies, helping colleges and institutions within the University identify their strengths, weaknesses, opportunities and threats. Plans for improvement emerged and many colleges are now working to align their systems and activities with the quality system. To assure the sustainability of such activities, quality assurance units have been established in colleges and institutions and 22 out of 25 have funds to support the implementation and sustainability of these QA activities from both national (Quality assurance and Accreditation Project, QAAP, Continuous Improvement and Qualifying for Accreditation Project, CIQAP, and University Development Project, UDP) and international (USAID, United Nations Development Project, UNDP, and Ford Foundation) bodies (QAAC, 2007; QAAC, 2008a; QAAC, 2008b).

7.2.1 Autonomy

Interviewees were asked for their perceptions of how QAS might affect institutional autonomy and academic freedom. Their perceptions have been grouped into two groups: 31 out of 40,²⁰ see QAS having no effect on institutional autonomy or academic freedom while the second group sees QAS affecting institutional autonomy and academic freedom in some respects.

20 As indicated before, the total number of interviewees in CU is 47 but not all of them have answered both sections of my interview schedule (the funding section and the quality assurance section). For example, seven of my interviewees have chosen to answer only the questions in the funding section as they are mainly involved in it. Thus, the total number of interviewees in this section is 40.

The first group, which forms a great majority, provides several explanations why QAS have no effect on institutional autonomy or academic freedom. They see that QAS guarantee that universities are autonomous and responsible at the same time. QAS help improve the governance of universities, guarantee academic freedom and the right of students to be provided with the skills required for their qualifications:

QAS do not affect academic freedom at all as academic freedom is one of the major components in quality assurance, but it should be understood in its right meaning. QAS ask academics to prepare a course specs and a programme specs but it has nothing to do with the way academics teach their courses or do their research. Thus, QAS do not affect academic freedom but actually help academics organize their work. It guarantees that the course would provide certain skills for students which are really important in terms of their qualifications. QAS do not affect institutional autonomy as they guarantee that universities are autonomous and responsible at the same time. (SMA, 7)

They add that even if QAS put some restrictions, they are usually crucial to improving the quality of provision. Despite agreeing that QAS have no effects on institutional autonomy or academic freedom, most agreed that QAS add extra burdens such as documentation and paper work which take too much of academics' time and effort and these sometimes have a negative effect on the performance of academics. QAS ask academics for things which are really difficult to achieve, especially in light of the massive number of students, inadequate funding, poor infrastructure and poor academic pay in public universities. They argued that such problems should be solved first if QAS are to be implemented and activated properly:

QAS do not affect academic freedom or institutional autonomy. It just adds some extra burdens like documentation and paper work but actually it has nothing to do with academic freedom as academics used to do all the QA activities but without documentation. Now, they are asked to document these activities so that whoever comes after them can benefit from such database instead of starting from scratch. (SMA, 22)

However, one of the senior manager academics (SMA, 23) argued that paper work and documentation cannot be regarded as extra burdens devised by QAS as they are part of

academics' work. A director of one quality assurance unit (AS, 25) added that the paper work help academics have good time-management skills and be well organised.

An analysis of the views of the 9 interviewees in the second group identifies restrictions on institutional autonomy, such as lack of flexibility, especially in approving new modules or programmes which can take up to 5 years. However, this inflexibility was reported to go back to the laws and regulations governing higher education in Egypt and not to QAS.

Changing the laws is very difficult, so approving new courses takes much time and this is really a big problem as we cannot provide up-to-date courses to enable our students to compete in the labour market. (SMA, 14)

Universities do not have the autonomy to appoint their own governing bodies and staff. It has been reported that as long as vice-chancellors of universities are appointed by the president/governor of the country, universities cannot be autonomous, as autonomy should mean appointment of governing bodies and staff is done according to the qualifications of the applicants for the required posts. However, because Vice-chancellors are appointed by the President, it is assumed they are chosen to satisfy the needs of the government and achieve their policy/agenda. Thus, to guarantee the autonomy of universities in Egypt, there is a need for the governing bodies and staff to be chosen according to their qualifications, as done in other countries.

Restrictions on academic freedom have also been identified in terms of the volume of paper work which academics are asked to prepare. This includes putting items that must be covered in the course specifications and which, therefore, might restrict academics' creativity and the dynamics of teaching students; asking academics to set the exams in certain ways and provide model answers for the final exams may not be reasonable, especially in studies like Arts, Humanities and Social Sciences where there is usually no single right answer.

I think QAS restrict academic freedom to some extent because of putting fixed things in the course specs which restricts academics' creativity and dynamics. I know that QAS aim at guaranteeing that the course covers at least the minimum requirements of educating students and providing them with certain skills. However, I think there should be an item in the course specs which can be called 'Open Topics' where academics can handle the new stuff that appears in the field without having to wait for ages for approving a new course. We have already applied that idea in our faculty but it is not generalized in the university as a whole. We have done this as we have new stuff every day in our field in computer sciences and if we have to wait for approving new courses, we would be backward and would be teaching outdated stuff to our students. (SMA, 15)

Just two interviewees, in this group, believe it is too early to decide whether or not QAS affect academic freedom and institutional autonomy. In their view, the systems need more time to settle down before being judged, as QAS in Egypt are still in a transitional phase.

7.2.2 Accountability

When asked for their perceptions on the dialogue of accountability, all agreed that while QAS include rules which appear to guarantee a strong dialogue, these are not activated for several reasons. They see that good QAS provide two things: autonomy for HEIs to decide their own policies, mission, vision and objectives and, through that autonomy, hold HEIs accountable to all stakeholders. QAS in Egypt HE include rules which should provide autonomy, accountability and transparency but unfortunately those cannot easily be activated as *lots of the laws and regulations governing HE in Egypt contradict with and impede the proper implementation of QAS*.

As long as the laws which govern higher education have not been changed or adapted to fit the new reforms, the accountability system - which QAS should provide- will continue to be weak and not highly activated. It is as if QAS with its rules go on one direction whereas the laws and regulations that govern higher education go on a different direction. There should be harmony between them to guarantee proper implementation of QAS and a strong dialogue of accountability. (SMA, 22)

In addition, *HEIs have no say on the massive number of students they are forced to accept every year which affects the quality of provision*, especially in light of inadequate funding,

lack of proper infrastructure and fees which do not reflect the real cost of students' education. All agreed that QAS can be implemented properly with reasonable numbers of students, whereas it is quite difficult to guarantee high quality provision with massive numbers of students in faculties such as Arts, Law and Business.

Could you imagine a lecturer giving a lecture to around 1,000 students in a big lecture hall, what quality are you talking about? He cannot raise discussion, he cannot divide them in small groups, and they cannot evaluate the course or the lecturer as most of them do not attend lectures and most of them cannot even find a place to sit. QAS require teaching in small groups and we cannot do that. If we think about doing it, it means that instead of having an academic teaching 4 hours a week to a group of 1,000 students, s/he has to teach more than 40 hours a week only to one group (if that number is divided into small groups) which is not reasonable at all because of poor academic pay and the fact that most of them have additional jobs to secure their livelihood. So, academics cannot spend extra time at their own institutions as they lack job satisfaction. (SMA, 12)

They also agreed that there is no activated accountability for academics because poor pay forces them to have additional jobs to secure their livelihood. As a result, they have no time to enhance their teaching and research practices as they spend most of their time outside their own universities. In addition to poor pay, other issues which weaken accountability include the tenure track system and that academic pay is fixed for all regardless of their performance.

In a trial to solve the problem of poor academic pay, the Ministry of Higher Education (MoHE) has devised a scheme which links an increase in academic pay to the quality of academics' performance and their participation in the implementation of QAS. The scheme, starting from July 1, 2008 aims at providing a financial incentive to academics to enable them to spend more time in their universities rather than in additional jobs and is supposed to be the first stage of correcting salaries to be followed by developing a new scale of salaries. A second aim of the scheme is to have in place an activated accountability system for academics (SCU, 2008).

However, the scheme of linking an increase in academic pay (a financial incentive) to the quality of performance is controversial. Almost all interviewees see it as a failure in that it has linked the financial incentive to academics' physical attendance rather than performance, participation in that scheme requires academics to attend four days a week on a regular basis for a minimum of 28 hours weekly²¹. Moreover, it fails to recognize that *academics work most of the time even when they are at home* spending much time preparing lectures, marking exam sheets and doing research and that these home-working hours are not counted. Second, there is a *lack of proper offices for academics*. Where some faculties/departments provide an office for each academic, others provide an office for each four or five academics and sometimes for a whole department. Third, *the difficulty of monitoring academics' attendance* as they may be working in their offices, the library, lecture rooms or labs and, thus, no one can closely monitor their work. They even argue it is against the ethos of academia to monitor attendance as they are not employees who have to sign before leaving their work every day. Finally, *the financial incentive is not rewarding enough to secure an acceptable livelihood for academics*.

While linking a financial incentive to performance was recognized as a trial and a means of increasing academic pay, it is regarded as insufficient and just a decoration on the *status quo* and not a solution to pay or accountability. This opinion is supported by arguments that the financial incentive is not enough to make academics satisfied with their salaries and enable them to spend more time in their own universities and enhance their teaching and research activities.

Linking a financial incentive to academics' performance has nothing to do with quality assurance and provides no accountability for academics as it is just a failing trial to increase academics' salaries. (SMA, 15)

²¹ For more information, see the scheme of linking increase in academic pay to the quality of performance (SCU, 2008).

Theoretically, QAS include good forms of accountability for academics but practically they are not activated. Linking a financial incentive to academics' performance is just a paper work and is actually nothing as academics work most of their time even when they are at home. In fact, it is an issue of trusting professionals to do their work properly. Actually good academics will do well with or without QAS while bad academics will not change their practices with or without QAS as well. (AS, 31)

Interviewees have added that there should be more trust in academics with neither documenting attendance nor financial incentives seen as good forms of accountability. There should be other forms of accountability which enhance rather than diminish professional accountability.

Only six interviewees (four of whom are senior manager academics and two academics) see benefit in the use of financial incentives to influence academics' performance but believe it needs more time to settle. They see it as a step towards a good accountability system but they also believe it should be linked to performance rather than physical attendance.

To sum up, almost all interviewees agreed that linking a financial incentive to academics' performance is a good idea in principle but has been implemented wrongly. It may be that it was a mistake to increase poor pay by linking it to participation in implementing QAS, as it needs to become part of a culture of quality rather than being linked to financial incentives. Solving the problem of pay should be dealt with separately, as linking it to participation in QAS is not seen as rewarding. Instead, almost all senior managers, senior manager academics and academics recommend that academics should be given appropriate salaries in the first instance with quality part of the system and then extra financial incentives given to high performers to raise competition between academics to enhance the quality of provision.

Another reported crucial problem is that the performance-related financial incentive was not paid on a regular basis, as had initially been promised/planned. Providing the financial incentive once or twice and then stopping it because of lack of finance destroyed trust between universities and the government and led academics to lose trust and credibility in QAS as a whole (Khalid, 2009; 2010a).

The main problem is that the financial incentive did not continue because of insufficient financial resources, which in turn destroyed trust between universities and the government. Now, we are still implementing QAS in our faculty, not for the financial incentive which already stopped, but because we really aim to get accreditation but I am not quite sure if it is the case in all universities (or even in all faculties in Cairo University) or not. (SMA, 20)

The laws of governing higher education have been providing a good accountability system for academics even before QAS but those laws are not activated and cannot be activated as long as academics' salaries are too weak to satisfy their needs. You cannot hold academics accountable for the quality of provision while you do not give them their rights. (AS, 43)

This last quotation shows that poor pay is one of the most significant factors which weakens the dialogue of accountability between academics, universities and government.

7.2.3 Efficiency

The majority of interviewees, 22, finds it difficult to decide whether or not QAS are efficient. A group of 11 sees QAS as reasonably efficient but needs more time to be highly activated, whereas 7 interviewees see QAS as wholly inefficient.

The majority of interviewees took the view that it is too early to decide and difficult to assess whether or not QAS are efficient as *the project is incomplete and the culture of quality assurance is new to HEIs in Egypt and needs more time to settle down before being judged*. In their view, the QAAP is really making a change but, while they cannot say it has improved the quality of provision, it has stirred the still water and that is very important. It has raised

awareness of the culture of quality, documentation, evaluation, self-study, peer review...etc., but needs time to become more highly activated and give its fruits.

I cannot decide if it is efficient or not as we are in a transitional phase and QAS really need more time before being judged. However, I can see that what is happening is really good and really helpful. Through the self-study, we have discovered lots of duplications in the provision of certain courses. For example, we discovered that some academics teach two subjects in the same department with almost the same contents but with different titles. We came to know this through the course specs prepared by academics and that's why I can see QAS as very beneficial to HEIs. (SMA, 13)

Thus, *QAS in higher education are in their transitional phase* with many projects, available funding and changes occurring, so the project needs more time before being judged. Interviewees added that, although the project has recently started, QAS are being taken seriously and this might make the system more efficient but, nonetheless, they are worried about the sustainability of financial resources to guarantee its proper implementation. A second important issue is the need to reform laws and regulations governing HE which impede proper implementation of QAS.

Eleven interviewees see QAS as reasonably efficient. They see the efficiency of the system improving but it needs more time to be highly activated and become well embedded. They agree that *documentation and paper work are quite crucial in a system which did not have any sort of documentation before* and that this paper work is a progress and a base for improvement. The culture of documentation and institutional audit has made academics think more seriously about their work which, in turn, may help achieve a minimum acceptable quality of provision.

QAS have not been well adapted to the Egyptian HE context but I can still see that they form a good way to guarantee at least that careless academics begin to think seriously about their work and guarantee the minimum acceptable quality of provision. (SMA, 15)

QAAP has been reported to be successful in raising awareness of the culture of quality assurance in Egypt HE and the QA initiative is going in the right direction but needs suitable funding to be sustainable. They agreed that the idea of QA is quite efficient but lacks funding and this impedes implementation and threatens its sustainability.

It is quite efficient at least in our faculty as our graduates can compete locally and internationally and a big number of them could get grants to pursue their postgraduate studies outside Egypt. (AS, 28)

The efficiency of QAS is improving even if it is still paper work which is not totally activated as it would be a base for improvement. (AS, 33)

They also agreed that QA should cover both accountability and enhancement but currently it is focused on the paper work. This may be considered as a weakness but actually paper work is essential and can be an entry to development and improvement although not an end by itself. Interviewees added that for faculties starting to implement QAS, the focus in the first stage is on paper work and documentation to make strengths and weaknesses clear and enable them to do better strategic planning to improve the quality of provision, whereas in faculties where QAS are well established, the focus shifts to improvement. Thus, paper work is crucial for audit purposes and can be a base for improvement but more time is needed as the culture is new and changing and embedding a new culture takes time. Unfortunately, some think that QA is only paper work rather than paper work as a base for audit and improving the quality of provision and accountability.

It focuses on paper work in the first instance as a base for improvement. Our faculty has already passed the stage of focusing on paper work and now we are trying to activate that paper work through internal audits, external examiners, meeting students, parents, employers and other stakeholders to ask them about their opinions of our graduates and what they are missing so that we can improve things. So, paper work is actually a base for improvement. (AS, 26)

Some interviewees commented that at the outset of the project there was much resistance to QAS from academics as it was seen as putting extra burdens on them and requiring much of

their time while they are not well-paid and have additional jobs to secure their livelihood. However, this resistance is declining as many are becoming more persuaded of the benefits of QAS, although it will not end as long as academics are not satisfied with their pay.

Using SWOT Analysis in the self study evaluation has been reported to be very beneficial in terms of revealing the strengths, weaknesses, opportunities and threats to the management of the institution at all levels (department, faculty and university). It also helped in identifying the *status quo* and working on its improvement.

The system of student feedback, although still not highly activated, has also been reported to improve the efficiency and quality of provision as academics have started to diversify their ways of teaching to meet the different learning styles of students.

The last issue expected to improve the efficiency of the system is establishing a link between evaluation and funding under CIQAP. This is important for accountability and as an incentive to improvement. As discussed in Chapter Four, if the peer review process reports that a university is not ready to receive an accreditation visit, it is responsible for preparing its action plan for further development, informed by its mission, self-evaluation report(s), peer review report and the National Committee's published criteria for accreditation. This action plan may include application for funding from CIQAP to assist secure a successful outcome.

The last group, of seven interviewees, sees QAS as inefficient. They suggest that there are several unresolved problems which make the system inefficient, such as: inadequate funding; lack of proper infrastructure; massive numbers of students; poor pay for academics and poor accountability for academics. They argued there would never be an efficient system of quality assurance as long as those problems are unresolved. They also argued that QAS are just about playing the game. They are about completing paper work and ticking boxes, about

compliance rather than improvement, adding that paper work is seen as an end in itself rather than a means for improvement.

It focuses only on paper work as improving the quality of provision needs proper funding which we really lack. Academics should be given satisfying salaries if we are to have a high quality provision. (AS, 36)

It is inefficient as long as academics' salaries are too low to enable them to be free to their own institutions and to enhance their teaching and research instead of spending much of their time in additional jobs (AS, 39)

This group also sees that QAS are inefficient as all academics have tenure track so they do not care about it, with only those involved in the QA units and activities interested. Interestingly, they reported that in private universities all academics take QA more seriously as they are afraid of losing their jobs or not being eligible to renew their contract. They added that this is the same for Egyptian academics working in universities in Gulf countries. Thus, it can be concluded that academics working in private universities and in Gulf countries take QA more seriously as they are well-paid and do not want to lose their contracts, whereas the same academics do not give the same attention to QA in public universities as they are not well-paid and have tenure track as no one can fire them.

Finally, they argued that QA criteria are not adapted to different contexts, adding that QA criteria are the same for public and private universities, which is inefficient and unfair as there are many differences between them in terms of funding, infrastructure, the number of students and academic pay. They recommended that QA criteria should be adapted to different contexts and systems.

7.2.4 Equity

Views on the equity/fairness of QAS fall into three main groups: the largest group of interviewees (19) sees QAS as reasonably fair; 13 see QAS as unfair and 8 suggest it is too difficult to decide whether or not QAS are fair.

The largest group sees that QAS are reasonably fair for HEIs, academics and students as the audit team writes a report about the HEI and the HEI itself writes a report about the audit team to tell if they were neutral or subjective and to identify concerns they might have about the team. An HEI can appeal against the review report and can assess it according to the published criteria from NAQAAE. Interviewees in this group added that, although paper work is still not highly activated, they think QAS are fair as they provide transparent criteria for evaluation and provide indicators for measuring performance.

However, they also see that the system needs improvement and have some reservations, the first of which is about audit panels. They see that some are junior academics who have never had high administrative posts and lack managerial/administrative experience. They recognize that this occurs because of lack of qualified and trained auditors and is acceptable only in the short term as NAQAAE should build capacity through training more qualified people with managerial/administrative experience as well as good experience of teaching and research.

The second reservation is that student feedback is not taken seriously by all students. Some students do not believe their feedback would make a difference in terms of the provided programmes, courses or certain subjects or even the tutors themselves. In addition, the feedback system is not well activated as a large number of students, especially in theoretical studies, do not attend regularly to be able to give feedback. Moreover, students are still not accustomed to a culture of feedback in earlier stages of their education.

Students still are not used to giving feedback as this is a culture which they have not been brought up on. Students should be trained on giving feedback from earlier stages of their education if we really need to activate that system of feedback and benefit from it. (SMA, 23)

The third reservation is that participation in QAS is optional for academics and administrative staff and students are not well involved. These interviewees argue the importance of involving all academics, administrative staff and students in the implementation of QAS so that there is a feeling of ownership of managing quality, thereby helping embed the culture of quality assurance in the system.

I can see that QAS are quite fair. I might say this as I am involved in a quality assurance unit whereas others who are not involved might say it is not fair because they are not aware of what's going on and that's why I can see the great importance of getting everyone involved. (AS, 30)

This group agreed that QAS are reasonably fair but need proper funding to be sustainable and maximize their benefits. There is also an urgent need for the QA criteria to be adapted to the features of each university/faculty to guarantee fairness in the evaluations. This confirms that a 'one-size fits all' policy does not work in the higher education context and needs to be taken into account.

The second group, of 13 interviewees, sees QAS as unfair for three reasons. First, the audit panels may not be fair in their reports and concentrated on the bad stuff during their visits. They see the audit panels as not objective in their evaluation with possibilities of mistakes because the project is still new as is the culture of QA, resulting in everyone still learning and time needed for the process to be well established.

