

**The Italian University System: towards the quasi markets?
An analysis of the Higher Education market's efficiency
in an international prospective**

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Working Paper

CHEPS (Centre for Higher Education Policy Studies)

Summer School 2004

4th-9th July, 2004

Enschede, Netherlands

1. The context

The reflection in order of the research and the production of organizational models and of *governance* in the higher education (HE) systems in Europe is inserted in the process of modernization of the public administration (*New Public Management*). In fact, it is also going through the bureaucratic concept to a research of efficiency and effectiveness in the production and control of the public services.

The economical theory [Johnes, 1993; Hansmann, 1999] make you reflect on the role that the State should take inside the higher education. Partly, you need to consider that the education good has typical characteristics as the private goods (rivality and enclosure). Partly, there are also associated positive externalities and asymmetry of information that justify the intervention of the State that is finalised to look for efficiency and equity of the sector. This intervention is necessary due to a few falls in the market, like the capital market to finance the studies and insurance market for the construction of guarantees against failure. Once the reasons of the intervention of the State have being figured out, we have to ask ourselves what type of role does the Sate have to take in the university level education, therefore does it have to be similar to a supplier (owner and director of university institution) or financially regulator and speaker.

2. The Italian Tendency: towards the quasi markets?

The recent fashion in our country is a lower role to the State as a supplier, in the creation management of a *quasi – market* system [Bartlett, Legrand, 1993]. The characteristics that have being introduced recently in Italy are as follow:

- ❑ The offers' change. In the university there's a very high independence and autonomy by the State, under the following profiles – managing, administrative and financial - [Rizzi, Silvestri, 2001] this allows each institute to show and compare their characteristics;
- ❑ The accreditation of universities (producers), through the forecasts of special “minimal standards” in the terms of the structures and the teachers [CNVSU, 2003];
- ❑ The right to study system is chosen to give freedom of choice to the students, that therefore get treated like protagonists of the productive process [Catalano *et al*, 1993].
- ❑ The freedom in the personal choices increases the competition, the ability to increase a higher number of students translates in, for each institution, in the increase of the states funds (creation of vouchers system). A few authors say [Hansmann, 1999], that an increase in the competition internally in the system could improve the quality of it;

- The improvements of quality of system *performances* is also done throughout a group of incentives *ad hoc* used for the financing of each institution [Catalano, Silvestri, 1999], that are valued on scale on their obtained *performances* in comparison to the goals that are chosen yearly from the Government [CNVSU, 2004a].

3. Work Objectives

To perform an analysis of the Higher Education system in Italy, in the present paper you refer to the international comparison. A contribution of recent literature [Braun, Merrien, 1999], outlines the systems fashions towards a defined model “*new managerial*”, it identifies with the characteristics of a quasi market:

- The institutions are seen as public good’s suppliers;
- Institutions have managerial and procedural autonomy;
- the State maintains the role in the definition of the objectives and of the general achievements of the system, and to reach those goals.

The analysis based on the italian university system is done following the level of autonomy and the type of control done from the State.

Secondly, search if the market is sufficient to explain the existing differences between the different institutions; if there are also differences between the systems classified like quasi markets and if it’s needed to distinguish other typologies inside the same category.

Lastly, analyse if and in what measures the characteristics of the higher education system that are analysed (also internally of the category of quasi markets) are associated different *performances*, and from what element they have being determined (context factors, market, characteristics of the institution).

4. Used Methods and work articulation

The education systems chosen for the realisation of the international comparison with the italian case are also UK, France, Germany and Spain. The choice of these countries has being determined by the equal involvement in the process of the reform of the university systems, that for the past five years is in process in the countries in the European Community, subscribed in the “Dichiarazione di Bologna” in the 1999.

The first step involves the construction of a model for the analysis of the educational system. As a reference Mc Daniel’s contribution has being chosen as the model [McDaniel, 1996] because it is considered very important by the researchers in HE sector. The thesis that has being sustained so far

is that the autonomy of which university institution should be analysed in reference to various dimensions, specially in:

- ❑ Independence in the financial management of the resources;
- ❑ Independent teaching;
- ❑ Independence in the modality in recruiting and teachers wages ;
- ❑ Independence in politics towards the students (tax, services, students' support).

