

## **Session 3-1**

### **The Impact of the First Audit Round in Finland**

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#### **Abstract**

In this paper, we reflect the impact of the QA practices on the operations of HEIs in Finland. FINHEEC has audited all the 49 Finnish Higher Education Institutions by the end on 2011. Prior to the audit, institutions documented and developed comprehensive internal QA systems. Several studies and meta-analysis have been published on the effects the first Finnish audit round. The main data in paper consists of the independent analyses of universities (Ala-Vähälä 2011, Haapakorpi 2011), the meta-analyses of FINHEEC (Moitus 2010, Talvinen 2012) and the follow-up reports of the HEIs where they answer the question: "*How do the effects of QA system show in the activities of the school?*"

In addition, we use the expert panel method. The purpose of this part of the study was to discover the views of experts in higher education research on the impact of the audits, and to find out in what direction they think evaluation of quality assurance systems in HEIs is headed. The study made use of the Delphi method. The inquiry consisted of six claims and we invited eight experts to give their visions and views anonymously. The claims formulated based on the results of the studies and follow-up reports.

We analyze the results of these accounts and discuss what can be learned from the experiences of impact so far in Finland.

## **The background studies**

All 49 Higher Education Institutions in Finland have been audited once. The Finnish audit model is broad and comprehensive. It includes participation of staff, students and external stakeholders in QA, management of steering of operations, and all basic duties in the institution: degree education, research and arts, interaction with society and support services.

In the midpoint of the first audit round 2005–2011, Moitus (2010) conducted an analysis of all the 19 audits implemented between 2005 and 2008. The analysis showed that the audit reports had a particular focus on management and functional operations. Information about decision making, planning and management have become transparent to all university staff, faculty, students and other stakeholders. All the HEIs that participated in the audits have improved their strategy work, indicators and management.

The audits have also expanded the quality culture in HEIs. However, the developing a quality culture takes time because it is closely related to values and beliefs which cannot be changed quickly. Combining strategic management and QA processes is one of the key success factors in sustaining quality culture (Loukola & Zhang, 2010, 28). Generally speaking, the attitude of university management towards quality work is usually favourable, while the most critical voices come from the researchers of the universities (Ala-Vähälä 2011). This is one reason, why it is important to pay attention to QA system which provides equal opportunity for all and for different groups within institution to participate and influence the development work of the institution (Talvinen 2012, 74, 75).

According to Haapakorpi (2011), the first cycle audit process affected Finnish HEIs in both positive and negative ways. Operations in the HEIs became more visible and more systematic and the feeling of community grew. This reinforces the culture of continuous quality monitoring and emphasises institutional responsibility for assuring academic standards. On the other hand there has been much evaluation activity over the last few years and therefore, the significance of quality work started to fade during the last stages of auditing first round. Evaluations have also increased the workload of staff and stakeholders in HEIs.

## **Impact of the quality work from the HEI's perspective**

Three years after every institutional audit FINHEEC sends a request to the institution and asks it to reflect what has happened after the external review. The institution answers the question: "*How do the effects of QA system show in the activities of the school?*" Based on the 24 follow-up reports of higher education institutions, we present in this paper the main findings.

According to HEIs responses the audits have had impact in HEIs. Quality management is a natural part of the HEI's planning work and there is clear evidence that management is committed to joint quality work and students are more and more involved in the development of the operations..

The main categories of the changes as a result of audits are:

- 1) clarification of management,
- 2) student participation,
- 3) developing of the staff and creating a quality culture and
- 4) relations to stakeholders.

The sub-themes of the categories are as follows:

#### ***Clarification of Management***

- Management and steering of operations are integrated
- Management responsibilities have been clarified
- The strategy is more goal oriented
- The management meets the staff regularly
- Common quality policy and values in the HEI
- Indicators has been reduced and simplified

#### ***Students participation***

- Students are members of the quality teams
- Wellbeing of the students have received special attention
- Students have an opportunity to perform exams more easily, for example *exam aquarium*, which allows to write exam at the appropriate moment
- Course feedback has been improved (electronic inquiries, self-evaluation of learning and face to face discussions with a teacher)
- The intranet to doctoral students of their own has been created
- Alumni co-operation has developed
- Targeted communication for international students has strengthened

#### ***The development of the staff and creating quality culture***

- Quality training for the staff
- Best initiatives awarded annually
- Collective strategic thinking has developed
- Working together and trust between different actors has increased
- Development and learning culture has improved

### ***Relations with stakeholders***

- Communication with stakeholders has deepened
- Working life feedback has been introduced
- Co-operation with other HEIs has increased
- Sharing of the best practices

The conclusions reached, based on the responses of the higher education institutions, are that the audits have had an effect on how quality projects become linked to the institution's strategy, the indicators it employs have become simplified, and management is more committed to quality work. It is now a routine occurrence for students to be involved in quality work, and more attention is now being focused on student well-being. Staff has been able to acquire training in quality work, a reward culture has been developed, and a collective quality culture has started to emerge. Furthermore, there have been more robust communications with external stakeholders.