QAS are not quite fair as the auditors focus on the bad stuff only. For example, If I am excellent in 4 items out of five where I am 50% good in the fifth item, I would be given a low grade in the whole category (like 30%). Instead of giving me 80% as I am excellent in four items out of five and giving me

advice on how to enhance the fifth item, I would be given a low grade on the category as a whole which is unfair at all. (AS, 31)

Another reservation which comes from Faculty X is that most external auditors (the audit team) were from small regional universities which have around 2,000 to 3,000 students in their faculties coming to audit X faculty in Cairo University which have 16,000 students so they do not have the same problems of big numbers and that is why they cannot write a fair report or give a reasonable judgment. It has also been reported that the criteria for choosing reviewers are not known or clear. Academics in X added that external audits are not fair as the process includes high subjectivity and the peer reviewers are sometimes very strict in auditing certain universities/faculties and lenient in others. That is why they suggest having a fixed committee of peer reviewers for each discipline to review all faculties under the same discipline as a means of guaranteeing fairness.

It is theoretically fair according to the criteria on paper but practically it is unfair as it is to some extent subjective. Even the criteria for choosing reviewers are not known for us and we think it is not transparent. (AS, 25)

Secondly, QA criteria are not well adapted to the Egyptian HE context. They see some QA criteria as adapted to the Egyptian context while others are not. According to the set criteria, QAS are quite fair but the question is: “Are the criteria for evaluating HEIs fair?” Of course not, as they can see that those criteria ask for higher standards/requirements than the capacity and available resources and facilities of Egyptian public universities. Thus, those criteria really need some adaptation to suit the nature of different faculties and universities, as government-run universities do not have the funding and infrastructure which could enable them to achieve the required standards by QAS. They added that QA criteria might be appropriate for private universities as most of them have strong funding - mainly from high tuition fees - , proper infrastructure and fewer students.

Thirdly, the system of student feedback is unfair as it is sometimes very subjective. Students are not familiar with the culture of giving feedback and sometimes are very subjective in their feedback if they are not happy with the tutor or with anything in the module. Interviewees commented that most students do not attend regularly so their feedback cannot be guaranteed to be objective and it is why they consider the system of student feedback a waste of time.

The last group, of 8 interviewees, finds it too difficult to decide whether QAS are fair or not as the project is incomplete and that more time is needed before being judged. Moreover, not all universities/faculties are at the same stage of implementing QAS. Some faculties started implementing QAS in the first cycle of QAAP (QAAP I: 2002-2007) whereas others started in the second cycle (QAAP II: 2007-2012). Even those faculties which first started implementing QAS are not at the same stage as some of them have finished their self-study, received an external audit visit, applied for CIQAP, implemented their action plan and are ready to receive a visit from NAQAAE, whereas others are at different stages of that cycle. These interviewees added that the culture of QA is new to HEIs in Egypt and that the project is in its transitional phase where everyone is still learning how to implement it properly to help improve the quality of provision.

I cannot decide if QAS are fair or not as they are incomplete. QAS are still new and the most qualified reviewer/auditor would have two to four years experience which is not fair enough to be a reviewer but we have no other options as we are still working on building capacity and training more people. Till now we are doing internal and external evaluation within the MoHE as QAAP belongs to the MoHE to qualify its universities to apply for accreditation. So, we cannot say if the system is fair or not unless we receive a visit from an independent agency like NAQAAE but we have not been to that stage yet. (AS, 27)

Running the QAAP, the main aim for MoHE is to qualify its universities to apply for accreditation and, as all the internal and external audits that have been conducted in Egyptian universities were done by MoHE, academics cannot decide if QAS are fair or not unless they

receive an external visit from an independent agency like NAQAAE, which has not been done yet. This confirms that the project is still in a transitional phase with lots of changes taking place so it needs more time to be established before being judged.

7.2.5 Summary

There is a general agreement that implementing QAS in Egypt HE is a step on the right road for enhancing the quality of provision but one that faces problems which impede implementation, such as inadequate funding, poor academic pay, lack of proper accountability for academics, massive numbers of students, poor infrastructure and nominal fees. It has been argued that these problems should be solved first if QAS are to be implemented and activated properly. QAS are an excellent initiative but need to be taken more seriously and there should be more support from government and society to guarantee the sustainability of the project.

The majority of interviewees agreed that QAS have no effect on institutional autonomy or academic freedom. However, they agreed that QAS add extra burdens, particularly of documentation and paper work, which take too much of academics' time and effort and which, in turn, might affect their performance negatively. As for accountability, all agreed that QAS include rules which should guarantee a strong dialogue of accountability but those rules are not activated because many laws and regulations governing higher education contradict with and impede the proper implementation of QAS. For example, HEIs have no say on the number of students they must accept every year, which inevitably affects the quality of provision or the lack of activated accountability for academics because of poor pay forcing them to have additional jobs to secure their livelihood. There is a general agreement that poor academic pay is one of the most significant factors which weakens the dialogue of accountability between academics, universities and government.

The majority of interviewees believe it is too early and difficult to decide whether or not QAS are efficient because the project is incomplete and the culture of quality assurance is new. They see that QAAP is really making a change and, while they cannot say it has improved the quality of provision, they recognize ‘it has stirred the still water’ which is important in raising the awareness of the culture of quality but still needs time to give its real fruits. As for equity, the majority of interviewees see QAS as reasonably fair for HEIs, academics and students. They accept that external audits are fair because they are done according to published criteria from NAQAAE and that audit panels were, to a great extent, objective and transparent. They add that, although paper work is still not highly activated, they think QAS are fair as they provide transparent criteria for evaluation and indicators for measuring performance. However, they see that the system is in need of much improvement and have some concerns about the audit panels and the student feedback system.

Having examined QAS in HE in Egypt, the analysis moves to QAS in the UK and the UoB specifically.

7.3 Quality Assurance Systems in the UK (University of Birmingham)

Although the QAA provides guidelines for QAS, each university in the UK has its own IQAS which will, therefore, differ in some respects from others. The University of Birmingham’s IQAS are known as “Birmingham Integrated Quality Assurance and Enhancement System” (BIQAES) which encompasses the key processes the University has put in place to monitor, review and enhance academic standards, the quality of its learning, teaching and assessment and the academic support given to students. It is informed by the QAA’s Academic Infrastructure, which comprises the Code of Practice for the Assurance of Academic Quality and Standards in Higher Education, Framework for Higher Education qualifications, Subject Benchmark Statements and Programme Specifications. BIQAES is one element of the

University's academic policy and quality framework within which Schools and Colleges are required to work, the broader academic policy and quality framework also including the External Examiner system, student representation system, programme approval processes, University legislation and Codes of Practice (BIQAES, 2008).

BIQAES consists of the following main components: Programme Review; School Quality Review; Review of Collaborative Arrangements; Specific Checks; Thematic Review; Key Processes and Documentation. Its main purposes are:

- to monitor the quality of the student learning experience and of learning and teaching opportunities;
- to identify, encourage and disseminate good practice and to identify and eliminate weaknesses;
- to provide an opportunity for Schools, Colleges and the University to test the effectiveness of systems and procedures for monitoring and enhancing academic quality and standards;
- to encourage the development and enhancement of these systems, in the context of current and emerging provision;
- to provide public information on the University's capacity to assure the quality and standards of its awards;
- and to provide a framework for the consideration of feedback from students and External Examiners about academic quality and standards (*Ibid*)²².

22 For more information about BIQAES, see: <http://www.as.bham.ac.uk/aqu/biqaes/index.shtml>

There is a Quality Assurance and Enhancement Committee (QAEC) in the university which is supported by QAECs in the five Colleges and which, in turn, work closely with QAECs in the University's Schools. Students are represented on all these committees.

7.3.1 Autonomy

Perceptions of how QAS might affect institutional autonomy and academic freedom fall into two groups: the majority, 19 out of 28²³, sees QAS having no effect while a group of 9 sees QAS affecting institutional autonomy and academic freedom in some respects.

The majority sees that *universities have a good degree of autonomy and QAA institutional audits respect these freedoms*. They agree that universities are responsible for assuring the quality of their provision and the QAA's main job is to check that universities have sound IQAS in place. Whereas RAE looks directly at the quality of research, QAA looks at the processes rather than the quality of the teaching activity itself, leaving institutions to ensure that learning opportunities and academic standards are appropriate and staff are properly trained.

Quality of teaching is assured through QAA. It is more about providing guidelines for universities to create self-evaluation systems. It is moving more towards self-evaluation and away from the old model of heavy-handed visits.
(SMA, 9)

Nonetheless, most interviewees have some reservations about both QAA and RAE. They think the *QAA procedures try to bring a level of uniformity to the system which may encroach on autonomy*. They think the QAA should encourage more diversity rather than greater uniformity. In addition, they agree that QA mechanisms cover both accountability and

23 As indicated before, the total number of interviewees in UoB is 29 but not all of them have answered both sections of my interview schedule (the funding section and the quality assurance section). For example, one of my interviewees has chosen to answer only the questions in the funding section as s/he is mainly involved in it. Thus, the total number of interviewees in the QA section is 28.

enhancement in terms of checking the quality of research whereas it covers only accountability when auditing teaching as the QAA is very process-driven, not outcome-driven, and does not affect funding for teaching. They add that QAA is a paper work exercise which is almost entirely pointless and a game, and that universities are good at playing games by hiding stuff which is not to their credit. Paper work and an enormous amount of administration only put more pressure and workload on academics and do not motivate them to improve the quality of teaching itself. One senior manager academic argued that there is no need for the QAA as the marketplace can decide whether or not HEIs are strong in maintaining academic standards.

Well we don't need the QAA at all. The marketplace is sufficient to decide whether we are strong in maintaining our academic standards or not. If we're poor with that, students won't come to our institution. So, we have an interesting maintenance system that doesn't need to be policed by another body "a watchdog" that is too expensive. In fact, a week-long visitation can't get under the skin of an HEI which will very readily be able to cast a cloak over those practices which are not to its credit and will obviously be setting out to vigorously promote those practices which are to its credit.
(SM, 5)

Members of this group argue that the RAE encourages short-term goals. There may be a tendency for research to become more short-term as academics look for four suitable outputs at the end of an RAE period or may encourage academics to focus only on the four outputs which they think will be ranked highly on RAE. It has also been reported that academics may be forced to do certain types of research and publish in certain types of journals to secure QR money.

To be able to secure QR money, universities encourage academics to do certain types of research and publish in certain journals so actually academics are satisfying their universities and RAE but they are not doing the things they enjoy doing. In addition, the quality of your paper does not really depend on the ranking of the journal where it is published. You can have a very good paper published in a lower quality journal whereas you can have a rubbish paper published in a top journal.
(AS, 23)

The second group, of 9 interviewees, sees QAS affecting institutional autonomy and academic freedom in some respects. Firstly, they argued that because of financial pressures, universities are now run like businesses which is not necessarily compatible with their main objectives. So now the business model is taking over from the collegial model that used to exist and this places some restrictions on institutional autonomy and academic freedom. For example, universities now close programmes with low recruitment whereas this was not always the case. Universities are also more inclined to invest more money in areas/programmes which are expected to generate greater income. They are also very good at playing games to secure more funding through spending huge amounts of money to hire academics who can score well in the RAE and, thereby, secure research money.

Secondly, they see that the government wants to have more control on what universities do. As the source of funds, government is now more likely to insist on the skills students should develop, so institutional autonomy becomes eroded, leading to a considerable tension in the system.

The British tend to do it in a rather discrete way than other parts in the world. It is said that universities have complete autonomy but the reality is that we do not have complete autonomy and when the minister says this is an issue ought to be done, then vice chancellors think and say OK. And tell pro-vice chancellors that this ought to be done and this is bad influence rather than if you like 'instrumental power' but nonetheless the instrumental power is there in the funding regime. And you see the logic of it "He who pays the piper calls the tune".
(SM, 6)

They see that QA procedures aim to make everything standardised, which is not beneficial in terms of the teaching and learning experiences of students. They see universities having limited autonomy as they must follow the QA guidelines and codes of practice. The danger is that the educative process can be standardized/systemized to the extent that spontaneity disappears, the capacity to pick things up and do different things is lessened and made more difficult. The QAA contributes to a huge bureaucratic system where quality is just measured

by “Have you ticked all the boxes?” which does not have anything to do with quality but whether or not “[Are] universities complying with the guidelines and codes of practice, which is just about checking paper trail” (SMA, 9).

This group see government as wanting to control professionals, a trend of not trusting professional judgments which is seen in other countries, as governments do not trust professionals to regulate themselves. Thus, QAA audits are perceived as based on lack of trust as their role is to provide universities with codes of practice that tell universities what they should do and then institutional audits come to check whether universities have followed those rules and codes of practice, a condition of very limited autonomy.

QA mechanisms tend to introduce a degree of regimentation or conformity in teaching which I’m not sure is entirely beneficial for education. You know, we want an education system which inspires, challenges, encourages people to think. If assessment procedures become standardized, then teaching tends to become standardized and there would be no innovation in universities. I think that is the main problem really. (SMA, 13)

Another restriction identified by this group is that *the process sends very strong signals about the kind of teaching academics have to do*, thereby limiting academic freedom. The use of Web CT was cited as an example, influencing the use of enquiry-based learning and student-led learning. Those signals may be forcing academics to develop their teaching in a certain way to satisfy QAA guidelines, which can be seen as a reduction of academic freedom. There is also more paperwork required, also impacting on academic freedom. At Birmingham, for example, the foundation of the quality assurance for academics is their module box and in that module box, academics have to have certain documents including, for example, student evaluations of the module. It can be said that the QAA procedures force academics to think inside the box and does not allow for much innovation in the teaching and learning experiences of students.

Academics have also reported that RAE and the funding regime push them towards doing research that has a direct industrial and economic value and, while that does not impact on some academics whose work generally leads to tangible products, it is an issue for others who work on theoretical issues that might have potential long term impact. This is a further example of how these QA processes can affect academic freedom, pushing them towards certain areas that would be categorized positively by the RAE. Academics, members of this group argue, may be more inclined to think how to satisfy the RAE rather than necessarily doing more interesting or innovative work. Thus, while the RAE does measure the quality of research, it can limit the sort of research done by academics.

Having presented the perceptions on how QAS affect institutional autonomy and academic freedom in terms of the national framework, perceptions were also reported on how they are influenced by the IQAS in UoB. Almost all interviewees agreed that IQAS in UoB have no effect on either institutional autonomy or academic freedom. Senior managers agreed that IQAS in UoB are fairly robust and transparent as both academics and students know how the system works. They also agreed that there is an issue of autonomy being more managed but argued that managing academics is best done by engaging them in the process of quality assurance and identifying solutions to problems. In addition, however, while the university does give schools and academics a reasonable degree of autonomy, it does not allow deficient delivery in the name of autonomy.

Nobody has the autonomy to do things that result in the poor quality of delivery. There is only one university, and that university is responsible for its quality assurance processes and its reputation; and its reputation hinges on robust quality assurance. So, if there is a conflict between autonomy and quality, then quality has to win. This university cannot allow for deficient delivery in the name of autonomy. It would be foolish, wouldn't it?
(SM, 5)

Academics indicated that IQAS affect workload more than anything and slows down the implementation of new ideas, such as introducing new programmes, because of the paper work and committee process. They added that one of the key problems of quality assurance is that it is supposed to cover quality assurance and enhancement but the latter is frequently lost. The quality assurance system is just a matter of saying, 'yes we are doing this, yes we're doing that by ticking the box', not 'This is what we do well, this is what we can improve, let's improve it, here's the action plan' (SMA, 9). Thus, there are huge gaps in enhancement that are not picked up because the paperwork takes over.

Although the majority of interviewees agreed that IQAS in UoB do not affect institutional autonomy or academic freedom, they are concerned about the centralization of the system and the level of uniformity which the university wants to implement in all of its schools. They agreed that a 'one-size fits all' policy does not work. Thus, what works in one school might not work in another and best practice in one school might not be appropriate elsewhere. Thus, trying to apply the same regulations of QA in all schools might have an adverse effect overall. Those regulations, for example, restrict academics to a certain way of assessing students whereas they should be more flexible so that academics can try more innovative ways of assessment. They are also concerned about the endless codes of practice which schools have to follow but which change frequently.

Now the College of Engineering has a quality process across the whole college whereas there are nine schools in the college and each of them used to have their own quality procedures. Now there's only one quality procedure for the whole college which means each school has to change what they do. It's going to be a problem in that it's going to be a "one size fits all" regulation where regulations appropriate for one school might not be appropriate for another school, so that's not really gonna to work and it will waste a ridiculous amount of time. (AS, 27)

Another example of the centralization and uniformity which IQAS in UoB try to impose is the necessity of providing handouts to students before lectures by putting them on the Web CT, although some academics see this as detrimental to teaching and learning.

Life is not like that bureaucratic trail which changes the way we do things. We are always under pressure to give handouts to students before lectures by putting them on the Web CT beforehand which means that there is no pedagogical surprise in our lectures. I might want to ask students some questions or get them to discuss something before the lecture and I do not want to provide them with the handouts before hand. So, the whole system destroys innovation and makes teaching really really dull dull dull in terms of having orders: you must do this, you must do that. No, we mustn't as teaching is about how to get students excited, not to get them spoon-fed. I think this is based on a mechanism for teaching which sees ideal teaching as a way of information transformation "you are there to inform people" which is clearly a misconception of teaching. (AS, 17)

Thus, the main purpose for an academic to attend a lecture for an hour or more is to try to encourage students to go and find out information, think differently, try to change or open people's minds to new ideas instead of providing students with handouts beforehand. Thus, IQAS should encourage more diversity rather than a uniformity and regimentation, which they see harmful to the whole system.

7.3.2 Accountability

Asked for their perceptions of the dialogue of accountability, almost all interviewees agreed that *there is a fair amount of accountability in the system in terms of quality of teaching and research in HE*. Universities are accountable for the quality of teaching and research through different mechanisms including QAA, and NSS. Other performance indicators reported by HESA on rates of graduation, drop-out rates and employability of students can also be considered as a form of accountability for the quality of teaching, as well as the RAE. Thus, *there are several layers of accountability in UK HE*. In addition, universities are accountable to students for the quality of provision; to employers for the appropriate qualifications of their graduates and to other stakeholders and society as a whole. There are also professional bodies

which do similar audits to QAA and, therefore, work as accountability mechanisms. Those bodies audit and accredit certain programmes such as the TDA, which accredits teacher training programmes, and the British Computer Society, which accredits computer sciences programmes. Interviewees argued that those professional bodies do a more rigorous review than the QAA.

The way government assures the quality of research is through the RAE whose assessment of research quality has a strong impact on the distribution of research money. Interviewees agreed that RAE is considered to be a reasonable way of making universities accountable for QR money. However, they think it is not really a quality assurance mechanism as much as an income distribution mechanism. In terms of teaching, they see weak accountability as there is no quality measure linked to funding, as there is in research. Although the QAA is supposed to check the quality of teaching, they added that it checks a paper trail rather than the actual quality of teaching.

Well it seems to me that the quality assurance of teaching all seems to be paper-based rather than actually the quality of the teaching itself. Providing universities've got a quality assurance system in place, you can get a good mark but that doesn't necessarily mean that the teaching is any good. What really matters is the quality of the process but not so the quality of the teaching. So, it is taken for granted that as long as there is a robust internal quality assurance system in place, the quality of provision will be there as a side effect of the existence of IQAS. (AS, 26)

Some interviewees mentioned that accountability for teaching is there but probably becoming relatively less because of the fact that all universities have gone through the subject review process and scored well. So, basically, the sector is pretty secure and universities have been given the responsibility to assure quality themselves without detailed audits. Thus, QAA's accountability is slightly more distant than subject reviews, because it is just not needed. That is why they think the accountability is university-based in the first instance and then the university is accountable to the QAA.

Whether QAA is really effective in assuring quality of teaching, I don't think it gets down into that level of detail - it's looking at systems and processes. Whereas subject review did actually look at individual staff carrying out teaching but in a way that was far too intrusive. So, I think it's better that QAA is not going into that level of detail. But, I think it's like all these things - it's a game, and as with subject reviews, universities learn how to present things and obviously you try to cover up the bits that aren't perfect. (SM, 3)

Interviewees agree that the government, as the main funder of higher education, has the right to use some kind of check to ensure taxpayers' money is not wasted and is well invested. However, the *QAA, as a means of assuring the quality of teaching, is just becoming a huge bureaucratic system* where quality is just measured by "Have you ticked all the boxes?" and does not have anything to do with quality. QAA imposes huge bureaucracy and then becomes a game but one with consequences that have nothing to do with improving the quality of the teaching and learning experiences of students. Whereas almost all interviewees agreed that QAA is a paper trail and ticking boxes, covering accountability and compliance more than enhancement, they see IQAS covering both accountability and enhancement. To the extent that they agree QAA may cover accountability and enhancement, it does not encourage people to think "outside the box". They see it as limiting innovation because of the level of uniformity it imposes.

