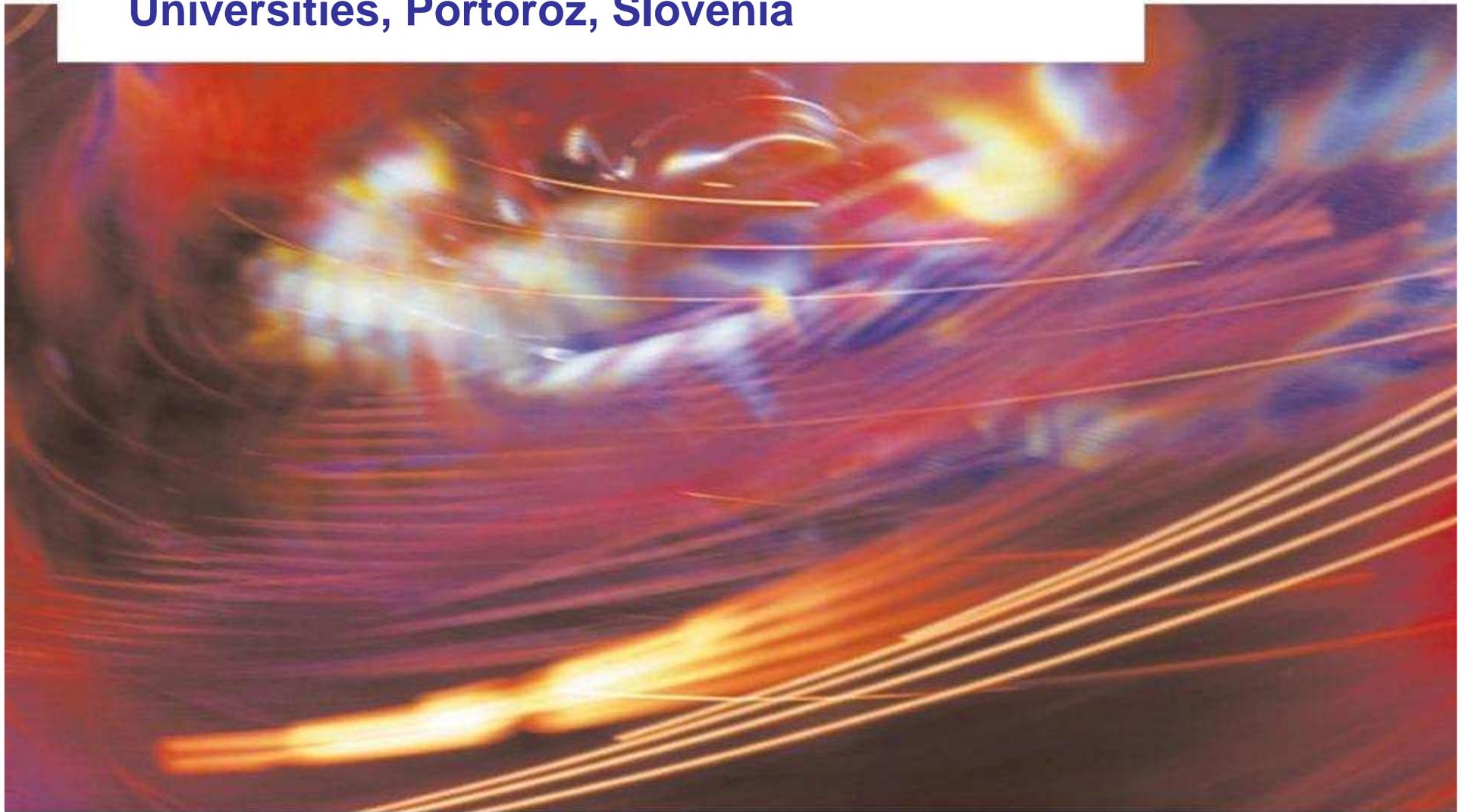


Organisation and Management of Modern Universities, Portorož, Slovenia



Wolfgang Schütz, Universities Austria



University Reform in Austria

Austrian Universities Act 2002

Adoption: 9. 8. 2002

Entry into force: 1.1.2004

*To enable them to respond to the constantly changing demands made on them in organisational, academic and personnel management terms, the universities and their governing bodies should constitute themselves under conditions of **the greatest possible autonomy and self administration.** (Article 1)*

UNIVERSITIES AUSTRIA



Objectives

Aims:

- Opening of universities to society and economy
- Possibility of competition
- Improvement of efficiency and clear university profiles
- Creation of a "managing" university without loss of critical reflection, innovation and basic research

General Regulations

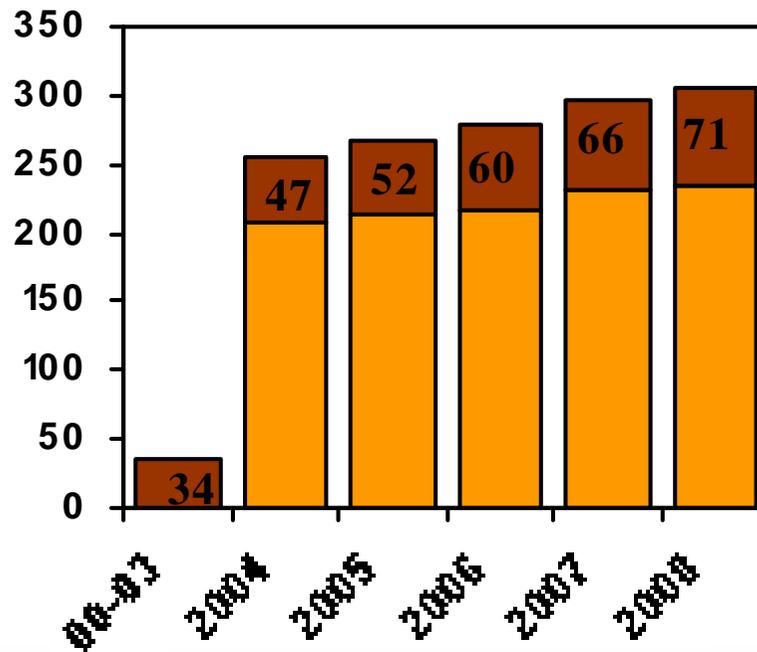
- **Legal Form** (§ 4): the universities are founded as legal entities according to public law, not as private corporations (no limited companies), but legal capacity to create subsidiary companies
- **Reduction of legal regulations:** replacement by minimal regulation on the topics of university organisation, studies and employment, summary of these regulations in one legal “Universities Act”
- **Academic freedom:** Irrespective of age or status, all academics will have a right to conduct independent research, and to perform government funded or contract research.

