

Policy Brief Signalling Outside in: October 2024: key trends & recommendations

For this briefing, we analysed over 200 observations and developments to determine how they relate to one another, as well as their relevance to ongoing trends. In this policy brief, we will discuss the most significant trends and provide advice for actionable steps that can be taken by UT. This brief is the second in [a series](#). Our group has since expanded to include colleagues from BMS, M&C, SBD and SU.

We began drafting this brief during the week of *Prinsjesdag*, when the Dutch government announces its policies and plans for the upcoming year. It goes without saying that we incorporated these plans, as well as the Budget Memorandum and National Budget, into this document. The goal of this policy-neutral briefing is to highlight key trends & provide recommendations for a sustainable, proactive university.

The next brief is scheduled for April 2025. We welcome input from interested parties in other departments. After all, a broader perspective leads to more insights and stronger recommendations. Feel free to send your feedback to Lisette Woud (L.a.Woud@utwente.nl) or Inge Broekman (i.broekman@utwente.nl)

A number of trends identified in the [February briefing](#) are likely to continue. Universities, including UT, are under unprecedented financial pressure. Institutions are working with smaller budgets, and government funding is set to decrease even further. Both the autonomy of universities and the academic freedom of researchers are perceived to be under threat. We are also seeing new developments around enrolment, as well as changes in the circumstances of students and staff.

These developments are taking place at a time when nationalist sentiment is on the rise and anti-establishment movements are growing increasingly visible. Depending on your perspective, there are different ways of describing the disconnect between academia and society as a whole. Are universities inherently elitist, or are they simply struggling to keep pace with real-world needs? Let's take a closer look at the trends we've identified.

Trend 1: Declining government funding and shifting investment options

- Financial resources for universities are declining, both for education and research. The Dutch government has announced €1 billion in cuts.¹

¹ UNL's summary analysis of the national budget and government plans identified the following cuts:

- Sector Plan funding will remain, but funding for starter and incentive grants has been cut
- Less investment in certain areas, including large-scale research infrastructure and Open Science NL
- Planned budget savings due to admitting fewer international students
- The long-term study penalty (*langstudeerboete*) is being developed in consultation with universities
- Decisions on grants are divided among different government ministries: The Ministry of Education, Culture and Science's budget plans primarily seem to call for cuts to the Dutch Research Council (NWO)
- Cuts to foreign trade and development cooperation: for example, the Orange Knowledge Programme (OKP), a capacity-building scholarship programme, is being discontinued

- Fundamental research is facing increasing funding challenges, and earlier efforts to reduce workloads at universities are being undone by the current administration.²
- Broadly speaking, the government has chosen to prioritise investment in initiatives that have a more immediate impact on society and industry. They tend to centre around certain themes or locations.
 - Themes: Chip technology, climate, defence
 - Location: regional, national, and European projects

Trend 2: Less autonomy for universities due to increasing government control

- Government measures have begun infringing on the autonomy of universities in several ways:
 - By passing legislation such as the Internationalisation in Balance Act, which makes it more difficult for universities to offer degree programmes in English.
 - By allocating funding on a temporary basis and only for specific projects (LLO-Katalysator, Beethoven).
- Reduced government funding (see Trend 1) is causing institutions to become more dependent on alternative funding sources. The involvement of external parties presents a risk to the autonomy of institutions, as researchers will need to consider how their work aligns with these parties and their priorities. One such party is the European Commission, which has begun exerting more influence over the direction of research and innovation.
- There is a constant tension among the various institutions and between the academic sector as a whole and the government. The government argues that it must intervene precisely *because* it sees too little self-regulation within the academic sector. But self-regulation is a complex issue. Institutions vary widely (region, programmes offered, comprehensive or technology focus, founding date) and have very different interests. All are facing similar financial problems due to the current funding situation, and as a result, survival often takes precedence over collaboration.³

Trend 3: Shrinking youth population and increasing international competition

- Demographic trends show a decline in the number of young people in the Netherlands.

² The measures introduced by Minister Dijkgraaf to bring stability to the system have largely been dismantled. The current administration is strongly focused on 'valorisation' (the commercialisation of research), but it remains to be seen whether this will have the desired financial impact. The budget for the Fund for Research and Science has been reduced, and the final two allocation rounds of the National Growth Fund have been cancelled.