Although interviewees agreed that QAA is more concerned with accountability (processes and paper trail) than enhancement, they agreed that the culture within universities is that it is more than a paper work exercise, partly because the environment has become very market-driven environment. That is, it is not simply being able to tick boxes and having well-prepared paperwork because what universities deliver affects their position in league tables and universities do not want to damage their reputation. Thus, *there is another layer of accountability which is market accountability*, which matters more for universities. Interviewees argued that even without having those external agencies as a 'watchdog', universities would still do a good job as they want to attract more students, the best academic

staff and secure research income. That is why NSS and league tables are considered very strong accountability drivers as they affect the reputation of universities and, in turn, affect student intake and the quality of that intake, as well as the number of overseas students. That is why they recommended making quality assurance mechanisms lighter touch and putting more trust in professionals, as it is academics who do the teaching, evaluation and research as well as generating research income.

We want to be recruiting effectively in the marketplace, to be a world leader in higher education, and we need to ensure that we continue to be a world leader in higher education in an increasingly competitive marketplace. (SM, 5)

Turning to accountability at UoB, almost all interviewees agreed there is a reasonable amount of accountability in the system but see that IQAS covers accountability more than enhancement.

They agreed that schools are accountable to the college and colleges to the university and that there is a good dialogue between quality assurance committees in the university, college and schools. Thus, the university's Quality Assurance and Enhancement Committee (QAEC) is supported by the five colleges' QAECs which work closely with schools' QAECs. Academics said that they are accountable, in the first instance, to the director of QAEC (called Quality Assurance Champion in some schools) of their departments who is then accountable to the director of QAEC on the school level who is in turn accountable to director of QAEC on the college level who is finally accountable to the university's QAEC. Thus, the line management and direct management responsibility of the schools sits first with heads of schools, then heads of colleges who have responsibility to ensure the quality of provision in schools is satisfactory. Thus, schools are accountable to the college and then the university committee oversees the college committees.

Interviewees recognized that there are different layers of accountability for assuring the quality of provision ranging from external audits by QAA, internal audits by the university, Programme Reviews, School Quality Reviews, Thematic Reviews, Key Processes, external examiners' reports to students' feedback. Although they agree that BIQAES is a robust system, they see it covering accountability more than enhancement. However, some mentioned that the different types of audits and checks used by BIQAES lead to enhancement.

The process of assuring quality does not ask people 'how do you do this'. It rather asks them 'do you do this' and requires an answer with yes or no with an evidence. It doesn't ask you 'could you do this better? How do you think you can do better?' It basically asks you 'what are you doing, are you doing this, are you complying?' 'Yes we are.' That's it. So the enhancement just loses out almost completely as QA process is more about compliance than enhancement. (SMA, 9)

Nonetheless, they see schools becoming more accountable and less autonomous as a result of colleges as a new level of administration. All schools in the same college have to follow university regulations in terms of quality assurance and codes of practice but see 'One size fits all' policy as not seeming to work efficiently. They argued that because schools differ, instead of imposing uniformity, diversity should be encouraged as long as things are done well. It is enhancement of quality that really matters.

I mean it's much easier if we're making baked beans tins, we can have certain quality procedures which everyone's gonna to follow and then we're gonna to do exactly the same as our products are always a baked beans tin at the end of the day. Whereas actually in universities, we're teaching around 200 different subjects at different levels and we're doing research in different disciplines so it's very difficult to have a set of procedures to cover everything we do and it's more difficult to impose one set of rules or procedures on different schools of different nature even under the same college. (AS, 28)

Most interviewees see BIQAES as quite bureaucratic, very time-consuming and not particularly effective. For example, there are many tick-box checklists which are not seen as effective in assessing what is actually going on. One senior manager mentioned that the key

processes checklist is not effective at all as schools sometimes tick ‘yes’ in a certain box but, when are asked for more information, they do not know anything about the issue and have probably not done what they have said they were doing (by ticking the box). That is why they see it as a pointless process. However, they see that the School Quality Review (SQR), which is fairly common across most universities, works pretty well. They also added that the layers of accountability (different methods of audits) cannot get under the skin of an institution and that schools can hide the things that go wrong in their departments, which is why they recommend having more trust in professionals and making quality assurance processes lighter touch.

The reality is that I can easily hide which goes wrong in my department from inspectors and I am not ashamed because there is very little that goes wrong and it goes wrong because I have people who are distracted by other things but things can be better. So, there should be more trust in professionals as trust breeds trust and saves much of the huge amount of time, money and effort that are spent on quality assurance processes. (SMA, 15)

Most interviewees mentioned that on top of these layers of accountability, they have market accountability, which actually matters. They are accountable to their students and have to make sure their programmes meet their expectations. For example, for every module taught, students are asked to give feedback and both academics and senior manager academics react to this and alter things if appropriate. The university and its schools also make sure they are responsive to the needs of employers. Thus, the culture within university generally is that quality assurance procedures are not just a paper work exercise because they work in a market-driven environment (which is not about ticking boxes) because it is what they are delivering that affects their position in league tables and the market. This argument confirms what has been mentioned earlier, that universities are now run more like businesses and why market accountability matters more than anything else.

7.3.3 Efficiency

Views on the efficiency of QAS fall into two main groups. The majority of interviewees sees that QAS are reasonably efficient in terms of research but inefficient in terms of teaching. Only seven interviewees see that it is too difficult to decide whether or not QAS are efficient.

The majority of interviewees, 21, sees QAS as reasonably efficient in terms of research but inefficient in terms of teaching. Although huge amounts of effort, money and time are spent on the RAE, it is viewed as fairly efficient because the money distributed makes the effort worthwhile. They add that while not perfectly efficient, it is difficult to identify a more efficient way of assessing research. They believe that the RAE may cut corners by only looking at four papers rather than reading all outputs of academics but this is an acceptable trade-off between doing the job perfectly and doing it in a reasonably efficient way. That is why they see the *RAE is doing a reasonable job* and cannot think of better ways of assessing the quality of research other than peer review.

For research, I think the RAE is relatively efficient because at the moment it's only done once every five years and that is not too bad and people are not expecting lots of things to happen in between. (AS, 29)

As for assuring the quality of teaching, they see that the *NSS is quite efficient* as it is an important indicator of the quality of provision based upon students' feedback. However, there might be some game playing as some universities may pressurize students to answer in a certain way. As for the *QAA, they see that it may be efficient as institutional audits now take place only once every six years* but they do, nonetheless, have reservations about the process, including inefficiencies that need to be addressed. They see that *it is just about paper trails and ticking boxes*. Academics spend time ensuring there is a good paper trail rather than using time and quality systems to improve their teaching. Time is spent retrospectively ticking boxes rather than actually improving the quality of things.

If we're doing the quality properly and the paperwork is reflecting what we're doing, then that could be beneficial. I think what actually happens is we end up saying, "Oh my god we've got to do some paperwork, let's do the paperwork instead of let's improve the quality of our teaching". (AS, 25)

Thus, they see *QAA as a total waste of academics' time and taxpayers' money*. It is becoming inefficient because every year they go through lots of procedures which do not actually improve the quality of what they are doing. They added that QAA is a bureaucracy and an unnecessary interference as it is heavily paper-based and does not really assess the quality of teaching. They do argue, however, that the NSS helps in improving the quality of provision as it is what their potential customers think of them that really matters.

It is not efficient as it is heavily paper-based and paperwork seems to increase exponentially and I don't think that's efficient. The huge amount of paperwork seems to create inefficiencies. (SMA, 9)

Any system that is taking that amount of time and money to produce its evaluations of quality I don't think are that efficient. You know there must be other ways of doing it which would require less input of time, effort and money. (AS, 19)

While QAA is supposed to be lighter touch than Subject Reviews, which were highly interventionist, *QAA is still very labour and resource intensive*. Subject Reviews were not efficient in terms of the time, money and effort spent on them and, in a sense, they collapsed under their own weight, moving to the supposed lighter touch of institutional audit. But these are also labour and resource intensive diverting academics from the core missions of teaching and research. In the view of these interviewees, while institutional audits may have some positive effects in their recommendations it is universities that improve quality through their internal systems and not the institutional audits.

Thus, the question raised by most senior managers and senior manager academics is: if there are a handful of institutions in the country about which QAA has worries, why do they need to evaluate all universities to the same level? They suggest it might make more sense if

the QAA had mechanisms which concentrate its energies on improving or closing institutions that fail to achieve a basic level of quality rather than providing the same instruments in all institutions. It is an issue of *'Where do you put your energies?'*

The second group of 7 interviewees cannot decide whether or not QAS are efficient and see efficiency as a relative term with several meanings. Thus, *QA mechanisms for both teaching and research in HE might be efficient in one sense and inefficient in another.*

Difficult to decide as efficiency is a relative term. I'm not sure if it's as black and white as that. I'm not sure that you can answer that question with a yes or no as QA mechanisms might be efficient in one sense and inefficient in another sense. But do I think there are things that could be done to improve the system, of course yes. Do I think the government should give up trying to develop mechanisms for allocating its money to universities and to develop mechanisms for assuring the quality of provision? No. (SM, 5)

Summing up the above account, it is clear that most interviewees are more or less happy with RAE in terms of assuring the quality of research whereas they have many reservations about the QAA in terms of assuring quality of teaching. While they have reservations on the efficiency of RAE, these are much less than those on the QAA, concluding that both need improvements to do their job more efficiently.

Turning to efficiency internally in UoB, perceptions fall into three main groups: while a group of 12 sees that IQAS in UoB are reasonably efficient, ten see them as inefficient and six cannot decide.

The first group, of 12, sees IQAS in UoB as reasonably efficient because *moving to larger academic units, colleges, allows for more strategic planning through BIQAES.* Before the college structure, the university used to have a quality assurance and enhancement committee which looked after quality across all its 19 schools. Now, colleges have their own quality assurance and enhancement committees which work closely with the same committees

in schools. BIQAES is embedded in this network of committees and its information flow enables senior managers to deal more with strategic issues rather than simply the quality process. The process is also more effective because colleges can sustain a better dialogue with its smaller number of schools, making BIQAES more effective as people understand better what they have to do, why and how they can do it. They add that what they have now is more robust and effective.

The college structure also helps in terms of quality enhancement as colleges allow much greater opportunity to spread best practice than the previous system of 19 schools. The dissemination of information is in terms of communication between directors of quality assurance and enhancement of schools, colleges and the university. One academic mentioned that having directors of quality assurance and enhancement in schools is beneficial as they attract academics' attention to areas where there might be problems and support them. He sees 'the beneficial effect is felt more from the people who are on the spot. The higher up people are, the less they tend to understand the implications of what they're saying' (AS, 21).

Moving to larger academic units under the new college structure would be more efficient as it will avoid lots of inefficient data collection in smaller units and allows for more strategic planning. (SMA, 10)

One of the reported strengths of BIQAES is that it is an integrated system with annual reviews of modules and regular reviews of programmes involving external assessment. In addition, the university has specific checks which they use to follow up issues that have been identified. The system is also pretty efficient given that most of the work is done by academics and it is a characteristic of BIQAES that the best way of managing quality is by giving academics ownership of the process. BIQAES is also a transparent system as students have the handbook which tells them how the system works.

Interviewees added, however, that although BIQAES is efficient in the sense that it does the job it is set up to do, they are not happy with the bureaucracy of the system and the paper work generated. However, they think that these are driven more by the national QAA and recognize that Birmingham's IQAS, as with any other university, is influenced by the national QAA's agenda.

The second group, of 10 interviewees, sees IQAS in UoB as inefficient for several reasons. Firstly, reforms in the university are becoming more centrally-driven rather than considering the different nature and needs of colleges, schools and departments. They think there has been a structural change at college level but not sufficient change at school and department level. They see that a 'one-size fits all' policy does not work as the different structures and variations in schools and departments are healthy and the university should encourage this diversity more than uniformity. However, they agree that these diverse structures are sometimes confusing and make things difficult and perhaps inefficient.

Secondly, BIQAES is viewed as labour-intensive generating a lot of paperwork which is essentially about game playing and having a well-prepared paper work but does not improve the quality of teaching. Its concern is too much about process, reflecting the QAA and not teaching itself. One senior manager mentioned that there are many key processes checklists, requiring schools to tick boxes to no great effect. The information collected from such checklists is not really helpful and does not actually change things very much, which is why there are plans to get rid of them.

It is not particularly efficient as it is very labour-intensive but I can't think of many better ways of doing it. I wouldn't say that our system is any less efficient than any other university. I think it's a feature of QA mechanisms in universities which is clearly affected by the QAA. (SM, 2)

Thirdly, they see that there is more bureaucracy and complexity in approving new programmes/modules. The system for assuring quality requires staff to go through a checklist of procedures and activities before having a new proposal accepted. It can sometimes take up to two or three years to fully develop an initiative, which can be too late, making the university less responsive.

Approving new modules takes a very long time. Things are getting really worse and you are being confronted with problems that have nothing to do with wanting to teach the most up-to-date science to some very curious students who come from all over the world to spend just one year in this university. But that's our life and we have been told that a certain module cannot be taught because we missed the deadline which was in February, which seems ridiculous and crazy. (SMA, 15)

Interviewees are also concerned about the codes of practice which also keep being altered. Too often there is no consistent mechanism for telling academics that procedures have changed and schools and academics have to spend time keeping up-to-date with these codes of practice.

Finally, they see that the whole college structure between schools and the university is creating an awful amount of extra work. One director of quality assurance and enhancement mentioned that 'It is just a waste of time in my opinion, just repeating what we already do in the school, they are checking what we are checking. We can check ourselves and we do not need all the extra work at the college level and do the paper work after making checklists and such for the university level' (AS, 27). If the university have some worries about certain schools or departments, they should audit them instead of applying the same instrument to all schools. Thus, again, comes the efficiency question of 'Where do you put your energies?'

The last group of six interviewees cannot decide whether IQAS in UoB are efficient or not as they might be efficient in one sense and inefficient in another.

7.3.4 Equity

Views on the equity/fairness of QAS fall into two main groups: the majority of interviewees see QAS as reasonably fair but a few find it difficult to decide whether or not QAS are fair.

Eighteen interviewees identify a number of reasons why they assess QAS as fair. First, they see the system is transparent as all universities know the rules of the game and know what is expected. In addition, everybody (universities, academics and students) is treated the same way and no one is discriminated against because of QA processes. They also recognize that there should be accountability by universities for the quality of their provision and think this is fair but believe there should be other ways of holding universities accountable without taking the volume of time, money and effort that QAS require. Thus, although they agree that QAS are reasonably fair, they recommend it should be lighter touch and show more trust in professionals.

It is transparent as people know how the system operates and therefore, they have the opportunity to change and make sure that their procedures of assuring quality of teaching go in line with the procedures of the external agencies.
(SMA, 10)

I don't think I'm being discriminated against because of the name on my door.
(AS, 21)

Second, members of this group recognized that QAS are fair for students as they are well represented and their voice is heard through the feedback system and the NSS. They added that the system of quality assurance is there to approve the quality of provision, ensure universities meet accepted standards and, through whole series of processes and regulations, ensure that students get consistent treatment. However, the role of the QAA in doing this is indirect as it is universities and their regulations which ensure the quality of provision with the QAA checking whether those regulations are implemented. Thus, it is universities that make sure students are well represented on quality assurance committees and that their voice

is heard. Also, academics do their best to ensure fairness in examining students, marking exam sheets and double checking and moderating marks.

Third, in terms of assuring the quality of research, *RAE is perceived to be reasonably fair*, whereas most interviewees have some concerns about the QAA in terms of assuring the quality of teaching. Distributing QR money according to the quality of research outputs is accepted and they cannot find a better way of doing this. Indeed, the RAE is viewed as making a good balance between being effective and giving incentives for cutting-edge research. It is accepted that fairness in terms of RAE does not mean giving equal shares to universities.

As far as the RAE is concerned, fairness may not be the right word because it is all based on academic judgment and academic judgment and fairness are different in my opinion. Academic judgment is the best you can possibly have and it is perfectly appropriate but fair would be the wrong adjective. For example, a 4 star university gets seven times the amount of money that a two star research university would get and 3 star research would get three times the amount of money that a 2 star research gets and 1 star research would get nothing, is that fair? Yes, may be. It is a good balance between being effective and giving incentives to do really cutting-edge research. So, in that sense, it would be fair.

(SMA, 15)

Nonetheless, some have concerns about the panel of peers who do the assessment, questioning the fairness of their judgment, particularly in terms of whether peers have enough time to think about their judgment and discuss it with other panel members and whether there are enough peers to cover the range of expertise within discipline areas.

A fourth reason for judging QAS as fair, in terms of assuring the quality of teaching, is that members of this group think *it is fair as all universities are treated the same way*. Despite this, they have some concerns about the process. QAA institutional audits are viewed as heavily weighted in terms of paper work. They suggest it leads to game playing by ticking boxes and having well prepared paper-work in place which consumes huge amounts of time

but ultimately does not assess the quality of teaching itself, but the process. Another concern is that membership of the audit panels are reported to be mainly from new universities and this is seen as unfair in auditing big research-led universities as they may fail to recognize that pre-1992 have different approaches to teaching and research and give different weight to these activities. The danger with checking systems if the auditors are from new universities auditing old universities, they may think things are not done the right way and *vice versa* because they will be looking for the uniformity which is imposed by the process of auditing. Thus, they recommend there should be a balance in the external audit panels to guarantee fairness.

I think you need to make sure that people who are making the assessment are able to make judgments about a particular type of institution that they are visiting because the assessors are drawn from a wide range of higher education institutions and if you have a bias of individuals coming from different types of institutions from the one they are assessing, the results would not be fair at all.
(SM, 1)

Another concern is game playing with universities learning to play the game and hiding material which would not be to their credit.

The university will acknowledge where it feels that it does have problems but yeah we're not asked when somebody assesses us to show such problems. You're not going to hang the dirty washing out to dry, are you? You're going to put that in the cupboard.
(AS, 20)

The second group of 10 interviewees find it too difficult to decide whether or not QAS are fair because equity is a broad term which includes several dimensions. They see that QAS might be fair in one sense and unfair in another sense and moreover, what some people might consider as fair, others might criticise as being unfair. For example, it can be fair in terms of standardised treatment to universities and people but uniformity can be stifling and, therefore, unfair from the point of view of innovation. Institutional audits, as well, might be fair or not as it depends mainly on the nature of the audit panel. Although all auditors get the same training, people bring their own institutional experience which can affect the dynamics of

institutional audits. 'It can really affect how much auditors drill down into certain areas and, therefore, there is an element of luck which can affect the final outcome report' (SM, 3).

Quality assurance mechanisms are too complex to start to brand in terms of whether the whole structure is fair or unfair. There are features of them that some people might regard as fair and some people would criticize them as being unfair, but whether that is sufficient to obtain the whole structure, I myself doubt. You are always going to have to come to some conclusions about how you devise the structure and you are going to have some rules, and those rules will always be contested whatever fair they are. (SMA, 5)

Perceptions on equity internally in the UoB fall into two groups: whereas half of the interviewees see IQAS in UoB as reasonably fair, the other half finds it too difficult to decide whether or not IQAS are fair. In terms of assuring the quality of research, they see that little is done internally in UoB (such as strategic research reviews and research report reviews), as the main mechanism for assuring the quality of research is done through RAE. However, the university encourages academics to do high quality research and publish in top journals.

The first half of respondents sees IQAS as reasonably fair for a number of reasons. First, BIQAES *is transparent as all schools know how the system operates* and know what is expected and everybody (schools, academics and students) is treated the same way. Senior managers and senior manager academics in this group see the university has been careful and even-handed in the way they have developed their system to ensure BIQAES is fair for academics and students.

I think it's fair yeah. At least people understand what they have to do, it's clearly led, and nothing is a surprise, so we are all aware of what is required. (AS, 23)

Members of this group added that BIQAES is a combination of heavy and light touch with the benefit that *a lot of responsibility is placed in the hands of those who deliver*. The university's visiting team go into schools to do a quality review once every six years, which is relatively light touch whereas schools report back annually through the checklists and their programme

reviews. So, quite a lot of responsibility for quality assurance sits low down in the system. Although members of this group agreed that IQAS in UoB are reasonably fair, there are some concerns/worries about the sort of central uniformities which is viewed as pretty unhelpful because colleges and schools have different ways of doing things. Their view is that if something can be done more locally, then that is better as requirements can be adapted to local circumstances. Some academics added that colleges do not necessarily understand the nature of their individual sub-units (schools) terribly well.