### **The views of the expert panel: the impact of quality work in Finnish HEIs**

The purpose of the next part of the study was to discover the views of Finnish higher education researchers on the impact of the audits. We wanted the responses of experts in HEI research of the impact of the audits, and to find out in what direction they think evaluation of quality assurance systems in HEIs is headed. The study made use of the Delphi method. This means that statements were put to all the members of the expert panel and they were asked to reflect upon them and give their own views. The survey consisted of six statements, which we asked eight Finnish experts to reply to anonymously. We hoped to receive answers that were as open and critical as possible. A grounded theory (data-driven) analysis was conducted of the content. The response rate was 100%. A summary of the opinions of the experts and their predictions for the future was drawn up.

The objectives of this part of the study were divided into three sub-objectives, with reference to the responses given by higher education institutions.

1. To assess the effect of quality work on strategic planning.
2. To provide a picture of the role of staff, students and stakeholders in the audits.
3. To have a picture of the future of audits.

### ***Statement 1: Quality work has affected strategic planning in HEIs***

The experts thought that the impact of quality work was seen to have a generally strong connection with strategic planning, particularly at the level of HEI management. Furthermore, the audit criteria have encouraged HEIs to link strategic planning to a quality system. This link has mainly been clear in the HEIs that passed

the audits. Quality work has compelled HEIs to examine processes and their purpose, and this work has also proven advantageous in accomplishing (managing) their strategy. One member of the expert panel, however, pointed out that quality work only partly affects strategic planning, and that many other things, such as finances, also have an effect.

Some members of the panel expressed criticism. It has become established practice in HEIs to talk about strategies in different contexts. The experts thought it probable that, at the same time, strategies had started to cover areas that "should be" included in it. This being the case, the question might be asked as to whether talk of strategy in HEIs reflects the reality of the situation an institution is in and whose objectives are ultimately being realised in strategies. Strategies can also too easily focus on "*the structural development that the Ministry of Education engineers and the implementation of organisational measures it requires.*"

According to one expert, it is the measuring and assessment of research quality that has become a major "strategic obsession". This can easily result in a ranking-type measuring exercise for research. The impact of quality work in the evaluations given by the experts was therefore considered not just to be a positive thing. Quality may also be understood as part of a wider change that is shaking up society, in which HEIs are seen as minute parts of an innovation system and the stage for a new type of public administration, with both quality work and strategic planning playing a part.

The conclusion may be drawn that it is the opinion of the experts that quality work affects strategic planning and vice versa. The benefits of quality work in strategic planning are felt to be the clarification of processes and the guiding influence of the audit model itself. At the same time, the experts were worried, for example, about where the strategic objectives of HEIs were coming from (guiding influence of the Ministry and quality work), and how strategic objectives are to be measured (ranking).

***Statement 2: It has been hard to get staff motivated in quality work since the institutional audit/evaluation.***

The respondents were mainly in agreement with regard to this statement. They thought that there were a number of reasons for the decline in motivation since the audit. After any major project, it is completely normal to draw breath: after the initial enthusiasm, interest often wanes and performance levels once again become routine. For some of the staff, the audit is inevitably unwelcome, and is forgotten about immediately the process is over. The reason for this is also partly because higher education institutions are continually involved with one evaluation or the other and, to save time, they just focus on current processes. Staff are also under very great

pressure at work and are constantly being prompted to increase performance and productivity, so it is difficult to motivate them with regard to anything "extra". Nevertheless, the situation is worrying if the aims of the audit are unclear to staff and the debate following an approved audit does not continue because of this. There is also the risk attached to audits included in quality work that the institution is producing a "quality assurance text" that is irrelevant to everyday practice. People know very well (and there is a lot of tacit knowledge in this area) what issues are really important and of any consequence. Staff motivation is an impossible task if the university's management shows by its own example that it is not investing a lot in quality work.

Several responses revealed that there are always positive and negative attitudes to quality work among the staff. At best, quality work may prove its importance in an audit, and, as awareness grows, it becomes part of everyone's basic work, creating a quality culture. For some staff, quality work has already become an essential component in their work, and they perform quality work regardless of any external evaluations.

