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***Improving the
performance of
university academics***



Lessons from Australia



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Executive summary



Central to any university are the academics that drive research, education, and contributions to society. We believe that universities need to be more systematic and sophisticated in how they use their academic workforces to fully benefit from their often under-utilised capabilities. This is more important now than ever before as universities face growing pressure from local and international students, governments, industry, donors, and society to improve performance.

A more competitive world

Universities have changed rapidly over the past 20 years. In 2001 there were 588,000 full-time equivalent students at Australian universities, and in less than two decades there are now more than 1 million – a 70 per cent increase – thanks to better access to higher education locally and abroad.¹

Australian universities have responded by growing and now have a large global focus. Six Australian universities have more than 40,000 students and another five have more than 30,000 students. In contrast, famous international universities such as Harvard, Stanford, Oxford and Cambridge have around 20,000 students each. This growth has increased university staff numbers by 41,000 full-time equivalents since 2001. Academics make up about half of that increase, with 57,000 full-time equivalent academics employed at Australian universities.

This rapid growth and other global trends in the higher education sector have helped increase the competitive pressures on universities. The following are some of the factors driving this.

- ***Student expectations*** of their university experience are increasing, driven by more choice, by easier comparison between universities through rankings and benchmarking, and because students are no longer assured of getting a job on graduation. Students now view higher education in similar ways to other industries and are less forgiving of experiences that do not meet their expectations.
- ***Internationalisation*** of higher education means students have a wider choice of where to study, and other countries are catching up to Australia's leading position. With competition comes greater risk: changes in rankings or touted shortcomings in the student experience could quickly impact a university's ability to attract international students. Improvements in the quality of universities in developing countries will keep students at home and they may even attract Australian students keen to learn in fast-growing economies. In 2006, only 19 Chinese universities were ranked in the top 500 universities globally. Now there are 54.²
- ***The Government wants to see the results of its spending*** given the greater outlays under a demand-driven system. This is manifesting through performance measures such as the Quality in Learning and Teaching (QILT). The Government is now proposing to link some funding to as yet unclear measures of university performance.
- ***Research funding*** is harder to secure than in the past, with more universities competing for the same pool of funds. For example, Australian Research Council (ARC) grant success rates fell to 18 per cent in 2015 from 35 per cent in 2005. At the same time, government research funding has changed focus and its growth has slowed, with Category 1 funding growth decreasing to 2 per cent a year in 2012–15 from 8 per cent in 2005–11.

- **The market for high-performing academics** is much more competitive. Universities seeking rapid improvements in their rankings often offer large amounts of money to hire stars who can drive that uplift. It may seem unusual to compare academics to sports and movie stars, but high performers across all three sectors get disproportionate attention compared to average performers.
- **Digital competition from other universities** and non-universities is changing the value of what universities offer students. Massive Online Open Courses (MOOCs) have reached well beyond borders and now compete directly with universities to provide base knowledge. Universities need to clarify the value they provide above base knowledge – practical application, work experience and life experiences are just a few.

Universities must sustainably improve how they teach and research to respond this increased competition. Academics sit at the core of a university's purpose and activities. Commensurate with that, academics and the people and infrastructure that support them are the largest investments universities make. Improving academic performance therefore can have a disproportionate impact on a university's performance and is the most enduring way to respond to this market trend. Investments in academics that are not performing could be better allocated elsewhere. So a critical question being asked with increasing urgency is how can universities unlock increased academic performance?

The menu for improving performance

While higher education has some similarities to other sectors, it has many unique features that mean ideas from other sectors do not always translate well. For example, money is not the primary motivator for many academics. Their work and tenure often have a longer time horizon and the yardstick for performance goes far beyond profit. Notwithstanding these differences, a systematic and consistent approach can and should be taken to improve academic performance.

Our experience suggests that there are five options to lift academic performance (Figure 1). These options need to be pursued together, and in more systematic and sophisticated ways than before.

Figure 1

Actions to enhance overall academic performance

-  **A** Setting performance exceptions and development plans
-  **B** Reviewing discipline participation
-  **C** Focusing on academics' strengths
-  **D** Recruiting selectively
-  **E** Partnering to access complementary strengths