The other half of respondents sees IQAS might be fair in some senses and unfair in others. One example mentioned is that the system can be fair for students but unfair in terms of the workload of academics.

This group view BIOAES as fair for students as they are well represented and their voice is heard through the feedback system. Students are represented in QAECs at all levels across the university, from the highest level (the university QAEC) where the Guild of Students Vice President (Education and Access) is a committee member to representation on college and school QAECs. There is also a student representative on the learning and teaching committee and the university have a student representation system co-ordinating committee with the vice president of the guild of students its chair. Their voice is also heard through the NSS. The director of quality assurance in X school said “I think we’re very rigorous in the university in ensuring fairness across the board, especially when it comes to students” (AS, 28).

Can’t decide but I think it is fair for students. Students have a form where they fill in their feedback, then obviously those are presented to the students on the student notice-boards, as is partly with the external examiners’ report as well. So, students know what is going on. Also, there are these student-representation systems so if there’re any quality issues, or any issues about any programme or module, then the student reps can raise them within program committees or boards of study. (AS, 20)

On the other hand, *there are concerns about fairness in terms of workload and promotion of academics*. Members of this group mentioned that although promotions are a fairly good system on paper for balancing teaching, research and administration with promotions, they think there is still quite a strong feeling that research is really what matters and this undermines the whole system. One director of quality assurance and enhancement said “I see people who are excellent at doing research and generating research money getting promoted because if you are excellent at research, you can pack your bags and go anywhere whereas if you are excellent at teaching you probably can’t” (SMA, 8). Thus, it is research which really matters in terms of promotion and it is why academics see teaching as inferior to research.

The view was also expressed that the ways of calculating workload are not fair to all academic staff. Members of this group think there are some staff who work extremely hard, attract a lot of research money and do a lot of teaching but their efforts are not acknowledged by the university as it should be, whereas they think more work should be expected of other people. They add that the incentive for high performance has always been promotion but the system of promotions is less transparent for academics. One academic said “although the criteria for promotion are readily available and you can look at them and see what you have got to do but in some cases some criteria seem to hold less weight than others which seems to be less transparent and unfair” (AS, 19). It has been reported that there are good examples within certain schools of academics who have tried to meet all the criteria for teaching, research management and administration but still do not get promoted and subsequently have left the university to go elsewhere for promotion. Indeed, a number have gone to leadership positions in other institutions because UoB has not recognized their efforts and think that the university should have done so.

7.3.5 Summary

Having presented the perceptions of interviewees about QAS in the UK and specifically in the UoB, it is clear there are no significant differences in the perceptions of the different groups of senior managers, senior manager academics and academics on the issues of autonomy, accountability, efficiency and equity, nationally and internally.

On autonomy, the majority of interviewees agreed that QAS have no effect on institutional autonomy or academic freedom. However, they agreed that paper work and administration put more pressure on academics and do not motivate them to improve the quality of teaching itself. They also have concerns about the level of uniformity QA procedures bring to the system nationally and internally. As for accountability, almost all interviewees agreed that there is a fair amount of accountability in the system in terms of the quality of teaching and research. They agreed there are several layers of accountability in the system but regard accountability for teaching as weak compared to that for research. Market accountability has been reported as another layer of accountability, which matters more for universities than other mechanisms.

On efficiency, the majority of interviewees agreed that QAS are reasonably efficient in terms of assuring the quality of research but inefficient in terms of teaching. They see the RAE as doing a reasonable job whereas they have several concerns about the QAA. Concerning equity, the majority of interviewees see that QAS are reasonably fair as they are transparent and all universities know the rules of the game and are treated the same way. The system is fair for students as they are well represented and their voice is heard. RAE is also perceived to be reasonably fair.

IQAS in UoB are seen as having no effect on institutional autonomy or academic freedom. It provides a reasonable amount of accountability but is seen by some as covering

accountability more than enhancement. Interviewees did not give clear-cut answers about the efficiency and equity of IQAS in UoB as the system might be efficient in one sense and inefficient in another; similarly, they may be fair in one sense and not in another. Finally, Birmingham's internal quality assurance system, like any other university, has been reported to be influenced by the national QAA's agenda.

7.4 Conclusion

To conclude, this chapter has presented the results and discussion related to the third research question "How do quality assurance systems affect higher education in Egypt and the UK?" The analysis and discussion of results were structured around the four themes, which form the theoretical framework of the study, and themes that emerged from the data were discussed as sub-themes under the main four. The most significant data in this chapter were that gathered through interviews with academics, senior manager academics and senior managers in both cases, and their interpretation point to valuable implications for policy and practice presented in the concluding chapter.

CHAPTER EIGHT

KEY FINDINGS AND DISCUSSION

- 8.1 Introduction**
- 8.2 Autonomy**
- 8.3 Accountability**
- 8.4 Efficiency**
- 8.5 Equity**
- 8.6 Concluding Remarks**
- 8.7 Conclusion**

CHAPTER EIGHT

KEY FINDINGS AND DISCUSSION

8.1 Introduction

This chapter discusses the main findings in relation to the second and third research questions of the study, which investigate how funding and QAS affect higher education in Egypt and the UK in terms of autonomy, accountability, efficiency and equity. The most significant data are from the interviews, with evidence cross-referenced with data from relevant policy documents, reports and literature.

8.2 Autonomy

Table 8.1 summarises the perceptions of participants on autonomy in relation to funding and QAS and shows that the great majority in both universities take the view that academic freedom is not affected either by funding or the way quality is assured. However, a few interviewees at CU comment that academic freedom might be affected indirectly, as inadequate funding and poor pay prevent academics from doing certain types of research in which they are interested or force them to have additional jobs to secure an acceptable livelihood, leaving no space to enhance teaching and research. A few interviewees in UoB also see academic freedom as restricted to some extent due to increasing concern for research which has a clear impact, and that the RAE seems to prioritize certain types of research to the detriment of others.

Perceptions on institutional autonomy are quite different. In Egypt, institutional autonomy is viewed as seriously affected due to the inflexibility of line-item funding; inadequacy of public funding; limits on academic affairs; control of senior academic appointments; having no say on students' intake quotas and lack of transparency. In the UK,

universities are seen as enjoying a reasonable amount of autonomy as the block grant and diversified sources of funding allow them a fair amount of autonomy and flexibility. They also have autonomy to appoint their own governing bodies and staff. Areas of restriction are caps on student numbers and tuition fees. It is also believed that colleges in UoB have more autonomy than schools, as they are budget holders and, thus, have more power in decision-making.

The majority of interviewees in CU and UoB see QAS having no effect on institutional autonomy or academic freedom. An interesting aspect of this finding is that respondents in both cases have the same perceptions although the system is well-established in the UK but quite new in Egypt. Moreover, in both cases, the majority agree that QAS add extra burdens such as documentation and paper work which take too much time and might, as a result, restrict academic creativity in research and teaching. They also believe paper work and administration put pressure and extra workload on academics but do not motivate them to improve the quality of teaching itself. Participants in UoB also have concerns that the QAA is too process-driven and risks imposing a uniformity that may encroach on autonomy. They also have concerns that the RAE encourages short-term goals and pushes academics to do research that has direct industrial and economic value. A few interviewees in UoB see that institutional autonomy might be restricted due to the trend of universities increasingly being run like businesses; government also wants to have more control on what universities do through greater standardisation. A few interviewees in CU also believe that institutional autonomy might be restricted in some respects, such as lack of flexibility in approving new modules/programmes and control of governing bodies and staff appointments.

Table 8.1: Autonomy in Higher Education in Egypt and the UK

Funding Mechanisms		Quality Assurance Systems	
Egypt	The UK	Egypt	The UK
<p>*The majority, 35 out of 44, falls into a group who see that the way universities are funded affects institutional autonomy seriously but has no impact on academic freedom in terms of teaching and research activities</p> <p>-An analysis of the views of those in the first group identify problems of institutional autonomy in several ways:</p> <ul style="list-style-type: none"> -inflexibility of line-item budgets; -insufficiency of public funding; -funds are not matched to HEIs' priorities; -limits on academic affairs; -control of senior academic appointments; -no say on level of student recruitment; -lack of transparency. <p>*Although most interviewees in this group agreed that the way universities are funded affects institutional autonomy seriously but has nothing to do with academic freedom, ten interviewees did mention that it might affect academic freedom indirectly.</p> <ul style="list-style-type: none"> -negative consequences of having 2nd and sometimes 3rd jobs to secure an acceptable livelihood; -inadequate funding and poor academic pay might prevent academics from doing certain types of research in which they are interested. <p>*The second group, 9 interviewees, is those who do not see funding as impacting on institutional autonomy or academic freedom</p> <ul style="list-style-type: none"> -public funding is too weak to affect institutional autonomy; -academic freedom is not affected at all by the way universities are funded. 	<p>*Nationally</p> <p>*18/28 see funding having no impact on institutional autonomy or academic freedom</p> <ul style="list-style-type: none"> -receiving funding in the form of a block grant gives universities a considerable amount of autonomy; -the block grant provides a fair amount of flexibility; -diversified sources of funding allow universities a fair amount of autonomy and flexibility; -universities have ultimate autonomy to appoint their own governing bodies and staff; -funding has no impact on academic freedom as there is no control on what academics teach or what they research. <p>*4/28 interviewees see funding having no impact on academic freedom but restricts institutional autonomy to some extent</p> <ul style="list-style-type: none"> -public funding restricts autonomy in teaching because of the caps on student numbers and fees. <p>*6/28, see funding as not affecting institutional autonomy but restricting academic freedom in some respects</p> <ul style="list-style-type: none"> -academics are told their research must have an economic impact; -all research funding has to have an impact statement that describes its broader implications; -funding might distort teaching and research through the accountability mechanisms; -RAE seems to prioritize certain types of research. <p>*Internally in UoB</p> <p>*All agreed that the funding model in UoB does not affect academic freedom but the new model affects the autonomy of schools as there is the new college level of administration</p> <ul style="list-style-type: none"> -there is a drift of money upwards from schools to colleges; -a reasonable amount of autonomy rests within colleges as they are budget holders; -schools cannot keep their surpluses anymore; -Decision-making has been removed to colleges. 	<p>*The majority, 31 out of 40, sees QAS having no effect on institutional autonomy or academic freedom</p> <ul style="list-style-type: none"> -QAS guarantee that universities are autonomous and responsible at the same time. -However, they agreed that QAS add extra burdens such as documentation and paper work which take too much of academic's time and effort. <p>*The second group, 9 interviewees, sees that QAS might affect institutional autonomy and academic freedom in some respects</p> <ul style="list-style-type: none"> -lack of flexibility, especially in approving new modules or programmes which take too much time (up to 5 years); -universities do not have the autonomy to appoint their own governing bodies and staff; -the volume of paper work which academics are asked to prepare might restrict academics' creativity and the dynamics of teaching students. 	<p>*Nationally</p> <p>*The majority, 19 out of 28, sees QAS having no effect on institutional autonomy or academic freedom</p> <ul style="list-style-type: none"> -Universities have a good degree of autonomy and QAA institutional audits respect that autonomy. <p>*Despite agreeing QAS have no effect on institutional autonomy or academic freedom, most have some reservations about QAA and RAE:</p> <ul style="list-style-type: none"> -QAA procedures try to bring a level of uniformity which may encroach on autonomy; -QAA is very process-driven; -Paper work and an enormous amount of administration only put more pressure and workload on academics and do not motivate them to improve the quality of teaching itself; -RAE encourages short-term goals. <p>*The second group, 9 interviewees, sees that QAS might affect institutional autonomy and academic freedom in some respects</p> <ul style="list-style-type: none"> -universities are now run like businesses; -government wants to have more control on what universities do; -QA procedures aim to make everything standardised; -the process sends very strong signals about the kind of teaching academics have to do; -RAE and the funding regime push academics towards doing research with a direct industrial and economic value. <p>*Internally in UoB</p> <p>*Almost all interviewees agreed that IQAS in UoB have no effect on either institutional autonomy or academic freedom.</p> <ul style="list-style-type: none"> -IQAS affect workload more than anything. <p>*Although the majority of interviewees agreed that IQAS in UoB does not affect institutional autonomy or academic freedom, they have some reservations about the system:</p> <ul style="list-style-type: none"> -centralization and uniformity which the university wants to implement in all of its schools.

The analysis identifies similarities and differences between the two cases, some of which are directly related to funding and QAS but others with broader governance and cultural issues.

In Egypt, concerns about institutional autonomy may arise from the negative influences of line-item funding as represented in policy documents and literature (Said, 2001; World Bank, 2002a; Cheung, 2003; Johnstone *et al.*, 1998; Jongbloed, 2004), these indicating that its funding mechanism is not successful because it is not sensitive to institutional autonomy (OECD, 2008). Some of the concerns about autonomy might arise from QAS in terms of the extra workload on academics, which divert them from teaching, research and serving the community. However, some may arise from the regulatory system governing higher education in Egypt. For example, issues of bureaucracy, government intervention, limits on academic affairs, control of senior academic appointments, lack of flexibility in approving new modules/programmes... and having no say on student intake/quotas have nothing to do with either funding or QAS. Thus, centralisation and the fact that universities are managed in the same regulatory environment as other parts of the public sector may inhibit autonomy more than funding and QAS.

This finding is consistent with the Strategic Planning Unit's report on "Higher Education in Egypt - Country Background Report" stating that although public universities in Egypt are referred to as autonomous bodies, some legislations regulating leadership and financial factors limit and control the level of autonomy in these institutions (SPU, 2008). In that regard, it is worth noting that the proposal for granting Egyptian universities more administrative and financial autonomy, under HEEP, was rejected by the Parliament as it is a politically sensitive issue and that is why such proposals are still facing some resistance (World Bank, 2009) which may go back to the difficulties of the governance and political environment of Egypt.

In the UK, the autonomy that is described might arise, in part, from the block grant (Cheung, 2003; Bullock and Thomas, 1997; Johnstone *et al.*, 1998; Jongbloed, 2004) which allows universities a reasonable degree of autonomy, while the autonomy described in relation to QAS may reflect that these systems respect the autonomy of universities with controls on the quality of teaching and research, not their content. However, some issues that restrict autonomy arise from the regulatory system governing higher education in the UK, such as caps on student numbers and fees, universities being run like businesses, and the desire of government to have more control on what universities do through greater standardisation and use of guidelines and codes of practice. Such factors may reflect a lack of trust in professionals to be self-regulating, a trend highlighted in the literature from the 1980s (Le Grand, 2003; Roberts, 2004; Thomas, 2006).

It may be, therefore, that it is the decentralisation of the system and the fact that universities are private institutions/corporations established as charities serving public benefit (Floud, 2005; Harris, 2011) that contribute to autonomy more than funding and QAS with some governance issues restricting autonomy.

Supporting this argument is the proposition that line-item funding can co-exist with rules allowing universities to decide their own direction, including choice of governing bodies and staff and deciding levels of student recruitment. In contrast, a block grant system can be in place alongside a regulatory system that does not allow universities to control the appointment of their governing bodies or staff or even to have a say on the level of student recruitment. Thus, the regulatory system - the laws and regulations governing higher education- are also influential on autonomy, along with funding and QAS.

It is also clear that, despite expectations from the literature of quasi-markets and new managerialism, that they will alter the relationship between funders and providers (Deem,

1998; Davies, 2003; Le Grand, 2003; Roberts, 2004; Deem and Brehony, 2005), the reported perceptions in UoB offer some challenges to this. The majority see institutional autonomy and academic freedom as not affected, their perception being that it has not altered the relationship between the funder and the provider, as universities still enjoy a reasonable degree of autonomy with controls on the quality of teaching and research, not their content. However, quasi-markets and new managerialism do have some effect on institutional autonomy and academic freedom through caps on student numbers and fees, the need for universities to operate like businesses (as also reported in Lynch, 2006 and Kok *et al.*, 2010), more control through greater standardisation and use of guidelines and codes of practice, increasing concern for research which has a clear impact, and that the RAE seems to prioritize certain types of research to the detriment of others.

8.3 Accountability

On accountability, and as shown in Table 8.2, there are considerable differences in the perceptions of interviewees in Egypt and the UK.

In Egypt, although the great majority believe the system provides strong financial accountability, it is seen as rigid and concerned with compliance with established laws and regulations for budgets and neither considers outcomes nor has incentives in place for securing efficiency gains. It is believed that the system provides administrative accountability not a technical one and is based on document auditing. There is also general agreement that the system provides weak/no accountability for academics. On QAS, it is believed they include rules which guarantee a strong dialogue of accountability between academics, universities, students, the government and other stakeholders but the rules are not activated. Reasons for this are related to academics being treated as civil servants, all on tenure track but

lacking job satisfaction due to poor pay²⁴; other reasons are regulations governing higher education which contradict with and impede the proper implementation of QAS. Almost all interviewees agreed that the scheme of linking increase in academic pay to the quality of performance, under QAAP, is not a solution to either pay or accountability.

In the UK, it is believed there is a fair amount of accountability in the system in terms of finance and the quality of teaching and research. Perceptions on accountability show that, whereas the RAE is seen as a reasonable way of holding universities accountable for QR money, almost all interviewees see the system providing weak accountability for teaching as, unlike research, there is no quality measure linked to funding. There are several concerns about the QAA becoming a huge bureaucratic system, which checks the quality of the process and the paper trails rather than the quality of teaching. There is a general agreement that there are several layers of accountability in the system with much more control and much less autonomy nationally and internally in UoB, as both QAA and BIQAES are seen as too bureaucratic and resource intensive, securing accountability more than quality enhancement. However, although QAA and BIQAES are seen as more concerned with accountability than enhancement, there was agreement that the culture within universities means it is not only a paper exercise, partly because the higher education environment has become an increasingly competitive marketplace. Thus, on top of layers of administrative accountability, there is market accountability which is seen as mattering more.

²⁴ Although around 78% of public current expenditure in higher education go to wages, the ratio of academic to non-academic staff is still relatively high which leads to diverting a big share of current expenditures away from academic staff leading to an under motivated teaching staff, which leads to low quality higher education in the end (Fahim and Sami, 2009). Academics have staged several public protests over poor pay (Khalid, 2008; 2009; 2010a).

The analysis of accountability has identified several issues, some directly related to funding and QAS but, as with autonomy, others concerned with broader governance issues and cultural factors.

What emerges is that issues identified in Egypt concerning rigid administrative accountability and lack of accountability for the work of academics may have less to do with funding or QAS but are influenced by the regulatory system governing higher education, which inhibits a proper dialogue of accountability. Indeed, the overly centralised regulatory environment with its employees treated as civil servants on tenure track with salaries based on seniority regardless of performance/outcomes has worsened that dialogue. This finding is consistent with policy documents and the literature (Said, 2001; QAAP, 2008b; OECD and World Bank, 2010) which confirm that the legislative framework for governing higher education in Egypt is obsolete and not up to contemporary challenges with academic staff adversely affected by selection, recruitment practices, and poor remuneration. It can be argued that the limited autonomy of universities also weakens the dialogue of accountability as some of the main characteristics of a strong dialogue of accountability - trust and discretionary authority - are absent (Fenstermacher, 1979; Dunn, 2003; Heim, 1995 cited in Heim, no date; Heim, no date).

In the UK, some of the identified issues relate to funding and QAS but others might also be associated with the regulatory system. For example, fair financial accountability might go back to the clarity of the dialogue of accountability with universities' awareness of what is expected in terms of securing money for teaching and research. Weak accountability for teaching might be explained in terms of the absence of quality measures linked to funding teaching, unlike research funding and the RAE, as reflected in the literature (Bush, 2007; Neyland, 2007).

Issues related to QAS are concerns about the QAA and BIQAES as being bureaucratic and resource intensive, covering accountability more than enhancement. These concerns reflect the wider literature (Harvey and Knight, 1996; Lee and Knight, 1996; Deem, 1998; Davies and Thomas, 2002; Robert, 2004; Stohl, 2007; Biggs and Tang, 2007; OECD, 2007) which see QAS as mainly concerned with accountability, value for money and fitness for purpose, rather than enhancement, so that the university sector has become more directly managed for reasons of greater accountability.