Academic staff is mainly motivated to perform quality work that applies directly to their own work and activities, and for which there are tools available for making their job easier. The challenge has been that quality work has tended to become bureaucratized with the manner in which the quality system is implemented. In such cases, the quality work has been regarded as having been accomplished when the routine paper work is dealt with, although it is more important to think about what has been recorded on paper and what should then be done. It is crucial that quality work is not separate from core functions (especially tuition and research), but is an integral part of it. Then quality work is carried out in connection with real tasks, and one does not need to be separately motivated for that.

***Statement 3: Students have participated in quality work and taken steps to improve the situation in a way that seems appropriate***

Many experts pointed out that student participation in quality work is important and appropriate. Quality work can be one channel via which at least some students are keen to become involved in educational development. Students probably have more to offer a higher education institute than one might initially suppose. They may have an ability to "see things differently", and they can bring new solutions to old questions. The problem might be that HEIs have not hitherto had effective tools for motivating students to take a stronger role in the development of the institution.

One expert also stressed that student participation in producing the audit report was a special feature for Finland, giving the system a degree of credibility and

reliability. It would seem that students have been very closely involved in producing reports, which has occasionally aroused international interest. One reason might be that students in audit groups in Finland are seen as professionals, or at least to be in positions of trust, with regard to the institution's policies, and well qualified, in terms of their knowledge, to be members of the audit group.

At the very worst, student participation in quality work may only result in a few bureaucrats who have espoused a new jargon or a form of token student representation in the work group without any real power or the necessary competence. At best, however, students express new views on development and are genuinely keen and committed, not just to study and learning, but also to the development of these and to taking responsibility.

***Statement 4. It is sufficient and meaningful to cooperate with stakeholders at a personal level in HEIs***

According to studies conducted by higher education institutions with stakeholders, quality systems currently appear to serve an institution's internal stakeholders better than its external ones (Lyytinen et al. 2012, 29). During the first audit round, the area for development in virtually all Finnish HEIs was a systematic approach to work with external stakeholders. Consequently, we wanted to include this slightly provocative statement to consider the question as to whether systemising stakeholder cooperation is generally meaningful or would be sufficient to deal with matters at personal level.

The fourth statement divided the views of the experts to some extent. What was good about personal contact was possibly that it had a deeper impact, while at HEI level it might remain institutional and sometimes become just a ritual. Personal relations were generally seen to be meaningful in human interaction, and then merely official and formal relations could be seen to be good at best on paper.

But there were other views. If stakeholder cooperation were to remain only at a personal level, it could work in a static situation in which networks and people's positions would remain the same from one year, and one decade, to the next. But in a mobile, dynamic situation it would not. Relations built on one person are vulnerable when positions change. More crucial than personal contacts in quality work are forms of institutional cooperation. In inter-institutional development, information passes in a structured format. Between individuals it can pass via confidential conversations, but remains undocumented and this shows just how vulnerable a method it is. In addition, closed networks can result in "old pals networks".

*“Setting up various steering committees and advisory boards for form’s sake, to signal stakeholder cooperation, is pointless, and simply uses up the time of all parties concerned.”*

Empirical research suggests that Finland has the most networks of cooperation among professors. This is only natural, since they have secured them throughout their academic careers, and they also have the most opportunities and resources to do different things. The university, as an organisation, may also support this stakeholder cooperation. The organisation’s support must play a role in cooperation with actors, so that it becomes systematic and integrated with other work and activities.

The experts regard it as desirable that a higher education institution should have many types of contact with different stakeholders at many levels (government, the university as an institution, departments, subject areas, etc.), with the institution linked to more than one actor and in dialogue with different interest groups. The share of responsibility for managing and coordinating stakeholder cooperation should be clearly decided, and the outcome of the decisions should also be monitored.

In conclusion, it would seem that the experts are of the opinion that it is important to engage in stakeholder cooperation at personal level, but it is not enough.

***Statement 5. In 2020, after two audit rounds, the perspective of the quality system will move away from the institutional level towards the evaluation of degree programmes***

The experts essentially perceived this statement as a challenging one, and had certain reservations about it. They thought that degree programmes did not necessarily offer a perspective from which to observe the work of the entire institution. The evaluation of degree programmes was also felt to be too massive a project in terms of financial and intellectual resources. On the other hand, it needs to be considered whether Finland will be able to continue to adhere to its current institutional concept of evaluation when under international pressure.

*“Evaluation that takes place with reference to single degree programmes would lead to overlap or a situation where certain themes common to courses/programmes would not be evaluated.”*

The experts think that the present model, however, cannot continue in the same way forever, and that there is a need for something else. The pressure is thus on the evaluation of core functions, and if the evaluation of research is organised elsewhere, education will be left. Furthermore, the global trend speaks in favour of this. It is likely that global credibility will mean that Finland will need to move towards evaluation of degree programmes. This type of evaluation, however, was thought to be expensive and an administratively onerous task.

