

The introduction of performance funding contracts in the Irish higher education system and outcomes to-date

TOM BOLAND



Government high level objectives

To meet Ireland's human capital needs across the spectrum of skills by engaged institutions through a diverse mix of provision across the system and through both core funding and specifically targeted initiatives;

To promote access for disadvantaged groups and to put in place coherent pathways from second level education, from further education and other non-traditional entry routes;

To promote excellence in teaching and learning to underpin a high quality student experience;

To maintain an open and excellent public research system focused on the Government's priority areas and the achievement of other societal objectives and to maximise research collaborations and knowledge exchange between and among public and private sector research actors;



Government high level objectives

To ensure that Ireland's higher education institutions will be globally competitive and internationally oriented, and Ireland will be a world-class centre of international education;

To reform practices and restructure the system for quality and diversity;

To increase accountability of autonomous institutions for public funding and against national priorities



Process – “strategic dialogue”

HEI proposes which of the national objectives it proposes to address based on the mission and current strengths of the institution.

HEI proposes target outputs and outcomes for each of the chosen objectives and metrics for assessment of performance – realistic but challenging.

HEA assesses HEI proposals with Irish and international peer reviewers and experts.

The HEA negotiates a formal three-year agreement with each HEI.

Performance is reviewed annually against agreed metrics set out in the agreement.

Up to 7% of funding contingent on performance – sufficient to encourage performance against agreement but not to undermine sustainability.

HEA reports annually to the Minister on the performance of the system.



Strategic dialogue – high level outcomes from performance review

Most HEIs had made significant progress in achieving their 2014 goals as set out in the Performance Compacts.

The standard of self-analysis variable and appetite for improved performance was not uniform across the sector.

Many HEIs felt the need to report under all seven national objectives rather than seek to be different, according to their own institutional strengths, in a national or regional context.

Only a small number of HEIs showed a good awareness of how to benchmark their performance by reference to identified local, regional or international comparators.



Strategic dialogue – high level outcomes from performance review

Without in-depth benchmarking, demonstrating high performance was difficult. While almost all HEIs achieved their 2014 targets, assurance as to the 'degree of stretch' in their performance was difficult to establish.

HEIs are operating in a difficult environment with increasing student numbers during a period of reducing financial resources presenting a challenge in balancing institutional sustainability and performance.

Smaller institutions are at a disadvantage in the process as they may not have the managerial capacity or resources for in-depth institutional research in support of their strategic planning processes.



Strategic dialogue – opportunities and risks

Opportunities

- A better relationship and a shared understanding between government and HEIs.
- Demonstration of what the higher education is delivering against government objectives.
- Government can formally and transparently guide the outcomes from higher education.
- An instrument to drive improved performance.

Risks

- The objectives stated by government should avoid prescriptive detail.
- Objectives to be limited so as not to crowd out the other objectives and activities of the HEIs.
- A risk that the process descends into bureaucracy and gaming.