The fact that market accountability matters more for universities indicates that the regulatory system/environment, particularly in a quasi-market form, may have more impact on the dialogue of accountability than funding and QAS. Thus, decentralisation, allowing universities a degree of autonomy to decide their direction within a quasi-market environment might be judged as a successful means of enhancing the dialogue of accountability as it increases competition between universities and makes them more responsive to students, employers and the wider community. However, despite this, it is necessary to be alert to the fact that universities are good at game-playing, making it possible for them to hide things during institutional audit that would not be to their credit.

Thus, there would always be a need for audit systems to generate market information for quasi-markets. However, the main question is: can those audit systems be run in a better way than currently, bearing in mind that whatever system is put in place, there would be an element of game-playing as academics and senior managers would need to present a good image of their institutions? The answer to this question may include two options for policy makers: (a) either having a very intrusive system which tries to control this but probably at a cost that would be high and, moreover, might still not work or (b) having lighter touch audit systems to inform the market accompanied by more 'investment' in trust in professionals. It

can be argued that there would be more gains in terms of information flow by having a lighter touch audit system accompanied by more trust in professionals rather than having a very intrusive system, which might not work anyway.

This finding is consistent with the literature (Harvey and Green, 1993; Le Grand, 2003; Harvey and Newton, 2004; Floud, 2005; Le Grand, 2007) which called for the importance of professional accountability through having more trust in professionals and making QAS lighter touch, with Codd (2005) arguing that the restoration of an eroded culture of trust in the education sector requires a form of accountability which enhances rather than diminishes professional accountability, bearing in mind that markets only prosper in societies that have elements of trust and reciprocity (Codd, 2005; Thomas, 2005).

It can be argued that professional accountability can be enhanced through having more trust in professionals by giving them ownership of managing the quality of provision; making QAS lighter touch by reducing workload, paper work and administration for academics; encouraging more diversity rather than uniformity; ensuring that QAS serve both enhancement and accountability purposes and finding a good balance between them.

Table 8.2: Accountability in Higher Education in Egypt and the UK

Funding Mechanisms		Quality Assurance Systems	
Egypt	The UK	Egypt	The UK
<p>*The first group, which forms a great majority, 35 out of 44, sees the system as providing strong financial accountability whereas it provides weak/no accountability for academics.</p> <p>-strong financial accountability; -even universities' self-generated income is subject for accountability through CAPMAS; -weak/no accountability for academics.</p> <p>*Although the majority of interviewees see the system as providing strong financial accountability, they see that it is a rigid one as it is just concerned with compliance and neither puts outcomes into consideration nor provides any incentives for efficiency gains. In addition, they see that the system provides no or weak accountability for academics.</p> <p>-The first issue which weakens the system of accountability for academics is <i>the tenure track system</i>; -lack of job satisfaction for academics; -academic pay is fixed for all regardless of their performance/outputs; *Some senior managers see that <i>the system provides accountability for academics but it is just on paper, not activated.</i></p> <p>*The second group, 5 out of 44, sees the system as providing weak accountability mechanisms.</p> <p>-the funding system does not provide sufficient accountability as it has lots of gaps and that accountability is only an administrative one, not a technical one.</p> <p>*The third group, 4 out of 44, has no idea about the nature of the dialogue of accountability between universities and funders.</p>	<p>*Nationally</p> <p>*All interviewees agreed that there is a fair amount of accountability in the system in terms of financial accountability and in relation to the quality of teaching and research in HE in the UK.</p> <p>*However, four interviewees see weak accountability for teaching as there is no quality measure in teaching linked to funding.</p> <p>-Interviewees also noted that <i>although the QAA is supposed to check the quality of teaching, it checks a paper trail rather than the actual quality of teaching.</i></p> <p>*Internally in UoB</p> <p>*All interviewees agreed that there is much more accountability (control) and much less autonomy under the new financial model especially with colleges as a new level of administration.</p>	<p>*All interviewees agreed that QAS include rules which guarantee achieving a strong dialogue of accountability but those rules are not activated for several reasons.</p> <p>-lots of the laws and regulations governing HE in Egypt contradict with and impede the proper implementation of QAS; -HEIs have no say on the massive numbers of students they are forced to accept every year which affects the quality of provision; -there is no activated accountability for academics because poor pay forces them to have additional jobs to secure their livelihood.</p> <p>*Almost all interviewees see that the project of linking an increase in academic pay to the performance of academics is a great failure and that it has not provided a solution to either pay or accountability as the project has linked the financial incentive to academics' physical attendance rather than their performance. Moreover, the project failed to recognize that:</p> <p>-academics work most of the time even when they are at home; -lack of proper offices for academics; -the difficulty of monitoring academics' attendance; -the financial incentive is not rewarding enough to secure the livelihood of academics. -there should be more trust in academics.</p> <p>*Only six interviewees see that universities began to have an accountability system for academics through linking a financial incentive to the performance of academics under QAAP but it just needs more time to be settled and be highly activated. They see that it is a step forward on the way of having a good accountability system for academics but they also ensured that it should be more linked to the quality of performance of academics rather than their physical attendance.</p>	<p>*Nationally</p> <p>*Almost all interviewees agreed that there is a fair amount of accountability in the system in terms of quality of teaching and research in HE in the UK.</p> <p>-there are several layers of accountability in the UK HE; -RAE is considered to be a reasonable way of making universities accountable for QR money; -weak accountability for teaching; -accountability for teaching is there but probably becoming relatively less; -QAA, as a means of assuring the quality of teaching, is just becoming a huge bureaucratic system; -there is another layer of accountability which is market accountability.</p> <p>*Internally in UoB</p> <p>*Almost all interviewees agreed that there is a reasonable amount of accountability in the system but they see that IQAS in UoB covers accountability more than enhancement.</p> <p>-there is a good dialogue between quality assurance committees in the university, colleges and coming down to the schools' level; -there are different layers of accountability for assuring the quality of provision; -schools are becoming more accountable and less autonomous; -'one-size fits all' policy does not seem to work efficiently; -BIQAES seems quite bureaucratic, very time-consuming and not particularly effective; -on top of those layers of accountability, they have market accountability.</p>

8.4 Efficiency

Perceptions on efficiency in relation to funding and QAS are summarised in Table 8.3 with great differences between participants in Egypt and the UK.

Whereas the majority of interviewees in Egypt see the system as inefficient in terms of funding, the majority in the UK see the system as reasonably efficient. It is believed that efficiency in Egypt is negatively affected because of line-item funding as well as inadequate funding, lack of flexibility and transparency; lack of proper up-to-date equipment and no incentives for efficiency gains. One of the most striking findings is that there is general agreement between senior managers, senior manager academics and academics about the inefficiency of the current system with no one suggesting it was efficient. Thus, line-item funding has negative impact on operating efficiency and internal efficiency as it lacks flexibility and does not provide incentives for efficiency gains (Bannock *et al.*, 1972; Mingat and Tan, 1988; Barr, 2004b); and on external efficiency, as employers and students are displeased with the quality and efficiency of education and attest to its limited relevance (World Bank, 2002a; SPU, 2008). Providing education free for all students also has a negative impact on study and students' progress as there are no incentives for students to finish their degrees on time and be successful in the labour market (Bevc and Ursi, 2008). On the other hand, the block grant in the UK is seen to enhance efficiency as it provides universities with a reasonable degree of stability, flexibility and autonomy to decide appropriate ways of allocating resources and deciding priorities (Johnstone *et al.*, 1998).

However, an analysis of the issues shows there are other factors influencing efficiency. For instance, most of the issues identified in Egypt arise from the regulatory system, such as: providing higher education for free even for failing students; the mismatch between tuition fees and the real cost of teaching students; poor academic pay and lack of fair

competition between public and private universities. The issue of providing higher education for free, even for failing students, is seen as regressive, inefficient and unfair as most of the students join pre-higher education in private and language schools for very high tuition fees. Thus, almost all interviewees have recommended rationalising the policy of providing higher education free to enhance the efficiency of study, its equity and to allow fairer competition between public and private universities.

This finding is consistent with Farag's (1999) survey of the social class and educational backgrounds of state university students which shows that, despite higher education being free, most students in high-status faculties attended prestigious private secondary schools. It also reflects World Bank reports (2002b; 2007) and Fahim and Sami's (2009) findings that public spending on higher education across different population quintiles favours the rich and is a subsidy to the middle class. Thus, free higher education is not necessarily achieving efficient or equitable outcomes as students from the rich and middle classes benefit more from tax funding, as is also reflected in the wider literature (Blondal *et al.*, 2002; Greenway and Haynes, 2003; Goodman and Kaplan, 2003; Barr, 2004b; Psacharopolous and Patrinos, 2004; Chapman and Ryan, 2005; Wobman and Schutz, 2006; Johnstone and Marcucci, 2007). James (2007) added that free higher education creates a regressive tax situation in most nations as the middle and upper classes are overrepresented compared to lower classes.

In the UK, the regulatory system and the diversified sources of funding were found to play an important role in enhancing efficiency. A market-driven system and diversified funding have brought more competition between universities, driving up the quality of provision. In addition, within that environment, the customer culture has made universities

more responsive to the needs of students and employers of graduates (Vossensteyn, 2004; Le Grand, 2007).

Although the majority believe the funding system in the UK is reasonably efficient, they recognized some inefficiencies which should be addressed. These included worries about universities becoming underfunded due to the forthcoming reductions in funding; the different bands for different subjects which, for them, are questionable; the increasing bureaucracy of the system; the way research is funded pushes universities to give more concern for research than teaching and the huge amount of time, money and effort spent on RAE and QAS, which is becoming too bureaucratic. Internally, in UoB, the majority were unable to decide whether the system is efficient or not as the financial model in UoB is still new. Whereas nine interviewees see the financial model in UoB as reasonably efficient because it allows more strategic planning, a group of six sees it as inefficient as it is a disincentive, lacking transparency with colleges just adding an extra tier of bureaucracy.

On QAS, whereas the majority of interviewees in Egypt cannot decide whether the system is efficient or not, the majority of interviewees in the UK see the system as reasonably efficient in terms of ensuring the quality of research but inefficient in terms of assuring quality in teaching. Participants' inability to give clear-cut answers about the efficiency of QAS in Egypt arises from the fact that the project is in a transitional phase and the culture is quite new, needing more time to settle down before being judged. A group of 11 interviewees sees that QAS are reasonably efficient for several reasons: raising awareness of the culture of QA; laying the necessary ground work for QAS; using SWOT analysis in self-studies evaluation; establishing student feedback systems, and establishing a link between evaluation and funding under CIQAP, which is an important factor in improving the dialogue of accountability and also an incentive for improving efficiency as reflected in QAAP final

report (QAAP, 2008a). On the other hand, a group of seven interviewees sees that QAS are inefficient as there are several unresolved problems such as inadequate funding, lack of proper infrastructure, massive numbers of students, poor pay for academics and poor accountability for academics (Said, 2001; QAAP, 2008b); QAS are just about game-playing and QA criteria are not adapted to different contexts.

In the UK, on the other hand, the system is believed to be reasonably efficient in terms of ensuring the quality of research but inefficient in terms of teaching quality. Whereas the NSS is seen as quite efficient as it represents the views of customers they have concerns about QAA in terms of bureaucracy and it being a paper trail and box-ticking exercise, labour and resource intensive and a waste of much academic time and taxpayers' money. A few interviewees cannot decide whether QAS are efficient or not as they might be efficient in some senses and inefficient in others. Internally in UoB, 12 interviewees see that IQAS are reasonably efficient by moving to larger academic units - colleges - and allowing for better strategic planning with greater opportunity to spread best practice. However, they are not happy with its bureaucracy and the volume of paper work generated. It is also believed that Birmingham's IQAS, as with other universities, is over-influenced by the national QAA agenda. For a group of ten interviewees, IQAS in UoB are inefficient for several reasons: the centralisation and uniformity which IQAS imposes through an excess of codes of practice; BIQAES is labour and resource intensive with complex procedures for approving new modules/programmes. A few interviewees view IQAS as efficient in some respects and inefficient in others.

These several concerns about QAA contradicts a literature which state that QAA institutional audits rely on self-regulation by institutions and thus imposes a significantly smaller burden than the earlier combination of subject reviews and audits (Clark, 2006; King,

2006). This indicates that the QAA is not the intended lighter touch but a system which is still labour and resource intensive. The findings are also consistent with a literature which sees that QAA audits focused on systems and not on the quality of teaching itself (Vlasceanu *et al.*, 2007), as well as being retrospective and requiring conformity to externally imposed standards (Biggs and Tang, 2007).

To sum up, it can be argued that most interviewees in UoB are more or less content with the efficiency of the RAE, where it is difficult to identify a more efficient way of assessing the quality of research other than peer review, whereas they are not content with the efficiency of QAA as it is time and resource intensive and neither assesses the quality of teaching nor informs the distribution of money for teaching.

It is also clear that the reported perceptions in UoB show quasi-markets and new managerialism have a visible impact on the efficiency of the system. A market-driven system and diversified funding have brought more competition between universities, driving up the quality of provision. In addition, within that environment, the customer culture has made universities more responsive to the needs of students and employers and is why the NSS is seen as quite efficient as it represents the views of customers. The impact of new managerialism is visible through the concerns interviewees in UoB have on the uniformity and standardisation the government imposes on universities through codes of practice and guidelines with Birmingham's IQAS, as with other universities, seen as over-influenced by the national QAA agenda.

Table 8.3: Efficiency in Higher Education in Egypt and the UK

Funding Mechanisms		Quality Assurance Systems	
Egypt	The UK	Egypt	The UK
<p>*The first group which forms a vast majority, 32 of 44 interviewees, sees the system of funding as inefficient at all for several rationales</p> <ul style="list-style-type: none"> -insufficiency of public funding; -lack of transparency; -lack of flexibility; -poor academic pay; -providing HE free for all students; -quality of provision is always compromised; -tuition fees do not reflect the real cost of teaching students in HE; -the system does not provide incentives for students to finish their degrees on time and be successful graduates who are able to compete in the labour market; -Egypt provides HE free for failing students which adds to inefficiency; -practical learning becomes like theoretical learning because of lack of proper up-to-date equipment; -there is no fair competition between public and private universities. <p>*The second group, 12 of 44 interviewees, sees that the efficiency of the current system can be classified as poor or medium efficiency</p>	<p>*Nationally</p> <p>*The majority of interviewees, 22/28, sees the system of funding as reasonably efficient</p> <ul style="list-style-type: none"> -transparency achieved mainly through clarity of accountability; -the block grant provides universities with a good degree of stability, autonomy and flexibility; -diversified sources of funding and competition between universities drive up the quality of provision; -the customer culture made universities more responsive to students' concerns for the quality of provision. <p>*However, they also agreed that there are downsides/inefficiencies in the system which should be addressed:</p> <ul style="list-style-type: none"> -universities are becoming underfunded because of the annual financial cuts; -the different bands for funding different subjects are questionable; -there is more bureaucracy in the system; -the way research is funded pushes universities to give more attention for research than for teaching; -the chances of being successful in getting research grants is becoming very low to a stage where it does not worth academics' time and effort in preparing research proposals; -a lot of energy, time and money are spent on administrative exercises which are designed to maximize performance on either a teaching quality assessment or RAE. <p>*The second group of 6 interviewees cannot decide whether the system of funding is efficient or not</p> <ul style="list-style-type: none"> -the term efficiency is so broad and difficult to define and thus difficult to judge. <p>*Internally in UoB</p> <p>*The majority, 13 interviewees, finds it quite difficult to decide whether the system is efficient or not</p> <ul style="list-style-type: none"> - the financial model in UoB is still new, not settled. <p>*A second group of 9 sees the financial model in UoB as reasonably efficient</p> <ul style="list-style-type: none"> -it allows for much better strategic planning for the whole institution; -the connection between the strategic decisions of the university's executive board and the operationalization of those decisions. <p>*A last group of 6 interviewees sees that it is inefficient</p> <ul style="list-style-type: none"> -the college layer just adds an extra tier of bureaucracy; -the new financial model lacks transparency as it has no formula; -the new financial model is a disincentive. 	<p>*The majority of interviewees, 22, finds it difficult to decide whether QAS are efficient or not</p> <ul style="list-style-type: none"> -the project is incomplete yet and the culture of quality assurance is new to HEIs in Egypt and needs more time to settle down before being judged; -QAS in higher education are in their transitional phase. <p>*A group of 11 interviewees sees that QAS are reasonably efficient but needs more time to be highly activated</p> <ul style="list-style-type: none"> -documentation and paper work are quite crucial in a system which did not use to have any sort of documentation before; -QAAP has been reported to be successful in raising awareness of the culture of quality assurance in Egypt HE; -paper work is essential and can be an entry to development and improvement although not an end by itself; -using SWOT Analysis in the self study evaluation has been reported to be very beneficial; -the system of student feedback has also been reported to improve the efficiency and quality of provision; -establishing a link between evaluation and funding under CIQAP. <p>*A group, of 7 interviewees, sees QAS as inefficient</p> <ul style="list-style-type: none"> -there are several unresolved problems which make the system inefficient; -QAS are just about playing the game; -QAS are inefficient as all academics have tenure track so they do not care about it; -QA criteria are not adapted to different contexts. 	<p>*Nationally</p> <p>*The majority of interviewees, 21, sees that QAS are reasonably efficient in terms of research but are inefficient in terms of teaching</p> <ul style="list-style-type: none"> -RAE is doing a reasonable job; -NSS is quite efficient; -QAA may be efficient as institutional audits take place once every six years. However, they have some concerns about the process: <ul style="list-style-type: none"> -it is just about paper trail and ticking boxes; -QAA is a total waste of academics' time and taxpayers' money; -QAA is still very labour and resource intensive; -'Where do you put your energies?' <p>*The second group, only 7 interviewees, cannot decide whether QAS are efficient or not</p> <ul style="list-style-type: none"> -QA mechanisms for both teaching and research in HE might be efficient in one sense and inefficient in another. <p>*Internally in UoB</p> <p>*The first group, 12, sees that IQAS in UoB are reasonably efficient</p> <ul style="list-style-type: none"> -moving to larger academic units, colleges, allows for more strategic planning through BIQAES; -colleges allow much greater opportunity to spread best practice; -Birmingham's IQAS, like any other university, is influenced by the national QAA's agenda. <p>*The second group, 10 interviewees, sees IQAS in UoB as inefficient for several reasons:</p> <ul style="list-style-type: none"> -reforms in the university are becoming more centrally-driven; -'one-size fits all' policy does not work as the varying structures and the variations in schools and departments are healthy and the university should encourage diversity more than uniformity; -BIQAES is labour-intensive generating a lot of paperwork; -more bureaucracy and complexity in approving new programmes/modules; -the codes of practice which also keep being altered; -the whole college structure between schools and the university is just creating an awful amount of extra work; -'Where do you put your energies?' <p>*The last group, only 6 interviewees, cannot decide whether IQAS in UoB are efficient or not as they might be efficient in one sense and inefficient in another sense.</p>

8.5 Equity

Table 8.4 summarises perceptions on equity in relation to funding and QAS.

Whereas the majority of interviewees in Egypt cannot decide whether the system is fair or not in terms of funding, in the UK the majority see the system as reasonably fair. Uncertainty about fairness in Egypt goes back to the fact that there is no funding formula so interviewees do not have enough information about the criteria for distributing budgets among universities and faculties. Twelve interviewees see the system as unfair for several reasons: funding does not meet the real cost of teaching students; lack of fair competition between public and private universities and favouritism/lack of transparency. Eight interviewees, most of whom are senior managers, see it as quite fair as the distribution is based on the needs of universities within available resources for the sector. Although no clear-cut answers were given on equity, there was a general agreement that public funding is inadequate and that universities depend heavily on their self-generated income.

Although the majority of interviewees in the UK see the system as reasonably fair in terms of transparency and adequacy, they have some concerns about research money. Although they agree it is fair for research money to be distributed according to the quality of research outputs, they see the system as favouring those institutions that have done well in the past and it may be unfair for new/post 1992 universities. Eleven interviewees could not decide whether the funding system is fair or not for a variety of reasons: because they lacked enough information on funding nationally; equity is a broad term which is too difficult to define and thus difficult to judge; funding may be fair in some senses and unfair in others; and what some consider fair might be criticised by others as unfair. Internally in UoB, the majority found it too difficult to decide whether the system is fair or not as the financial model in UoB

is still new. Five interviewees see the new financial model as unfair as it is not transparent and a disincentive, while five others see it as reasonably fair as it keeps the whole institution alive.