³ For example, as long as funding is tied to student numbers, all institutions have an incentive to enrol more students.

- When it comes to international students, different countries often have very different policies. Many higher education institutions recruit students from all over the world. This makes it difficult to predict how policy changes in other countries will affect UT.
 - In contrast to the Netherlands, many other countries (Germany, Ireland, France, China) welcome international students with open arms.
 - Countries that previously closed their doors to international students (Denmark, the UK) have begun opening them once more as the impact of these policies becomes clear.
- The global labour market is highly competitive, making it difficult for the Netherlands to attract and retain sufficient talent at home and abroad.
- The European Commission has been promoting international exchange and opportunities for students by increasing the Erasmus+ budget and facilitating the creation of European Universities (such as ECIU).

Trend 4: Changing circumstances are making student life more difficult

- The current student population has less disposable income than in previous years. The 2023-2024 increase in the basic grant for students living away from home (compensation for inflation) was only temporary, and the long-term study penalty seems likely to become a reality.⁴ Students are also more likely to continue living at home due to the tight housing market and soaring cost of living. Factors such as these result in increased pressure to perform and fewer opportunities for extracurricular activities.
- The choices young people make do not always align with the needs of the labour market, which is seeing shortages across the board. Students' decisions about what to study are often based more on their interests and passions than on job prospects. For example, while the number of jobs in the engineering and technology sector has been growing rapidly for some time now, there is a shortage of qualified graduates to fill these positions. If educational institutions fail to attract enough students, companies may start their own training programmes. The Dutch government is exploring stricter requirements for choosing a study programme.⁵
- In the previous briefing, we already discussed the trend of declining skill levels in certain areas for incoming students. Young people in the Netherlands are scoring lower on language and mathematics. To this, we would like to add that there has been a noticeable shift in the way young people learn. They are in constant contact with the outside world, have unlimited access to information, use multiple learning tools simultaneously, and read less than previous cohorts.

⁴ According to government plans, the penalty will be developed in consultation with higher education institutes and students. It is still unclear when and how this will take place, but it has already been factored into the national budget.

⁵ For universities, these seem to be less about limiting study choices (as is the case in vocational education) and more about ensuring English-language programmes remain available 'for certain programmes in strategic sectors facing shortages, such as STEM, taking into account regional circumstances'.

Trend 5: Increasing pressure on university staff due to internal and external tensions

- Workplace issues (often negatively correlated with well-being) are making headlines. At universities around the world, we are seeing an increase in media attention (and therefore more interest at the administrative level) for issues relating to (social) safety in higher education.
- Societal unrest and global developments such as the volatile situations in Gaza and Lebanon (and previously Iran) are being felt within the university community. Protests highlight vulnerabilities and change the context of the work carried out at universities (for example, by raising concerns about knowledge security).
- Staff are having to deal with dwindling resources, looming budget cuts, and negative public opinion concerning science.

Trend 6: Challenges surrounding lifelong learning (LLL)

We have observed two sub-trends that underline the importance of lifelong development, as well as two that are hindering it.

- Industry, government, and knowledge institutions are vocal advocates for lifelong development programmes. And rightly so, as education and training are determining factors when it comes to optimising and expanding labour productivity.
- Young people tend to choose studies based on their interests without considering the demands of the labour market. As a result, there is a need for continuing education and retraining after graduation; in other words, there is a demand for lifelong development programmes.
- Employees interested in pursuing training are given very little time to do so. Universities are no exception in this regard; workloads are too heavy to make room for professional development.
- Lifelong development is not one of the core duties of knowledge institutions for which they receive public funding. This discourages them from creating or expanding on lifelong development programmes.

These trends highlight the need for immediate action. Their impact on UT is even greater than on other institutions. Not only are we one of the smallest public universities in the Netherlands, but we are also the least prominent of the technological universities. Compared to the other three technological universities, our operations are also more labour-intensive and capital-intensive. In short, we must take a critical look at ourselves and don't act superior. The following recommendations are based on developments that offer UT specific opportunities for action.