A. Setting performance expectations and development plans

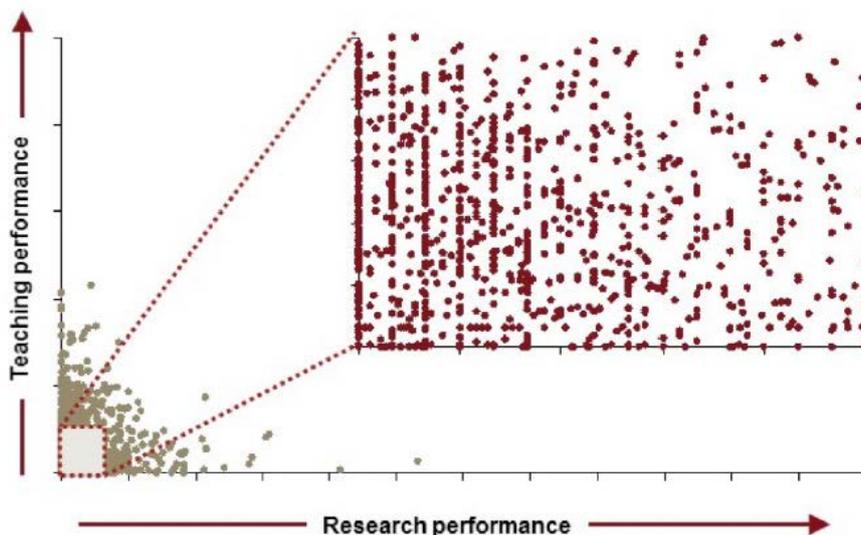
An understanding of the current performance of all academics needs to be at the centre of any improvement efforts. This can be difficult given all measures are imperfect, disciplines can be vastly different, and important activity may not be tracked or measured. Tremendous opportunities however exist if you look past these difficulties.

As illustrated by *Figure 2*, a graph we have developed at several universities, academic performance can be greatly dispersed within a university. The wide dispersion persists even when factors such as seniority are controlled for.

To address this dispersion, universities need to set clear performance expectations across a basket of metrics that reflect different aspects of an academic's role. Once expectations are set, areas of outstanding performance across both research and teaching can be quickly identified, as well as areas where outstanding performance is occurring in just one of those dimensions. Performance improvement opportunities can then be identified, effective development plans created, and support and guidance provided. More intensive support can be given where performance falls significantly short of expectations, and if that does not result in improvements, decisions on the academic's tenure at the university can be made.

Figure 2

Individual academic performance (illustrative)



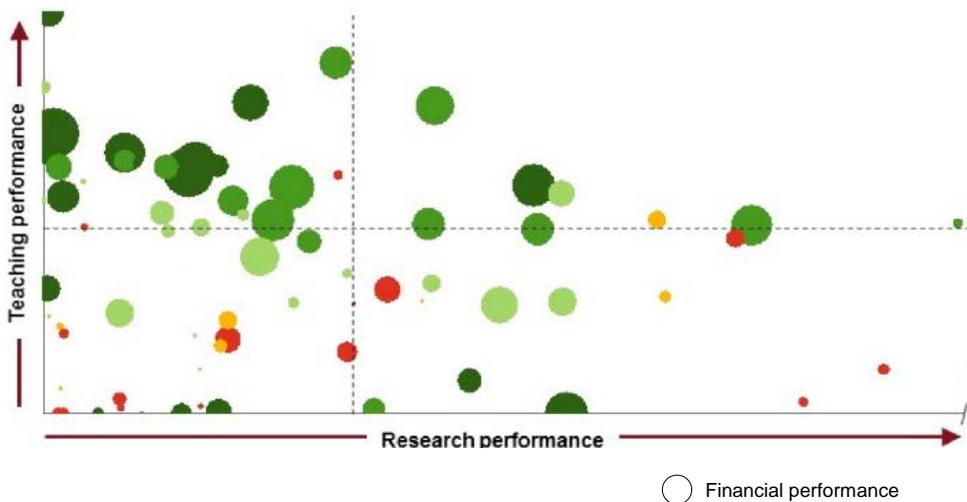
B. Reviewing discipline participation

Looking at individual performance sometimes necessitates reviewing entire groups of academics and their disciplines. The benefits of collaborating with academics in similar disciplines is well known and sometimes looking at individuals within an area can highlight more broad-based performance challenges or opportunities that go beyond the individual, for example a lack of critical mass.

Analogous to individual performance, discipline performance can also be considered in a structured way. *Figure 3* uses research, teaching and financial dimensions as criteria to understand discipline performance. The size of each dot represents the aggregate financial performance, while the colours show the relative margin as a per cent of income (dark green being far better than dark red). Clearly some disciplines are financially strong, while others struggle. Importantly, the number of red and yellow dots in the bottom left quadrant show the importance of teaching and research performance to financial performance.

Figure 3

Discipline area performance (illustrative)



A range of factors need to be considered when comparing discipline-level performance that are not relevant to individual performance. For example, older universities often have a comprehensive range of disciplines to attract students and any review of disciplines needs to consider whether they contribute to comprehensiveness.³ Often for these older universities, choices about what disciplines they participate in were made on their foundation but have not been explicitly revisited as the sector has evolved.

An area for attention is the small number of disciplines that struggle across the research and teaching dimensions. The question is not necessarily whether to retain a discipline, but instead whether to improve its performance by grouping similar disciplines together, managing (or limiting) the focus of activity, and collaborating with other universities to offer the discipline in more economic ways.