The analysis identifies similarities and differences between the two cases, some of which are directly related to funding while others are related to broader governance issues. In Egypt, uncertainty on the fairness of funding goes back to lack of transparency as there is no funding formula for distributing budgets. There are also other reported issues which are believed to affect equity: inadequate funding; favouritism; and lack of fair competition between public and private universities. While inadequate funding is directly related to poor public funding, the other issues are related to broader governance and cultural factors. For instance, lack of fair competition between public and private universities arise from the duality of criteria and policies governing higher education in Egypt. While the government allows private universities to charge fees they choose, public universities can only charge nominal fees. It can also be argued that lack of a funding formula and favouritism might arise from the cultural environment where universities are treated as any part of the public sector. Thus, the public sector culture might be argued as having a greater negative impact on equity than funding.

It is clear that issues of lack of fair competition between public and private universities, providing higher education free for all and the mismatch between tuition fees and the real cost of teaching students have been reported to harm the efficiency and equity of the system. This shows that concerns about efficiency and equity are closely inter-related and changes in one might affect the other (as discussed in section 8.4), all too likely as educational policy goals encompass efficient allocation and equitable distribution of costs and benefits (Woodhall, 2007; Barr, 2004a).

Among interviewees in the UK, the system is seen as fair as there is a funding formula for distributing teaching and research money and universities are adequately funded. However, the analysis shows there are issues affecting equity which are related to broader governance issues rather than funding alone, including: the system favours institutions that have done well in the past, based on unequal patterns of historical resource distribution, and that it might be unfair for new universities. Internally in UoB, uncertainty about the fairness of funding might arise from lack of transparency as it now lacks a funding formula.

On QAS, the majority of interviewees in CU and UoB see that QAS are reasonably fair for HEIs, academics and students as they are all treated the same way. However, they have some similar concerns about the process. What is surprising about this finding is that the majority of respondents in both cases have the same perceptions of QAS although the system is well-established in the UK but quite new in Egypt.

Whereas the majority of interviewees in CU see QAS as reasonably fair, they see it in need of improvement, including: concerns about the audit panels, most of whom are junior academics lacking managerial/administrative experience and limited experience of teaching and research; student feedback is not taken seriously by all students; participation in QAS is optional for academics; and administrative staff and students are not well involved. A group of 13 interviewees see QAS as unfair for several reasons: most external auditors were from small regional universities; auditors were unfair in their reports and concentrated on bad stuff; were sometimes very strict and other times lenient in auditing certain universities or faculties; the QA criteria are not well adapted to their context; and the system of student feedback is sometimes very subjective. Eight interviewees cannot decide whether QAS are fair or not as the culture of QA is quite new and many academics have not yet received a visit from an independent agency like NAQAAE.

In the UK, the system is seen as reasonably fair as it is transparent and all universities know its rules; students are well represented and their voice is heard; RAE is reasonably fair for assuring the quality of research; and QAS are fair in terms of ensuring the quality of teaching as all universities are treated the same way. However, they have some concerns about the QAA, most of which have been discussed in the efficiency section (section 8.4). They also have concerns about audit panels, the membership of which is reported to be mainly from new universities. A group of ten interviewees cannot decide whether QAS are fair or not as equity is a broad term which has several dimensions; QAS might be fair in some senses and unfair in others and what some people consider as fair might be criticized by others as unfair. Internally in UoB, there were no clear-cut answers on equity. Half of the respondents see IQAS as reasonably fair because BIQAES is transparent with much of the responsibility for managing quality in the hands of academics. However, they have concerns about the uniformity imposed by BIQAES, which are viewed as unhelpful. The other half of respondents cannot decide whether IQAS are fair or not as they might be fair in some respects, such as student representation systems but unfair in other respects, such as workload and promotion of academics.

Some of the issues identified, here, are related to QAS while others are related to broader governance issues and cultural factors. The similarity of perceptions on QAS in both cases, in terms of being reasonably fair for HEIs, academics and students, is directly related to QAS as everyone is treated the same way. Moreover, the participation of British consultants in the establishment of QAS in Egypt might explain the similar concerns participants in both cases have about the process and audit panels (QAAP, 2007a).

The issues and concerns identified in Egypt about audit panels might arise from the fact that the culture of QAS is new and the project is still in a transitional phase, needing more

time to build capacity through training more people with managerial experience and good experience of teaching and research. The concern about participation in QAS being optional for academics arises from the regulatory system developing the scheme of linking financial incentives to the performance of academics: their participation in QAS was used to increase academics' pay and enhance accountability. As the government does not have enough financial resources to increase pay for all academics through QAAP, academics' participation in QAS was meant to be optional. Fahim and Sami (2009) argued that the fact that participation in that scheme is optional for academics casts major doubts on its merit and whether it will actually have any impact on the performance of academics or the quality of education (Association for Freedom of Thought and Expression, 2008; Abo El-Naga, 2008). This is found to be the case as the general attitude of resentment and lack of cooperation towards this scheme may be due to cultural reasons. Concerns about the lack of involvement of administrative staff and students may also arise from the culture of QAS being new.

Concerns about student feedback system not being taken seriously and sometimes being very subjective might arise from cultural factors, as students are not accustomed to a culture of feedback in earlier stages of their education. In addition, most do not believe their feedback would make any change, indicating students do not have trust in QAS. Moreover, a large number, especially in theoretical studies, do not attend regularly to be able to give feedback so it is not likely to be very reliable. The lack of adaptation of QA criteria to the Egyptian context might arise from the QA criteria being set at a higher standard/requirement than the capacity, resources and facilities of public universities, which is not the case in private universities, resulting in unfair competition. It may also be the case that the regulatory system impedes implementation of QAS, affirming that a 'one-size fits all' policy does not work and QA criteria need to be adapted to context. This finding reflects Linn's (2003) argument that, while achieving a strong dialogue of accountability requires the setting of

ambitious performance standards and improvement targets, they must be ones that can reasonably be achieved given appropriate effort and available resources.

In the UK, the language used to describe QAS as fair is related to transparency because all universities know the rules and are treated the same way, students are well represented and their voice is heard and the RAE is seen as reasonably fair. The concerns interviewees have about assuring the quality of teaching may arise from the cultural and regulatory environment where the emergence of QAS in higher education was based on lack of trust in professionals. This lack of trust has led to the adoption of new managerialism and quasi-market competition and more direct control through guidelines, standards and codes of practice. However, although QAA audits are seen as heavily paper work-driven, the game playing by “ticking the box” and having a well prepared paper trail in place protects their core functions against external threats (Harvey and Newton, 2004). Nonetheless, QAS still puts extra pressure and workload on academics, diverting them from their core missions and this is perceived as unfair. Thus, while it is fair that universities should be accountable for the quality of their provision, ways of holding them accountable without the amount of time, money and effort required by QAS would be desirable. Thus, although interviewees agree that QAS are reasonably fair, they recommend it should be lighter touch and show more trust in professionals.

Concerns about the audit panels, the members of which are mainly from post-1992 universities, are based on the view that peer reviewers may fail to recognize that pre-1992 universities have different approaches to teaching and research and give different weight to those activities than older universities. Thus, they recommend there should be a balance in the external audit teams to guarantee fairness.

The view that students are well represented and their voice is heard might go back, in part, to QAS' guidelines. However, it can be argued that they arise from cultural factors with the higher education environment becoming market-driven and this customer culture making universities more responsive to the needs of students, who are also becoming more demanding, especially as they carry an increasing share of the cost of their education. Thus, satisfying the needs of the customer/students becomes increasingly central to a more market-driven environment. Internally in UoB, uncertainty about the fairness of IQAS might arise from the regulatory system, with the new college tier still in a transitional phase and also because equity is a broad term with several dimensions, as also reflected in the literature (David, 2004; Bevc and Ursi, 2008). Thus, the system might be fair in some senses and unfair in others and what some may consider fair may be criticised by others for unfairness. One of the good things reported about the fairness of IQAS in UoB is that much of the responsibility for ensuring quality of provision is in the hands of those who deliver and it is a characteristic of BIQAES that the best way of managing quality is by giving academics ownership of the process.

The impact of quasi-markets and new managerialism on equity/fairness of the system is visible through the concerns interviewees in UoB have on the volume of time, money and effort QAS require; and the extra pressure and workload diverting academics from their core missions of teaching and research, all of which is perceived as unfair. While it is agreed that it is fair that universities should be accountable for the quality of their provision, there should be other ways of holding them accountable without the amount of time, money and effort QAS require. A preferred alternative would be making QAS lighter touch with greater trust in professionals.

Table 8.4: Equity in Higher Education in Egypt and the UK

Funding Mechanisms		Quality Assurance Systems	
Egypt	The UK	Egypt	The UK
<p>*The majority, 24 interviewees, falls into the first group who cannot decide whether the funding system is fair or not.</p> <p>-they do not have enough information about the criteria of distributing funding among universities or faculties in the same university; -while they do not have enough information about the distribution of funding, they are sure that universities depend heavily on their self-generated funds to cover poor public funding.</p> <p>*The second group, 12 interviewees, sees the funding system as unfair</p> <p>-it does not meet the real cost of teaching students which negatively affects the quality of provision; -there is no fair competition between public and private universities; -favoritism/lack of transparency.</p> <p>*The last group, 8 interviewees, sees it as quite fair</p> <p>-Distributing funding among different universities depends on the actual needs of universities and the available financial resources for the HE sector. -Although interviewees in this group agree that distributing funding among different universities is reasonably fair, in light of the available resources, they agree that it is inadequate and that universities depend heavily on their self-generated funds.</p>	<p>*Nationally</p> <p>*17 interviewees see that the funding system is reasonably fair</p> <p>-The system is transparent and HEIs are properly funded. -Although these interviewees agree that it is fair for research money to be distributed according to the quality of research outputs, they have some reservations: -the system in place favours institutions that have done well in the past; -the system might be unfair for new, post 1992, universities.</p> <p>*11 interviewees find it too difficult to decide whether the funding system is fair or not</p> <p>-lack of enough information on funding HE nationally; -equity is a broad concept which is too difficult to define and thus difficult to be judged; -funding might be fair in some senses and unfair in others.</p> <p>*Internally in UoB</p> <p>*The majority, of 18 interviewees, finds it quite difficult to decide whether or not the system is fair</p> <p>-the financial model in UoB is still new and not settled.</p> <p>*The second group of 5 interviewees sees the financial model in UoB as unfair</p> <p>-the financial model in UoB is unfair, as it is not transparent and disincentive.</p> <p>*The last group of 5 sees that it is reasonably fair</p> <p>-the financial model in UoB is reasonably fair as it can keep the whole institution alive.</p>	<p>*The majority of interviewees, 19, sees QAS as reasonably fair</p> <p>-QAS are reasonably fair for HEIs, academics and students.</p> <p>*However, they also see that the system needs improvement and have some reservations:</p> <p>-the first reservation is about audit panels; -student feedback is not taken seriously by all students; -participation in QAS is optional for academics and administrative staff and students are not well involved.</p> <p>*13 interviewees see that QAS are unfair</p> <p>-the audit panels may not be fair in their reports and were concentrating on the bad stuff during their visits; -most external auditors (audit teams) were from small regional universities; -peer reviewers are sometimes very strict in auditing certain universities/faculties and lenient in others; -QA criteria are not well adapted to the Egyptian HE context; -the system of student feedback is unfair as it is sometimes very subjective.</p> <p>*8 interviewees find it too difficult to decide whether QAS are fair or not</p> <p>-the project is incomplete; -the culture of QA is new to HEIs in Egypt and that the project is in its transitional phase; -academics cannot decide if QAS are fair or not unless they receive an external visit from an independent agency like NAQAAE.</p>	<p>*Nationally</p> <p>*The majority of interviewees, 18, sees QAS as reasonably fair</p> <p>-the system is transparent as all universities know the rules of the game; -QAS are fair for students as they are well represented and their voice is heard; -RAE is perceived to be reasonably fair; -In terms of assuring the quality of teaching, they think that it is fair as all universities are treated the same way but they have some concerns about it: -QAA institutional audits are heavily paper work-driven; mainly game playing by ticking the box and having well prepared paper-work in place and universities learn how to play the game and can hide stuff which would not be to their credit during institutional audits; and the audit panels have been reported to be mainly from new universities.</p> <p>*The second group, 10 interviewees, finds it too difficult to decide whether QAS are fair or not as equity is a broad term which includes several dimensions</p> <p>-QAS might be fair in some senses and unfair in others.</p> <p>*Internally in UoB</p> <p>*Half of the respondents see that IQAS in UoB are reasonably fair for some reasons</p> <p>-BIQAES is transparent as all schools know how the system operates; -a lot of responsibility is placed in the hands of those who deliver. -Although they agreed that across the board, IQAS in UoB are reasonably fair, there are some concerns/worries about the sort of central uniformities which is viewed as pretty unhelpful.</p> <p>*The other half of respondents cannot decide whether IQAS in UoB are fair or not</p> <p>-QAS might be fair in some senses and unfair in others; -BIQAES is fair for students as they are well represented and their voice is heard through the feedback system; -There are concerns about fairness in terms of workload and promotions of academics.</p>

8.6 Concluding Remarks

The above discussion shows that different funding mechanisms and QAS have variable impact on universities in terms of autonomy, accountability, efficiency and equity.

However, it also was found that there are overlapping contextual factors of governance and culture that contribute to their impact and these are summarised in Table 8.5. The first set of factors is the way the wider regulatory framework - governance - influences the operation and effect of funding and QAS. In Egypt, the overly centralised system²⁵ burdened by an outmoded legislative framework of public sector administration, was found to have a serious impact on HEIs. This environment imposes excessive control over academic affairs, appointment of governing bodies and staff. Following public sector rules and practices, employment policies foster problems of staffing imbalances, promotion by years of service, poor pay and low productivity. This control and centralisation limits autonomy, flexibility, responsiveness, worsens the dialogue of accountability between universities and government and impedes strategic planning and management, both system-wide and by institutions (Said, 2001; World Bank, 2009; OECD and World Bank, 2010).

²⁵ The Egyptian higher education system is highly centralised, across segmented agencies and multiple layers of control, but it is not well planned. Legislative provisions have detailed specifications and various central agencies exercise highly interventionist powers over operational finer details (OECD and World Bank, 2010).

Table 8.5: Governance and Cultural Factors that Contribute to the Impact of Funding Mechanisms and QAS

Country Comparison	Egypt	The UK
Governance Factors	- The system is overly centralised.	- The system is highly devolved/decentralised.
	- Universities are managed in the same regulatory environment as other parts of the public sector.	- Universities are private institutions established as charities serving public benefit. - Universities are increasingly being run more like businesses.
	- Excessive control on academic affairs and on the appointment of governing bodies and staff.	- No control on academic affairs or the appointment of governing bodies and staff.
	- Academic pay and promotion are based on seniority as they are treated as civil servants.	- Academic pay and promotion are linked to performance.
	- Neither the quality of teaching nor the quality of research informs distribution of budgets among universities.	- Quality of teaching does not impact distribution of funding whereas quality of research informs the distribution of QR money among universities.
	- Students pay very modest token registration fees and universities are not allowed to charge students higher tuition fees.	- Universities are allowed to charge students higher tuition fees up to a certain cap decided by the government.
	- There is no competition between public universities as they have no say on the level of student recruitment and the nominal fees are the same in all universities. - Unfair competition between public and private universities due to the duality of criteria and policies governing higher education in Egypt.	- There is a strong competition between universities in terms of student recruitment and variable tuition fees for postgraduate studies. - However, there are caps on student numbers and tuition fees for undergraduate students.
Cultural Factors	- The culture of the public sector/ Civil service inhibits innovation.	- The culture of Quasi-markets encourages innovation.
	- Lack of trust between universities, government and the community.	- Lack of trust in professionals to be self-regulating.
	- Great control over the system.	- Direct control on student numbers and tuition fees and control on what universities do through QAS.
	- No competition.	- Strong competition.
	- Universities are less responsive to the needs of students, employers and the community.	- Universities are more responsive to the needs of students, employers and the community.
	- Rigid administrative accountability.	- The customer culture & Market accountability.
	- All academics are on tenure track with very limited opportunities of movement between institutions.	- Most academics are on open contracts and are able to move between institutions.
	- Weak accountability for academics.	- Strong accountability for academics.
	- Student feedback system is not highly activated and sometimes is very subjective.	- Students are well represented and their voice is heard.

Moreover, the system suffers from inefficient resource allocation mechanisms as budget allocations are not informed by sector policy or needs-based criteria. A more serious problem is that the tightly-controlled administrative system and rigid regulations provide insufficient incentives and flexibility for HEIs to use their limited resources more efficiently (Said, 2001; World Bank, 2002a; El-Baradei and El-Baradei, 2004; World Bank, 2009; OECD and World Bank, 2010) which, in turn, affects the quality of provision. Providing higher education free, even for failing students, and having no say on student intake also harms efficiency and equity as there is no competition between public universities. The duality of criteria and policies governing higher education in Egypt leave no space for fair competition between public and private universities.

In the UK, by comparison, the system is highly decentralised as universities are private institutions/corporations established as charities serving public benefit. This regulatory framework allows universities a reasonable degree of autonomy to manage their academic affairs, appointment of their governing bodies and staff and pay and promotion, which are based on performance. Whereas the quality of research informs the distribution of QR money, the quality of teaching has no impact on the distribution of money and is why participants have recommended a link between the quality and funding so that there is more competition in teaching quality. Although there is strong competition between universities in terms of research money, student recruitment and variable tuition fees for post-graduate studies, the government still has a hand on HEIs through caps on student numbers and tuition fees for undergraduate students. However, there will be a shift towards variable undergraduate fees from 2012 based on the Browne's review of higher education funding and student finance (Browne, 2010) (published one year after completing the process of data collection). Thus, this regulatory system is found to enhance the autonomy of universities within a context of a

strong dialogue of accountability, providing incentives for efficiency and is also reasonably fair for HEIs, academics and students.

The second set of factors relates to cultural context and influence governance. In Egypt, the culture of the public sector/civil service inhibits innovation and responsiveness of HEIs to the needs of students, employers and the community. There is lack of trust between universities, government and community. Whereas the culture provides security in terms of permanence of tenure to academics, it also leads to great control over the system, limiting autonomy and flexibility. It provides rigid administrative accountability, which neither puts outcomes into consideration nor provides incentives for efficiency, and provides weak or no accountability for academics, which negatively affects the quality of provision. The administrative control of public sector administration and lack of competition impedes responsiveness to changes in student demand and labour market needs, adding to the inefficiency of the system (OECD and World Bank, 2010). Student feedback system is not highly activated and sometimes very subjective as students are not accustomed to a feedback culture in earlier stages of their education and because most do not have trust in QAS.

In the UK, cultural factors are prevalent in the loss of trust in professional integrity and how this has led to a range of changes, such as the competition embodied in quasi-markets and was also accompanied with more direct control through caps on student numbers and tuition fees. The government also practiced control through standardisation, guidelines and codes of practice embodied in QAS. Thus, although the culture of quasi-market or market regulation allowed for innovation and stronger competition intended to make universities more responsive to the needs of students, employers and the community, there was also more direct control from the government. The quasi-market regulations allowed universities a reasonable amount of autonomy to manage their academic affairs and, on top of the layers of

administrative accountability provided by the government, market accountability, competition and the customer culture put students' satisfaction more at the centre of the higher education market.

Thus, it is argued that funding mechanisms and QAS cannot be understood as stand-alone 'objective' phenomena as they are shaped and re-shaped by the regulatory and cultural environment. The analysis indicates that governance and cultural factors must also be understood as influencing autonomy, accountability, efficiency and equity.

8.7 Conclusion

The analysis and discussion were structured around the four themes which form the theoretical framework of the study. It is notable that on these themes, there are no significant differences in the perceptions of the different groups of senior managers, senior manager academics and academics in both cases. In Egypt, there is considerable agreement about the problems of funding mechanisms and QAS, most having clear answers on how funding and QAS affect the dialogue of accountability and autonomy. Views are less clear on efficiency and equity as they are seen as relative terms with several dimensions. Thus, funding mechanisms and QAS may be efficient and fair in some senses and inefficient and unfair in others, so what some consider as efficient and fair might be criticised by others as being inefficient and unfair.

The perceptions of academics and administrators in Cairo University and University of Birmingham indicate that different forms of funding mechanisms and QAS have differential consequences for autonomy, accountability, efficiency and equity. However, it was also found that there are overlapping contextual factors of governance and culture that contribute to their impact. Thus, funding mechanisms and QAS cannot be understood as

stand-alone ‘objective’ phenomena as they are shaped and re-shaped by their regulatory and cultural environment. It also appears that, in relation to their significance and impact, there are contested perspectives between policy pronouncements and the experience of those working in the sector. While it may be argued that a successful funding mechanism and QAS should achieve a good balance between autonomy and accountability and between efficiency and equity, the evidence from this study suggests the balance is closer in the UK than Egypt.