*“There are few good arguments for the proposal if degree programmes do not have their own resources - the budget and staff to monitor its implementation. With no budgetary power, the development of degree programmes will be merely fine-tuning in terms of pedagogy and content. That is important in itself, but it is difficult to see how evaluation of degree programmes could help improve things. “*

A move towards the evaluation of degree programmes is an option which begs the question of the division of labour between evaluating quality and guidance for institutions. If such a solution is sought, the institution making the decisions must be a credible actor. In practice, the trend would mean the introduction of accreditation. Confidence on the parts of HEIs is thus crucial, and the option to select an actor to carry out the accreditation should also be thought about carefully.

The experts also assessed institutional evaluation, which is the current approach. On the positive side, it was felt that it had provided a new tool for the development of HEIs, one that had challenged them to examine their work in the context of greater autonomy.

***Statement 6. In 2020 the Finnish audit model will focus more on results***

The remark was frequently made that the quality of education and the learning and other benefits that it produces will carry greater weight in the future. This was basically thought to be the right trend, because quantitatively good (good quality) results often also reflect the viability of processes. A key question, it was thought, was how the evaluation of results related to funding and other areas of guidance on policy.

Some of the experts considered it is important to move towards the evaluation of the results of learning in particular, as the evaluation of processes and systems is evaluation of administrative effectiveness, and that does not motivate the teaching staff. Some of the experts were concerned about what sort of indicators could be used to monitor results.

*“Unfortunately, performance is going to be measured using one-dimensional and false bibliometric indicators and indicators based on the number of citations.”*

*“Is a global comparison with departments in the same field worthwhile? There are already tools to do this now, but development may also be based on other criteria.”*

Generally, it was felt that evaluation of results is in the interest of sponsors and this viewpoint is always present in the development of operations. Higher education institutions are in any case compared in terms of results in different contexts, and this approach has gradually started to become commonplace. On the other hand, it might be the case that evaluation of results produces experiences worldwide that result in mainstreaming and a new ideology for guidance on policy.

A few respondents, however, took the view that results should not be included in an examination of quality work if it was felt desirable to adhere to evaluation that developed. Their argument was that the idea of developing evaluations was better than evaluations that measured and/or controlled. The danger might be, when results were being monitored, that there would be an attempt to make the results look good, but no attempt would actually be made to have the organisation commit itself to the development of operations.

## **Conclusions**

According to the institutions follow-up reports, external reviews have had an impact on the development work of higher education institutions. Quality work is no longer separate from normal activities. It has been integrated into all activities taking place at all levels in the institutions. Management, staff and students participate in quality work and it seems that working with the clarification of processes has helped improve the results in HEIs too.

However, if we look at the placing on the Shanghai ranking list, the impact of quality work has not affected significantly. The ranking places of the HEIs have remained unchanged, at least in Finland. Indeed, it may be asked whether the task of quality work is actually to reach better positions in the ranking lists. All the same, it is important to pursue with development work and it is essential that quality work does not exist purely in ceremonial speeches and strategies but is a living principle for all staff members and students in higher education institutions.

In Finland, regional policy stresses the profiling of the HEIs while at the same time large mergers between universities and universities of applied sciences are in progress. Structural development probably implies increasing co-operation in quality assurance between HEIs in Finland. In the long run, it is possible that the quality assurance systems will become more uniform internationally too. It would therefore be good to deliberate the direction which quality work is likely to take next.

Key questions in the near future are whether this is the right time to examine degree programmes, after a profound examination at the institutional level, and are the results of HEIs now more relevant or are we still focusing on how the quality system itself works? Some members of the expert panel objected to the idea of focusing more on results whereas some felt that reviewing results, such as learning outcomes, would help teachers to be more motivated towards quality work.

It seems that the enhancement-led evaluation approach has been adopted and applied very well in HEIs in Finland. This might be explained by the fact that the HEIs were involved in the planning of the audit model from the start and in carrying out the audits as peer review evaluations (Talvinen 2012, 75). One concern expressed

by the institutions is whether we might lose the enhancement-led approach if we shift to a more quality-control type of culture through results. Does this then mean that the HEIs will end up relinquishing their autonomy? To date the institutions have deemed it essential to be able to decide for themselves how to respond to negative remarks in the recommendations. We in Finland believe that it is important to pursue the enhancement-led principle, because the people in higher education institutions trust this approach. It would be a (serious) mistake to lose the trust of the HEIs.

It has also been a pleasure to note that higher education institutions are beginning to understand the importance of creating a quality culture. Many HEIs emphasize that quality assurance does not improve through tougher control but by means of common values. Responsibility, trust and creativity in daily activities are the key values for balanced quality work in higher education institutions.

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