Advice 1: Declining government funding and shifting investment options

- In times of limited resources and budget cuts, we cannot simply carry on as usual. The importance of making difficult choices was touched on in the previous briefing, and it is more relevant than ever. It is crucial for us to:

- a. Make clear decisions to avoid further financial decline, which would leave us vulnerable to outside interference.
 - b. Leverage existing partnerships to further develop our chosen programmes and departments.
 - c. Join other universities in fighting for more funding from government and industry.
- Geopolitical developments have created alternative funding opportunities. For example, funding is becoming available in areas such as the defence industry and related dual-use research activities. These activities demand greater confidentiality from collaborative partners. Other sectors that are receiving increasing funding due to current developments include chip technology and climate initiatives.
 - Based on the Draghi report, the European Commission plans to allocate funds for regional development with a focus on promoting healthy competition and implementable innovation. To secure these funds, researchers will need to take a different approach. Rather than focusing on large-scale projects and grants, the emphasis must be on securing funding for smaller sub-projects that form part of larger programmes run by industrial consortia.

Advice 2: Less autonomy for universities due to increasing government control

- Actively seek out partnerships so we can collectively advocate for our interests and work together to find solutions to the major issues at hand. Having a clear picture of who we are and the direction we wish to take (see Advice 1) will help us identify other institutions that share our interests.
- Be transparent, conduct research, and share findings; don't be afraid to give up some autonomy in certain areas. Never underestimate the importance of communication, and always strive to communicate effectively. Join national initiatives such as the newly established National Expertise Centre for Science & Society (*Nationaal Expertisecentrum Wetenschap & Samenleving*, or NEWS).
- Uphold core values such as academic freedom, and clearly articulate what these values mean in practice.

Advice 3: Shrinking youth population and increasing international competition

- Consider the types of students (both Dutch and international students) we want to recruit in each sector and how to accomplish this, as well as how to make our programmes as appealing as possible to potential students, both in terms of content and branding.⁶
- Work with (regional) government and industry partners to create programmes that encourage international students to remain in the Netherlands.

⁶ According to UNL's analysis, the Dutch government aims to implement capacity funding for universities and universities of applied sciences.

- Explore possibilities for offering double degrees with institutions outside the Netherlands in order to enable more international students to study here based on European regulations.
- Develop alternative strategies for attracting students, such as the preparatory year for master's programmes that is currently offered.

Advice 4: Changing circumstances are making student life more difficult

- Take into account the changing circumstances and financial pressures faced by today's students. Make deliberate choices, prioritise student welfare, and explore how UT can uphold the concept of 'more than a degree'.
- Students and the labour market are our most important stakeholders. Investigate how students choose study programmes and use this research to make aspects of our programmes that they find important (such as sustainability) more visible to prospective students. When developing educational programmes, ensure they are more strongly aligned with the labour market.
- Provide lecturers with opportunities for development so they can continue to meet the needs of the changing student population.

Advice 5: Increasing pressure on university staff due to internal and external tensions

- Ensure that all stakeholders (academic staff, HR, DE&I team) have equal roles to play in both policy and implementation.
 - For example, involve early career academics (through P-Nut, Young Academy Twente, Female Faculty Network, AP-Net, etc.) in identifying the most pressing issues in the community and devising creative ideas to tackle them.
- Choose your scope of influence in dealing with budget cuts and negative public opinion:
 - Emphasise the public role of universities and demonstrate their long-term and short-term value to society with concrete examples.
 - Make choices that are transparent and justifiable to the public. If you can't explain the reason for doing what you are doing, consider whether it actually needs to be done or if it would be better to stop.

Advice 6: Challenges surrounding lifelong learning (LLL)

- Ensure that our lifelong learning offerings align with UT's strengths; decide in which areas it makes sense for us to offer them.
- Design lifelong learning programmes in co-creation with the business community and ensure they align with employees' needs (e.g., partly online, self-paced, and outside of standard work hours). This will ensure that the programmes meet real-world demands, as well as helping us keep our standard curricula up to date.
- Design lifelong learning offerings that can also be used in the standard curriculum.

- Commit to a cultural shift at UT in which we not only recognise and appreciate our staff, but also actively support their personal growth.

This briefing was designed to be policy-neutral and is based on observations collected between February 2024 and August 2024. During the writing process, we employed concepts such as 'reading reality', the 'iceberg model', and systems thinking. This briefing is in keeping with S&P's role of providing UT with relevant external information that can influence the strategy and policy of the university and its departments in both the short term and the long term.