The implications of these for policy, practice and further research is considered in the final chapter.

CHAPTER NINE: CONCLUSION

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CHAPTER NINE: CONCLUSION

THE WAY AHEAD: IMPLICATIONS FOR POLICY AND PRACTICE

9.1 Introduction

This study sought to address five research questions.

- Evidence on the first research question, *What is an appropriate theoretical framework for examining the impact of funding and quality assurance systems on higher education?*, was presented in chapter two.
- Evidence on the second research question, *How do funding mechanisms affect higher education in Egypt and the UK?*, was presented in chapters three, six and eight.
- Evidence on the third research question, *How do Quality Assurance Systems affect higher education in Egypt and the UK?*, was presented in chapters four, seven and eight.
- This chapter provides evidence on the remaining research questions. Sections 9.2 and 9.3 provide evidence on the fourth research question, *In the context of findings from the empirical enquiry, what are the implications for funding and quality assurance systems of higher education in Egypt?*, whereas evidence on the fifth research question, *How do these implications meet key goals related to autonomy, accountability, efficiency and equity?*, is presented in section 9.4.

Based on the analysis and discussion of key findings in chapter eight, this chapter draws out their emergent implications for policy and practice. It is followed by a discussion on the value of a comparative perspective, a review of the strengths and limitations of the study and ideas for future research are presented. The chapter ends with some personal reflections.

The analysis has revealed problems of Egyptian higher education in terms of autonomy, accountability, efficiency and equity. These have been observed through an examination of financial mechanisms and quality assurance systems. Arising from this analysis, however, has been the recognition that governance and the cultural environment also influence how finance and QAS function. In terms of implications for policy and practice, what does this mean?

It means that funding and QAS need to be altered and developed in ways that also address governance and culture and this chapter proposes a set of pilot projects to be trialled in a range of universities - old, regional and new - to test the feasibility and build support for change. Such pilots, 'pathfinders', may then show the benefits of certain changes as well as learning what does and does not work and the required adaptations, if any. It is worth mentioning that funding mechanisms would need major changes as they were found to have a serious negative impact on universities whereas QAS would need incremental changes at present, as the culture of quality assurance is new to HEIs in Egypt and QAS are still in a transitional phase.

While the study has identified several fundamental problems in the system that need to be addressed, the chosen approach is to suggest realistic ways forward in the form of pilot projects on: evolving a funding formula; cost-sharing; staffing; student representation systems and capacity building and training.

9.2 Pathfinders: Pilot Projects

9.2.1 Evolving a Funding Formula

Having identified the severe negative impact of line-item funding on autonomy, accountability, efficiency and equity, replacing it with a block grant system would be appropriate. The proposal is justified by the positive impact of a block grant system on

institutional autonomy, the dialogue of accountability, efficiency and equity in the UK. It is also justified by the literature on the positive impact of block grant systems on resolving rigidities and inefficiencies in the public sector in different countries (Johnstone *et al.*, 1998; Cheung, 2003; Jongbloed, 2004; Salerno, 2005; Jongbloed *et al.*, 2008b) such as the significant reforms in higher education finance introduced in China including replacing line item budgets with block grants, letting HEIs to decide how to spend funds according to their own priorities. The Government exercised only audit and supervisory functions to ensure universities were accountable for the appropriate utilization of public resources (World Bank, 1997; 1998).

An option is to trial this system with a small number of universities, possibly Cairo University and one small regional university to test feasibility and build support for change.

A block grant should be given to universities based on a funding formula for teaching and research to make the distribution of budgets among different universities more transparent.

- For teaching, money could be based on the number of enrolled students across different subject bands, based on the estimated/actual cost of teaching different subjects.
- Research money could be allocated through the Higher Education Enhancement Project (HEEP) competitive fund in combination with a performance-based funding mechanism -for investment projects- to raise competition between universities to produce cutting-edge research outputs and to promote priority policy objectives (as recommended by OECD and World Bank, 2010, in their review of higher education in Egypt). In the long run, there is a need to have a process for evaluating the quality of research outputs and allocate money accordingly.
- An institution's block grant should also take into consideration three additional criteria: activities and money raised from other sources; an average of the institution's expenditure over the last three years to help setting expenditure level; and the institution's mission, aims and objectives.

Data on what the distribution decisions are based upon should be published as a means of building trust between HEIs, the government and society.

These proposals require changing the steering paradigm of governance and finance in Egypt with the government devolving more responsibility to universities within a framework of accountability and agreed targets. Universities participating in this pilot study will also need to build capacity for effective and responsible self-management for their greater responsibilities. They should also be allowed to allocate resources according to their internal policies/their own priorities and be able to carry any budget surpluses into the following fiscal year. This would enhance the efficiency of the system as universities would have an incentive for efficiency gains through rationalising spending and being more cost-effective. Sharing this experience and the information generated with representatives from other universities and subject leaders could contribute to a more informed debate on how to decide upon suitable funding formulae and structures and processes of financial accountability.

However, it should be noted that while replacing line item funding with block grants will have a positive impact on the system, it is found in the literature that block grants, as a form of autonomy, only increases the flexibility of internal funding allocation and the discretionary authority of managers. To gain institutional autonomy, as against internal autonomy, requires increased self-reliance in funding so that universities can pursue diverse missions without the same level of accountability and to reduce the overdependence on Government funds (Kaiser *et al.*, 2001; Jongbloed, 2004).

9.2.2 Cost-Sharing

The cost of funding higher education in Egypt has several major problems, the principal issues being its: inadequacy, inefficiency and inequity, that most of university students come from the rich/middle class (Farag, 1999; Fahim and Sami, 2009; OECD and World Bank,

2010) and participation rates are likely to rise from 28% to 35% between 2006-2021. Thus, Egypt faces the problem of making trade-offs between the desire to expand the system and the problem of declining spending per student with its consequent threat to quality. These factors contribute to the view that the costs of higher education should be shared between taxpayers, graduates, students and their families, employers and other stakeholders as it is a worthwhile investment for both individuals and society (Johnstone *et al.*, 1998; Barr, 2004a; Cheung, 2003; Greenway and Haynes, 2003; Johnstone, 2004a, 2006; Vossensteyn, 2004; Salerno, 2005; Woodhall, 2007; Johnstone and Marcucci, 2007; OECD, 2010a). Without such a change, the choice lies between rationing the number of students or allowing a decline of instructional quality. Thus, there is a need for sustainable diversified resources to finance expansion and improvement in a sustainable manner without compromising quality.

The difficulty with change in this area is that charging fees in Egypt is one of the taboos and cost recovery is seen as unconstitutional and a violation of citizen rights. Thus, introducing a system of cost-sharing will take time and is why the current study starts by proposing three pilot projects to be trialled in a few universities to test workability and, possibly more important, build support for change²⁶.

9.2.2.1 Charging Repeaters

The first pilot project is focused on rationalizing the policy of free higher education which allows all eligible students to join higher education for free for the first year and continuing to be free for successful students. Failing - repeating - students should be charged 50% of the actual cost of the subject or programme when they fail the first time and full cost if they fail a

²⁶ Considerable attention should be given to winning public acceptance, understanding and support. One lesson of the international experience is that even the best models of cost-sharing will fail if the justification and advantages are not adequately communicated to students, their families, staff of HEIs and the wider community (Woodhall and Richards, 2006).

second time. This would enhance efficiency by encouraging students to make better enrolment decisions from the beginning based on their aims, abilities and interests and encourage them to finish their degrees on time (Johnstone, 2004a). Thus, the principle of equal opportunities is not compromised and higher education is still provided free for those who deserve it instead of wasting scarce financial resources on failing students.

This proposal is consistent with Helal's (ex-minister of higher education) perception of how higher education should be funded as he stated "how can the university continue to provide education free of charge for a student who fails to obtain his degree in 10 years? Free education should not mean waste or open-ended opportunities" (Khalid, 2010b).

This proposal is feasible especially in the light of having the external examiner system well established under the QAAP and its success requires fair and transparent systems of student evaluation. Universities participating in this pilot project should make sure that students get consistent treatment through fair assessment and academics must ensure fairness is across the board by examining students, marking exam sheets, double checking and moderation. The external examiner system should be activated to ensure students receive equal treatment across the board. It also should be supported with an appeal system.

The downside of such scheme is that it might not be fair for students joining those universities where the project is piloted to pay fees when they fail a certain subject/programme whereas students in other universities still study free of charge. However, the upside of trialing the project in a couple of universities to test workability and build support for change outweighs the risk of applying it across the whole system. To avoid the downside of this scheme, students might be given choice to join those universities or not and, if other students are interested in joining those universities, they can be allowed to apply

directly to those universities, rather than applying through the Admission Office of Egyptian Universities.

9.2.2.2 Internationalization

The second project is focused on the internationalization of higher education through establishing more partnerships between Egyptian public universities and accredited foreign universities to award joint international degrees in exchange for high fees to be shared between the partners. A good example is the Partnership between the Faculty of Commerce at Cairo University and Robinson College of Business at Georgia State University which commenced early 2007 to offer the Undergraduate Programme in Business²⁷. The study recommends extending those partnerships to different universities as a way of attracting more international students to study in Egyptian universities, diversifying sources of funding and enhancing the quality of provision and the competitiveness of graduates in a global market.

Another option for internationalization is recruiting more international students. One option is to develop postgraduate studies and academic research through establishing research universities or certain faculties/departments which are mainly for postgraduate studies with the introduction of new specializations (programmes/courses) that attract students from other Arab countries.

9.2.2.3 Egyptian Higher Education Contribution scheme

A third pilot project is to introduce income contingent loans as a means of assuring access and greater equality of opportunity, as higher education would still be free at the point of access because it would be graduates not students who pay (Barr, 2003; Barr, 2004a; Garcia-Penalosa and Waldet, 2000; Greenway and Haynes, 2003; Barr, 2005; Barr and Crawford,

27 - Business Education Project Georgia State University and Cairo University (2007a; 2007b)
- American Chamber of Commerce in Egypt (2008)

2005; Chapman and Rayan, 2005). The study recommends this project to be called Egyptian Higher Education Contribution Scheme (EHECS) where higher education is still free at the point of access and graduates make a contribution to support adequately funding universities. The title of EHECS would be more acceptable as there is a cultural attitude uncomfortable with personal debt and loans. This proposal could be trialled in selected Faculties of Engineering or Medicine as graduates of such faculties have greater likelihood of securing jobs, providing insurance for repaying loans. The second reason is the ease and feasibility of convincing students in such faculties that paying a fair share of the cost of their education will help maintain and improve the quality of provision through up-to-date laboratories and equipment, libraries, greater contact hours, a reasonable student/staff ratio and updating curricular aligned with the market needs. The success of such project will require:

- deciding tuition fees for different fields (Medicine and Engineering in the first instance for the purpose of this project);
- collecting accurate and up-to-date data on rates of return of graduate earnings in different fields to help decide and review fees accordingly;
- the government should pay the tuition fees for the participating universities/faculties to fund enhanced provision; and
- developing an efficient mechanism for collecting repayments, e.g. as a payroll deduction alongside income tax.

Finally, the Government should devise a programme of need-based scholarships and student loans to support access by able students from low socio-economic backgrounds. This will help expand access to students from low socio-economic strata (Fahim and Sami, 2009).

The extra resources generated from these pilot projects would be spent on enhancing the quality of provision and providing grants for students from disadvantaged backgrounds and thus help widening participation of HE, which is fairer and more efficient than providing HE free for all. Moreover, it would also make universities more accountable and more

responsive to students' concerns for quality as was found in the UK, where the customer culture has made universities more responsive to issues of quality.

9.2.3 Staffing

9.2.3.1 Academic pay

Poor academic pay is contributing to low job satisfaction and a weak dialogue of accountability between academics, universities and government. A project to address this problem requires additional funds but also clear expectations of what academics should do in response to better pay. Thus, financial incentives and promotion should be linked to the performance of academics, particularly the quality of their teaching and research and their active engagement with the community, as well as generating funds. This would replace payment based on years of service, raise competition and drive up quality. The project would also set reasonable workload with less time for teaching and more time for research with professional development programmes and training for academics.

The universities participating in this project would hold academics accountable for achieving agreed targets in areas such as:

- getting papers published in top journals;
- improving the quality of teaching;
- developing curricula;
- setting appropriate contact hours with students;
- evaluating students in appropriate ways;
- introducing quality assurance systems;
- doing certain administrative work;
- generating research income;
- participating in national and international conferences;
- and serving the surrounding community.

The government would need to provide additional funds to universities participating in this project and they will need systems for monitoring and evaluating the performance of academics so as to be able to link incentives with performance. These proposals are consistent with recommendations given by Said (2001); OECD and World Bank (2010).

Academic pay should also reflect a balance between rights and duties. Achieving that balance would encourage academics to be innovative and creative in their work and assist develop a sound system of accountability, where quality could be achieved inherently. The evidence for this implication is the comparison of commitment by the same academics working in public and private universities, as reported earlier.

9.2.3.2 Staff appointments

Having found that limits on academic affairs and control of senior academic appointments have a negative impact on universities, a pilot project is proposed on allowing universities greater autonomy in the appointment of governing bodies and staff.

The project would allow a couple of universities to be governed by a Board of Trustees with authority to oversee academic and operational affairs according to their mission and subject to appropriate accountabilities. This proposal is consistent with OECD and World Bank (2010) recommendations on allowing more flexible arrangements for universities, such as that given to the Suranaree University of Technology in Thailand which was given the designation of a “public autonomous university” and receives a lump sum budget from the national government with discretion over the use of resources and is self-governing in terms of its personnel, operating outside the civil service.

In the project, limited responsibilities would be delegated to these Board of Trustees concerning staff appointments and their evaluation, setting compensation for and power of

dismissal of senior staff with appointment, promotion, transfer, compensation and dismissal of all other academic staff. Appointments should be based on advertising vacant posts to enable fair competition between eligible applicants with decisions based on qualifications and relevant experiences rather than years of service. This would make the system more transparent and help enhance efficiency and the quality of provision by appointing the right person. It will also enhance equity with a more transparent system. OECD (2008) advocates that the transparency of these processes should be given particular attention, such as open competition for positions, selection on merit and external assessors for senior positions.

Participating universities will need to build capacity for self-management and the government should provide resourcing for capacity building.

9.2.4 Student Representation Systems

Having found that student feedback system is not taken sufficiently seriously, a project on student representation and feedback systems is proposed.

This project proposes empowering students through devising a sound student representation system where students are well represented at consultative groups and at quality assurance committees at all levels across the university. This system will allow the voice of students to be heard by feeding information on their learning and teaching experience to module tutors, programme coordinators and directors of studies.

Students should be trained on giving feedback and there should also be additional training at the university level to build trust between students, academics and the university²⁸. Students will need evidence that their feedback is important and makes a real difference.

A similar mechanism to the National Student Survey (NSS), adopted in the UK, can be introduced to provide information for potential customers (students and their parents) and enhance their choice decisions and to work as a market accountability mechanism for universities. It would raise competition between universities and make them more responsive to students' needs, driving up the quality of provision.

An option is to trial this project with the same selected universities participating in the previous pilot projects where there would be big governance and cultural changes in the system. Building on this, students should also be represented in Boards of Trustees. All these changes would facilitate projects for cost-sharing as students will be getting higher quality provision. This is consistent with Goastellec's (2005) argument that implementing cost-sharing never happens alone but is part of wider reforms of the higher education system. Indeed, higher education policies are path dependant so that their timing and sequencing are critical influences (Pierson, 2000). As a result, most tuition fee changes occur after a change of national government (e.g. UK, Vietnam, South Africa...). Thus, the current time of sweeping change in Egypt, after the revolution of 25 January, is the right time for implementation.

²⁸ It can be argued that the recent ruling of police removal from Cairo University and replacing them with university employed civilian guards can be the starting point of independence of universities (Khalid, 2010c). Based on that ruling, there would be more freedom for students to participate in elections, establish societies and university newspapers without fear of repression by the police. Universities should make good use of this ruling by empowering students through sound representation and feedback systems.

9.2.5 Capacity Building and Training

To achieve the proposed pilot projects and develop people for the governance and cultural changes that are needed, attention should be given to staff development and training. Thus, the study proposes a project on capacity building and training for academic and administrative staff in the same selected universities.

This project is aimed at enabling universities become responsible for self-management with professional development of faculty and staff in different aspects:

- understanding and managing budgets;
- organisation and self-management;
- monitoring and reviewing the quality of programmes;
- teaching methods;
- curriculum development;
- research capabilities;
- writing good research proposals;
- research bids;
- improving the students' university experience;
- academic support for students; and
- assessment and feedback.

This project is consistent with OECD and World Bank (2010) view that capacity building is essential for institutions to receive increased autonomy.

Moreover, the establishment of sustainable quality assurance systems and continuing enhancement in universities also requires continuous investment in capacity building and training. To address the concerns participants have about the fairness of institutional audits and audit panels, many of which have been undertaken by junior lecturers from regional universities, NAQAAE should build capacity through training more qualified

reviewers/auditors with managerial/administrative experience as well as good experience of teaching and research. The criteria for choosing peer reviewers should be transparent.

The study recommends having a fixed committee of peer reviewers for each discipline to review all faculties within that discipline as a means of guaranteeing fairness. Consideration should be given to having diverse audit panel teams to make sure they are not mainly from old/big universities or from new/regional universities. There should be a balance in the external audit panels to guarantee fairness of the audit reports.

9.3 Further Implications for Policy and Practice

The proposed pilot projects can only be effective when the infrastructure for governance is fit for purpose and, in the meantime, existing laws and regulations suspended for the pilots. This is only a temporary arrangement as there are several fundamental problems that need addressing. It is worth mentioning that while the pilot projects are meant to address certain problems in the system, there are other fundamental problems that need to be addressed and, here, contemporary events must be considered.

The first conference for the movement of “academics for reform” was held on Friday 15th of April, 2011 in Cairo University in the presence of around a thousand academics from different universities to discuss the stability of universities after the revolution. The conference discussed several proposed reforms, the most important of which are: the independence of universities, modifying universities regulatory act/law, new mechanisms for the selection of university leaders through direct elections, increasing public funding for universities and enhancing academic pay (Academics for Reform, 2011a). The most surprising thing is the selection of the first dean of school of Medicine, Sohag University through election even before approving the proposed reforms by the conference or modifying

universities regulatory act/law (Sohagonline, 2011). This shows that the coming period may well witness remarkable change in higher education²⁹.

In the context of the opportunity for sweeping changes after the Egyptian Revolution of 25 January, the study identifies the following implications for policy and practice, some for the short run and others for the medium and long run. Some are concerned with governance and cultural issues and others with funding and QAS.

9.3.1 Regulatory and Cultural Environment

Having found that universities regulatory act/law and its executive regulations impede the implementation of current reforms, it needs to be adapted. Committees of the SCU, PMU and appropriate experts can work on this issue and, in consultation with academics, facilitate some key changes. The modifications should facilitate the following implications in the medium and long run, drawing on the lessons learned from the proposed pilot projects and their evaluation.

Building on the foundations of Quality Assurance and Assessment projects, the government should devolve more academic, administrative and financial autonomy to accredited HEIs- particularly in matters of student selection, programme offerings, curricula and enrolments; staff appointment, promotion and remuneration; internal allocation of resources and carrying over budget surpluses into the following fiscal year - as HEIs are believed to be more effective in achieving their mission if they benefit from autonomy in the

²⁹ A recent decision to replace the current heads of public universities and college deans has been issued by the Egyptian government. This decision has drawn angry reaction from these leaders, who deny having political links with the former regime. And academics have vowed to continue protesting until further demands are met (Khalid, 2011a; Sawahel, 2011). In response to academics' demands, the vice-chancellor, pro-vice-chancellors and all deans of faculties in Cairo University have resigned on 21/08/2011 (Academics for Reform, 2011b) and three other universities did the same so several of Egypt's 19 public universities prepare to elect their leaders for the first time (Khalid, 2011b).

area of human resource management. This implication is consistent with recommendations by NCERD (2008), OECD (2008) and OECD and World Bank (2010). However, this greater autonomy should be accompanied by appropriate accountability and agreed targets according to universities' mission, vision and objectives. In this context, the government should take the role of supervision rather than having more intervention in universities' affairs and national legislation should be on principles rather than specific processes. This should also facilitate moving universities from the status of state agencies or state-controlled institutions to state-aided institutions or public corporations organised for public purposes (OECD and World Bank, 2010; Jongbloed, 2008a).