Funding

- Funding by the Federal Government, by **global budgets** guaranteed in contracts for several years
- 20% a formula, 80% is based on the **performance agreement** between the university and the ministry. The state funding is a block grant, and the university can decide on its internal allocation.
- The universities are obliged to introduce **accounting systems** tailored to their needs according to commercial accounting (traditional fiscal accounting methods have been replaced). They are required to submit opening balance sheets, and thereafter annual financial statements, performance reports and intellectual capital reports to the Minister of Science. He/She has then the duty to report to the Parliament.

Medical University of Vienna: Third-Party-Funding ("Drittmittel")

■ Global budget, in Mio ■ Drittmittel



Governance

Three bodies of university governance

- **Rectorate**
 - Composition: Rector with up to 4 vice-rectors
 - Elected by the University Council for 4 years
 - Main duties: appointing heads of organisational units, preparing of a statute for submission to the senate, preparing of a development plan and an organisation plan, instigating of evaluation; the rector is the superior of all university staff
- **University Council**
 - Composition: external members only
 - Nominated by the Senate and the Federal Government
 - Main duties: Supervisory board, which selects the rector, approves the performance agreement, the organisation plan and the development plan
- **Senate**
 - Composition: University staff and students, either 18 or 26 members
 - Elected by relevant staff
 - Main duties: drawing up a shortlist of three candidates for the rector, which are then selected by the University Council: enacting the statute, which contains the rules of procedure necessary for its governance; prescribing the curricula for degree programmes and the academic degrees to be awarded.
- Organizational **freedom** with respect to internal structure

Employment Law

- Universities are **employers**, since 1.1.2004 all new staff entering their service are university employees.
- Change of system from public service (permanent federal civil servants and federal contract staff) to private employment law
- A **federation** of independent universities makes salary agreements with the unions. This service is provided by Universities Austria.
- 40 % **women's quota** for all university committees
- 1.10.2009: Collective Bargaining Agreement

Admission and Tuition fees

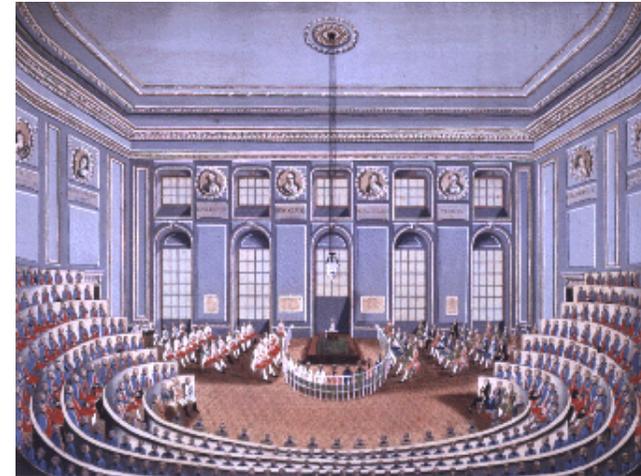
- Open access to study programmes
 - Anyone with the basic qualification stipulated in the law can enter any programme in the university
 - Exceptions in sports and arts
 - Entrance exams only in popular fields such as medicine, dentistry, and psychology
- Tuition fees
 - Due to an amendment to the University Act in September 2008, regular students are not due to pay tuition fees as long as they are within the regular duration of studies plus one tolerance semester. Fees are also waived if they can prove that they were hindered to do so by certain obligations such as child care or part time employment. However, tuition fees may be charged for continuing education degrees.

Study Law

- Universities are free to determine their academic profile with the restriction that there exists a negotiation process (e.g. opening and closing of study programmes) with the Ministry.
- Structure
 - Obligation to structure new study programmes according to the Bologna-Process
 - Since winter term 2009: All doctoral studies have to last at least three years.
 - Possibility of the introduction of 4-year BA-programmes if proved to be necessary for the graduate's employability

Today's Universities in Austria – Summary

- publicly owned and funded ("legal entities in public law")
- immunity from governmental directions and freedom to adopt statutes
- developmental plan
- 3-year performance agreements (contracts in public law)
- accounting and reporting system
- quality management system
- entitled to the formation of companies and to acquire interests in companies
- rapidly growing share of non-government funds (grants, public-private partnerships)
- an enterprise-type structure as a whole



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Challenges and Outlook

- The new university act (2002) was a big step forward in increasing the autonomy of universities.
- The greatest Limitations are:
 - Lack of university control over their student admissions
 - Lack of control over tuition fees
 - No ownership of university buildings (in most cases)
- The universities also feel that the amount of reporting required by public authorities is unreasonable. The universities also fear that since the Ministry is not very capable of main use of the various steering instruments it has on its disposal, politicians may want to revert back to more hands on steering of the universities.



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