Depending on the characteristics of such dimensions, the independence can change among the systems analysed.

On the basic of such observations, a grid has being developed. The different teaching systems are being analysed with a *case study*, finalized to investigate in more detail the possible different characteristics, highlighting the differences on the level of independence, in relation to the different dimension taken in consideration. In the attachment you will find the analysis grid used.

To study associated *performances* to each system it was necessary to select a few indicators for the evaluation¹. In their choices it has being taken in consideration relevant factors, also from a methodical point of view [Tavenas, 2003]. Firstly it was taken in consideration the necessity to adopt simple indicators to obtain (availability) and easily compared (equality), also using updated databases [OECD, 2003]. Also the English experience has being recently studied, in relation to the financial agency (HEFCE), that yearly fills in data for *performances* indicators of universities [HEFCE, 2003]. This experience shows some equalities with the yearly data collection from the National Committee for the Evaluation of the University System [CNVSU, 2004b]. Lastly, it has being taken in consideration a few hints from traditional literature [Johnes, 1993] and in recent years [Modell, 2003] to identify the *performances* indicators which are related to the objectives determined by *policy makers*. For example, therefore the following performance objectives have being chosen in reference to the academic year 2001/2002:

- ❑ Number of students that have enrolled in a university (*input* data);
- ❑ Number of students enrolled in the first year that have given up;
- ❑ Number of students that have received a degree in their course (in comparison to their academic age);
- ❑ State's funding in the HE system (in percentage);
- ❑ Average number of publications for any researcher.

Collecting data is done by using the *web*, also using interviews programmed by experts of the sector.

¹ Gli indicatori utilizzati sono ottenuti come sommatoria delle *performances* ottenute dalle singole istituzioni all'interno di ciascun sistema di istruzione superiore.

In conclusion to the research, not only using a comparative analysis between the different countries, but the *performances* indicators obtained it also needs to define the correlations between market structure, characteristics and results. We're waiting to receive the confirmation that the evolution of these models to quasi markets determines a better system of *performances*, without enhancing public funds in relations to the overall financial expenditures, also a few elements useful for the development to improve the efficiency of the Italian university system.

Dimensioni dell'autonomia			
Autonomia didattica	liberi	sottoposti ad approvazione	vincolati per legge
a) contenuti dei programmi			
b) quanti livelli di corsi di studio esistono? Sono vincolati?			
c) corsi di studio e curricula			
d) modalità di svolgimento degli esami?			
e) copertura dei posti di insegnamento (docenti)			
Autonomia nella governance	eletto	nominato	
a) il rettore dell'Università è eletto oppure nominato? Se nominato, da chi?			
b) Il presidente dell'Università è eletto oppure nominato? Se nominato, da chi?			
	si	no	
e) il presidente/rettore dell'Università è coadiuvato nella gestione da un direttore, in merito alle politiche gestionali dell'ateneo?			
f) esistono obbligatoriamente organi rappresentativi delle varie componenti del mondo universitario?			
Autonomia finanziaria	lump sum	line item	
a) le istituzioni ricevono un finanziamento unico (lump sum) oppure predeterminato per linee di spesa (line item?)			
	formula based	concertazione	entambi
d) in base a quali criteri (parametri/performance) vengono stabiliti i finanziamenti alle singole istituzioni?			

Dimensioni del controllo esercitato dallo Stato			
Limite al reperimento di fonti finanziarie presso studenti (tuition fees)	si	no	in parte
a) le istituzioni possono decidere liberamente le tasse studentesche?			
b) esiste un limite al reperimento di fonti finanziarie presso studenti			
Grado di incidenza dei finanziamenti statali rispetto al totale dei finanziamenti	statali	privati	
a) nel finanziamento complessivo delle istituzioni, è più rilevante la componente di finanziamenti statali o di finanziamenti privati?			

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