Developing a unified legislation for HEIs to allow fair competition between public and private universities through providing a single framework for competition. If both public and private universities are required to provide high quality graduates who can compete in the labour market, the government should allow fair competition between them either by providing public universities with funding which reflects the actual cost of teaching or allowing them to charge students tuition fees which reflect a reasonable share of the actual cost of their education.

9.3.2 Funding

To address the issues of inadequate funding, poor infrastructure, poor academic pay, and massive numbers of students, consideration - in the medium and long run - should be given to increasing the share of education as a percentage of GDP with a proportional increase in the share of HE to accommodate the increasing needs of HEIs, the greater demand for higher education, enhance academic pay and provide sustainable resources to support QAS.

In line with OECD and World Bank (2010) recommendations, consideration should be given to a one-off major capital injection and capacity building investment programme to be

implemented over the decade 2010-20, preceding the next demographically-driven enrolment surge into post-secondary education. The focus of such a programme could be on upgrading the material base of the public institutions, including their buildings, libraries and teaching and research equipment, as well as curriculum renewal and management improvement.

To address the issue of greater demand for HE and demographic pressures, there should be well-planned expansion in private non-profit universities and Technical Education to complement public efforts to cater for the planned enrolment growth. Concurrently, the government should be attempting to use the mass media to inform people about the importance of these institutions and challenge the negative connotations people have about them as most private universities are perceived by many as institutions that *'sell degrees to those who can afford them'* and technical education is perceived by many as no more than *'academic parking lots'* for surplus students (El Sebai, 2006) so that technical education graduates are perceived as inferior to their peers in universities. Moreover, there should be more investment in e-learning, beyond focusing on web-based teaching material. This can be achieved through having more interactive material and developing online evaluation and feedback systems to maximize the benefits of e-learning and reduce pressure on the overcrowded public universities.

9.3.3 Quality Assurance Systems

Good QAS should provide autonomy for HEIs to decide their own mission, policies, and objectives and, through that autonomy, hold HEIs accountable to all stakeholders. To achieve this, there is a need to develop new forms of accountability through reporting on performance and outcomes, as well as institutionally set targets for quality and performance. This is reflected in recent reports which advocate that universities should develop and work towards strategic visions to ensure that quality assurance systems serve both enhancement and

accountability purposes and approach a good balance between them (OECD, 2010a; OECD and World Bank, 2010). Moreover, there should be more trust in professionals through making quality assurance processes lighter touch as found in the literature and reported in the field work in both Egypt and the UK. Academics should have ownership of managing the quality of provision by engaging them in the process, decision making and problem solving.

As a ‘one-size fits all’ policy does not seem to work in higher education, there is a need to adapt QA criteria/regulations to suit the nature of different universities and faculties. It is neither efficient nor fair to apply the same QA criteria for both public and private universities because of the differences between them in terms of funding, infrastructure, the number of students and academic pay. QAS should also not be so standardized/regimented as to restrict academics’ creativity and the dynamics of teaching students. Thus, the system should encourage diversity rather than uniformity.

Although it has been reported that QAAP has been successful in raising awareness of the culture of quality assurance, there is a continuing need to raise the awareness and involvement of academics, students, administrative staff and other stakeholders in many elements of the new QAS until they become part of the system and are reflected in everyday activities.

Having laid the necessary groundwork for quality assurance systems, work remains to be done in moving beyond compliance to a quality culture. It should also be made clear that paper work is a means to facilitate institutional audits, not an end by itself. Raising awareness and embedding the quality assurance culture in the system should be an institutional responsibility of universities.

Having found that NARS have been developed in only ten academic sectors, more efforts should be exerted to develop NARS in the remaining sectors as soon as possible to provide the foundation for establishing internal quality assurance systems in the faculties and facilitate external audits for accreditation purposes. There is also a need to extend lessons learned in introducing quality assurance systems for undergraduate to postgraduate programmes.

9.4 How These Implications Fit the Theoretical Framework of the Study

Concerning the fifth research question of the study: *How do these implications meet key goals related to autonomy, accountability, efficiency and equity?* The proposed implications for policy and practice in Egypt are supposed to reform the system in ways which allow a level of autonomy for universities and academics so that they can do their job properly and be more responsive to the needs of students, employers and the community. They are to allow a stronger dialogue of accountability between the government, universities, academics, students and other stakeholders; make the system more efficient through incentives for efficiency gains and improvement; and making it fairer by having a transparent funding formula with more efficient and equitable cost-sharing and a fair and robust QAS.

To sum up, it can be argued that the theoretical framework of the study - autonomy, accountability, efficiency and equity - has contributed effectively to the analysis, leading to its key findings and proposing implications for policy and practice.

9.5 The Value of a Comparative Perspective

The study drew upon wider international experience of higher education reform and examined their implications for Egypt and, for the insights from a comparative perspective, also the HE system in the UK. However, it is not a comparative study where both parts of the comparison are of equal importance. The purpose of the UK case study was to illuminate issues so as to

better assist the analysis of the Egyptian system. This section discusses how including the UK in the study helped the researcher develop his understanding of the Egyptian system and how it might be reformed.

Including the UK in the study has been helpful to the enquiry into the Egyptian system in several aspects. As mentioned in the introduction and methodology chapters, one of the main reasons for choosing the UK is that HEIs are funded through block grants mechanism, contrasting with line-item funding in Egypt which many reports have recommended replacing with a block grant system to allow universities more autonomy and flexibility (Said, 2001, Fahim and Sami, 2009; OECD and World Bank, 2010). The value of in-depth investigation of the UK case is that I have found that the UK has a mixed economy of mechanisms (block grants, performance-based funding (RAE), competitive funding (RCUK), tuition fees and income contingent loans) with the bulk allocated as block grants, one for teaching and another for research. Moreover, the regulatory and cultural environment with universities treated as public corporations affects how those funding mechanisms work and add to their impact. What this means for Egypt is that replacing line-item funding with block grant is not a solution by itself. Unless the legislative context is altered, block grants alone would not end tight control and allow universities sufficient autonomy and flexibility. Thus, it has more to do with the regulatory and cultural environment which needs to be adapted to allow universities more autonomy and flexibility, have proper accountability systems and make it more efficient and more equitable. That is why several pilot projects and their implications on funding and the regulatory and cultural environment have been provided in this chapter. Had the researcher confined his study on reviewing the literature on global trends/reforms of funding higher education, he might not have come to the same conclusion and would have lost the insights from the comparative perspective.

Another benefit of in-depth study of the UK is that when considering options for reforming the system in Egypt, one should make good use of the reported problems in the UK. For instance, it is not just the case of building the funding formula for teaching based on student numbers and subject bands; as it alone would not solve the problem because in-depth investigation on the UK system shows it is not that straightforward. One of the main reported concerns in the UK case is the issue of unequal patterns of historical resource distribution which is viewed as a serious issue in distributing teaching and research funds, nationally and internally in UoB. Thus, while considering options for Egypt, attention should be given to the actual costs of teaching different subjects which should be considered through evidence-based investigation rather than historical resource distribution.

The second reason for choosing the UK is that British consultants have been involved in establishing QAS in higher education in Egypt (QAAP, 2007a) and thus QAS have many similarities with the system in the UK. Thus, identifying the perceptions of UK participants on how QAS affect universities is thought to be helpful as QAS are well-established in the UK whereas they are still new in Egypt. So, when considering options for reforming the system in Egypt, attention has been given to the reported concerns on QAS for ensuring the quality of teaching in the UK. For instance, bearing in mind the reported concerns about QAS in terms of being very time and resource intensive and mainly concerned with accountability, the implication for Egypt is that both external and internal quality assurance systems should find balance between the two core objectives/functions, accountability and enhancement. More attention should be given to improving the actual quality of teaching rather than the processes and paper work which risk becoming an end in themselves. Having found that ‘one-size fits all’ policy does not work in the higher education context, both EQAS and IQAS should encourage more diversity rather than uniformity and regimentation, which are

perceived to be harmful to the whole system. It is enhancement of the quality of provision that really matters rather than compliance.

Last, but not least, a very important aspect of in-depth study of the UK is the discussion about markets and trust. Although the emergence of quasi-markets in higher education was based on lack of trust in professionals to be self-regulating, the competition embodied in the quasi-market, the customer culture and market accountability made universities more responsive to the needs of students, employers and the community. Having found that market accountability matters more for universities than the several layers of administrative accountability provided by the government, it is recommended that QAS should be lighter touch and there should be more trust in academics for two main reasons. Firstly, the layers of accountability, different methods of audits, do not get under the skin of an institution and thus universities can hide the few things that would not be to their credit during institutional audits. Secondly, it is academics who do the teaching, evaluation and research as well as generating research income. Thus, there should be more trust in them as trust breeds trust and can save much of the time, money and effort spent on quality assurance processes. Moreover, managing academics is best done by giving them ownership of the process and engaging them in quality assurance and identifying solutions to any problems. Thus, the government should develop an accountability system which enhances rather than diminishes professionalism.

The value of the British case study is that it illuminated those things and, therefore, in terms of reforming the system in Egypt, it is important not to go so far in the direction of markets and market accountability as has been reported in the UK; there is a need to have a lighter touch audit system, to generate market information for quasi-markets, accompanied by more trust in professionals and professional accountability.

9.6 Recommendations for Future Research

The value of studies of this kind is that they not only provide evidence on specific research questions but the outcomes raise issues relevant for further enquiry.

Many academics teaching in both public and private universities in Egypt take the view that private universities rather than providing the highest quality environments provide a less demanding environment for students. Thus, an investigation about the relationship between fees of private universities, the quality of provision and the value students get for their money would test the perception that many private universities '*sell degrees to those who can afford them*'.

As part of improving the impact of QAS on the quality of teaching and research in Egypt HE, a project on factors influencing their impact would be beneficial.

An enquiry on indicators of improvement for assessing the quality of programmes, research activity, community involvement and the quality of teaching and learning would contribute to further development of management indicators for QAS.

Building on the pilot project on EHECS, further research on investigating the launching of a student loans programme is needed.

Drawing on the lessons learned from the pilots, further enquiry is needed into the growing segmentation within public institutions, between students who study free-of-charge and those who pay fees in various forms, such as foreign language programmes and dual track programmes - and how it affects social disparities (OECD and World Bank, 2010). Better understanding of these issues may assist policies on access and widening participation.

Professional first degrees such as engineering and medicine in Egyptian universities are generally one year and often two years longer than similar degrees in North America or some European countries. This represents a major social cost and an investigation is needed of the costs and benefits that arise from this additional year (OECD and World Bank, 2010).

An investigation of the average requirements for academics - in light of the high inflation of prices in Egypt - should be conducted to decide a new scale of salaries through evidence-based research.

An investigation of the actual costs of teaching different subjects and how these differ between universities to help decide funding for different subject bands is desirable.

Finally, as the pilot projects will be evaluated, they are themselves sources of further research evidence.

9.7 Strengths and Limitations of the Study

A strength of this study is its originality as the first in-depth empirical study covering such crucial issues of funding and quality assurance mechanisms in two different contexts and investigating their impact on autonomy, accountability, efficiency and equity. The methodology adopted is also a strength as its relatively open-ended method and large sample of 76 interviewees in two sites allowed several important issues to be considered in depth. It showed the value of a qualitative approach in understanding the ‘inside’ of an issue.

The ‘insider researcher’ position is a third strength as the researcher went into the field with a good background about the problems facing higher education in Egypt and the reforms taking place in the sector, especially in terms of funding and quality assurance systems. This enabled the researcher to pursue and probe for novel and relevant information through

additional questions during the interviews. As an assistant lecturer in one of the public universities in Egypt, it also contributed to an openness and honesty from respondents during the interviews as this helped build trust and rapport with interviewees and facilitated the expression of views.

A weakness is having only one case study from each country. The researcher would have liked to include another case study from Egypt, such as a regional university and another case study from the UK, such as a new/post 1992 university. This would have allowed further the investigation of differences arising from such different contexts. While this would have made the findings of the study more comprehensive, the limited time of a PhD and financial resources did not enable the researcher to do so. A second limitation is not surveying the perceptions of students as to how funding mechanisms and QAS affect them but this is also a limitation arising from time and resources.

9.8 Researcher's Personal Reflections

I have to say that one reason I have enjoyed doing this research is because the higher education sector is one of vibrant change. First, several reforms are taking place in Egypt, many in a transitional phase with more reforms expected to follow. Second, the pace of change in the UK and UoB is also considerable, not least the cuts in budgets for HEIs and raising the cap on tuition fees from £3,290 per year up to £9,000 from 2012, as well as changes in the approach to institutional audit. Third, UoB has altered its financial model from a devolved system to a more centrally managed one with a College structure from August 2008. UoB has also evolved a new IQAS called BIQAES. This rapid change added to the difficulty and importance of the study.

Although I faced several challenges conducting the study (arranging and rescheduling interviewees; getting the required documents; transcribing interview data and translating most of the Egyptian interviews and documents), the outcome has been worthwhile, hopefully in respect of evidence-based implications for policy and practice for the researcher's country but certainly in terms of personal and professional development. Finally, a report of this thesis will be sent to the case study universities/countries with a summary of the findings going to all the participants who provided their e-mails.

Having done this study and met 47 academic and administrative staff in Egypt, I would like to say that I am proud to be an Egyptian as, despite the hard conditions academics face in Egypt, they do their best to do high quality teaching and research to benefit their students, universities and society as a whole. However, I would like to see these hard conditions changing one day to motivate academics to provide higher quality teaching, research and community service and encourage the massive numbers of migrating highly qualified Egyptians to return to their beloved country and help it regain its glory and bright history, especially after the revolution which swept away the Mubarak regime in February, 2011.

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LIST OF APPENDICES

Appendix (1): Cairo University's Interview Schedule

[I] Cairo University's Interview Schedule (English Version)

[II] Cairo University's Interview Schedule (Arabic Version)

Appendix (2): University of Birmingham's Interview Schedule

Appendix (1): Cairo University's Interview Schedule

[I] Cairo University's Interview Schedule (English Version)

(A) Funding Mechanisms

1. What is your understanding of the means by which universities are funded? And what's your view about them?
2. What would you identify as the main strengths and weaknesses of the existing system for funding higher education?
3. The means by which universities are funded has recently been altered (e.g. competitive funding for research projects). Are you familiar with these changes? And, if so, what is your view of them?
4. To what extent do you think the way universities are funded might affect the following issues:
 - Autonomy: institutional autonomy; academic freedom
 - Accountability
 - Efficiency
 - Equity
5. There is a view that if universities diversified their sources of funding (and were less reliant on funding from the government) they would have greater freedom or autonomy. What is your view?
6. If you had the opportunity to alter the ways universities are funded, what changes would you make?

(B) Quality Assurance Systems

1. What is your understanding of the means by which the government assures the quality of (a) teaching and (b) research in universities?
2. What would you identify as the main strengths and weaknesses of these systems of quality assurance for (a) teaching and (b) research?
3. The means by which quality of teaching and research is assured has recently been altered (QAAP). Are you familiar with these changes? And, if so, what is your view of them?
4. To what extent do you think systems of quality assurance might affect the following issues:
 - Autonomy: institutional; academic freedom
 - Accountability
 - Efficiency
 - Equity
5. Do you think that systems of quality assurance cover both accountability and enhancement?
6. How do you think the systems of Quality Assurance affect your approach to your own job (teaching & research)?
7. If you had the opportunity to alter the ways by which government assures quality of teaching and research, what changes would you make?

[II]Cairo University's Interview Schedule (Arabic Version)

أولاً: الأسئلة المتعلقة بآليات تمويل التعليم الجامعي بمصر

- ما هو تقييمك الشخصي للطرق التي يتم من خلالها تمويل الجامعات المصرية؟
- ما هي نقاط القوة و الضعف في النظام الحالي لتمويل التعليم الجامعي من وجهة نظرك؟
- لقد حدثت مؤخراً بعض التطورات في مجال تمويل التعليم الجامعي (HEEPF) ، هل أنت مطلع علي هذه التطورات، و إذا كان كذلك فما هو تقييمك لها؟
- إلي أي مدى يمكن أن يؤثر النظام الحالي لتمويل التعليم الجامعي علي كل من:
 - الحرية الأكاديمية؛ (الاستقلال المؤسسي: حرية إتخاذ القرار والحكم الذاتي)
 - نظم المحاسبة: المساواة/ نظم الجزاءات و المكافآت
 - الكفاءة
 - المساواة/ الإنصاف
- هناك رأي يقول بأن "الجامعات يمكنها الحصول علي قدر كبير من الحرية الأكاديمية إذا استطاعت أن تتنوع مصادر التمويل الخاصة بها، و أن تقلل من إعتادها علي التمويل الحكومي" إلي أي مدى تتفق أو تختلف مع هذا الرأي، و لماذا؟
- إذا أتاحت لك الفرصة لتغيير النظام الحالي لتمويل التعليم الجامعي، فما هي نوعية التغييرات التي تود أن تحدثها؟ (ما هي مقترحاتكم لتحسين نظم تمويل التعليم الجامعي؟)

ثانياً: الأسئلة المتعلقة بنظم توكيد (ضمان) الجودة و الإعتداد بالتعليم الجامعي بمصر

- ما هو تقييمك الشخصي للطرق التي تنتهجها الحكومة لتوكيد الجودة بالجامعات المصرية؟
- ما هي نقاط القوة و الضعف في النظام الحالي لتوكيد الجودة بالتعليم الجامعي من وجهة نظرك؟
- لقد حدثت مؤخراً بعض التطورات في مجال توكيد الجودة بالتعليم الجامعي (QAAP) ، هل أنت مطلع علي هذه التطورات ، و إذا كان كذلك فما هو تقييمك لها؟
- إلي أي مدى يمكن أن يؤثر النظام الحالي لتوكيد الجودة بالتعليم الجامعي علي كل من:
 - الحرية الأكاديمية؛ (الاستقلال المؤسسي: حرية إتخاذ القرار والحكم الذاتي)
 - نظم المحاسبة: المساواة/نظم الجزاءات و المكافآت
 - الكفاءة
 - المساواة/ الإنصاف
- هل تعتقد أن نظم الجودة تركز علي كل من نظم المحاسبة و تحسين جودة التعليم معاً؟
- كيف أثرت نظم الجودة علي ممارستك لعملك (تدريس و بحث علمي)؟
- إذا أتاحت لك الفرصة لتغيير النظام الحالي لتوكيد الجودة بالتعليم الجامعي، فما هي نوعية التغييرات التي تود أن تحدثها؟ (ما هي مقترحاتكم لتحسين نظم ضمان الجودة بالتعليم الجامعي؟)

Appendix (2): University of Birmingham's Interview Schedule

University of Birmingham's Interview Schedule

(A) Funding Mechanisms

Nationally (The UK)

1. What is your understanding of the means by which universities are funded? And what's your view about them?
2. What would you identify as the main strengths and weaknesses of the existing system for funding higher education?
 - Autonomy: institutional; academic freedom
 - Accountability
 - Efficiency
 - Equity
3. There is a view that if universities diversified their sources of funding (and were less reliant on funding from the government) they would have greater freedom or autonomy. What is your view?
4. If you had the opportunity to alter the ways universities are funded, what changes would you make?

Internally (UoB)

5. What is your understanding of how Schools/Departments are funded in the University?
6. What do you think are the main strengths and weaknesses of this way of funding Schools/Department?
 - Autonomy: institutional; academic freedom
 - Accountability
 - Efficiency
 - Equity
7. The means by which the university funds its Schools/Colleges is changing. Are you familiar with these changes and, if so, what is your view of them?
8. If you had the opportunity to alter the way the School/Department is funded, what changes would you make?

(B) Quality Assurance Systems

Nationally (The UK)

1. What is your understanding of the means by which the government assures the quality of (a) teaching and (b) research in universities?
2. What would you identify as the main strengths and weaknesses of these systems of quality assurance for (a) teaching and (b) research?
 - Autonomy: institutional; academic freedom
 - Accountability
 - Efficiency
 - Equity
3. If you had the opportunity to alter the ways by which government assures quality in teaching and research, what changes would you make?

Internally (UoB)

4. What is your understanding of how the University assures the quality of (a) teaching and (b) research in its Schools/Departments?
5. What do you think are the main strengths and weaknesses of this way of assuring the quality of (a) teaching and (b) research?
 - Autonomy: institutional; academic freedom
 - Accountability
 - Efficiency
 - Equity
6. If you had the opportunity to alter the way the University assures quality in teaching and research, what changes would you make?