C. Focusing on academics' strengths

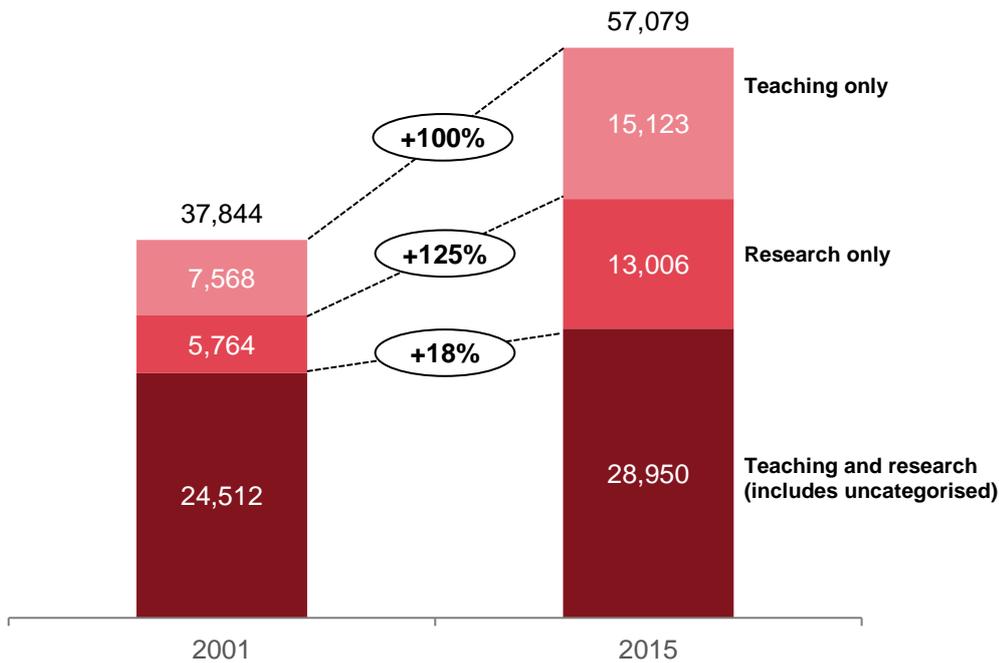
There has been rapid growth in the number of academics that specialise in either teaching or research in recent years (*Figure 4*). A key driver for this has been the benefit of allowing people to specialise: it can improve overall performance simply by letting people focus on what they are good at, often highly related to what they are interested in or passionate about.

Traditionally there have been fewer problems with creating research-only roles for academics. Teaching-only positions, however, have had more challenges, driven by both value judgements about the prestige of teaching and a fear of becoming part of the casualisation phenomenon.⁴ While great researchers can be great teachers, some academics can be greater teachers without needing to excel at research. The benefits of teaching specialisation in helping universities to meet the increasing expectations of students have meant that more and more universities are trying to introduce such roles.

Sustainably increasing academic specialisation requires a holistic career model that is enabled by clear expectations and aligned university policies (e.g. promotions). A top-down cultural change may also be required to ensure the new career models is embedded across faculties and the potential benefits are realised. This may require significant upfront investment to build scale and momentum, particularly in the case of teaching specialisation.

Figure 4

Academic FTE in Australia



Source: Department of Education and Training's uCube

D. Recruiting selectively

Recruiting academics can seem like a panacea to improving academic performance. A superstar researcher joining (or leaving) a university can lead to a rapid change in ranking. Similarly, a mid-career recruit can establish an area of strength for a university for many years to come or can collaborate across disciplines to lift collective performance.

Staff turnover can provide an impetus to recruit stars, but also to lose them. Data we have seen suggests academic staff turnover in normal times is 5–15 per cent. To use natural attrition to improve performance, a university needs a robust way to ensure those coming in are at least as good as those leaving, and ideally better.

It is also important to note that recruitment is often more expensive and time consuming than many appreciate, with ample tales of multi-year lead times to attract stars and great candidates who got away. Recruitment strategies therefore need to be selective, targeting areas of current or potential strengths. Universities must also be clear on how to attract the best academics and realistic about the candidates within different disciplines who might move.

E. Partnering to access complementary strengths

Just as disciplines in a university gain from inter-disciplinary collaboration, universities, too, can improve their performance through outside collaboration. Think tanks, research institutes, government agencies, hospitals, and even some corporations are involved in academic research.

Partnerships and alliances with other institutions can provide access to researchers, educators, and sometimes even funding. Developing effective partnerships and alliances is the equivalent of mergers and acquisitions in the corporate world. Many corporate lessons also apply – the potential benefits of an alliance need to be obvious, interests need to be aligned and supported by the appropriate agreements, and there must be a degree of cultural fit.

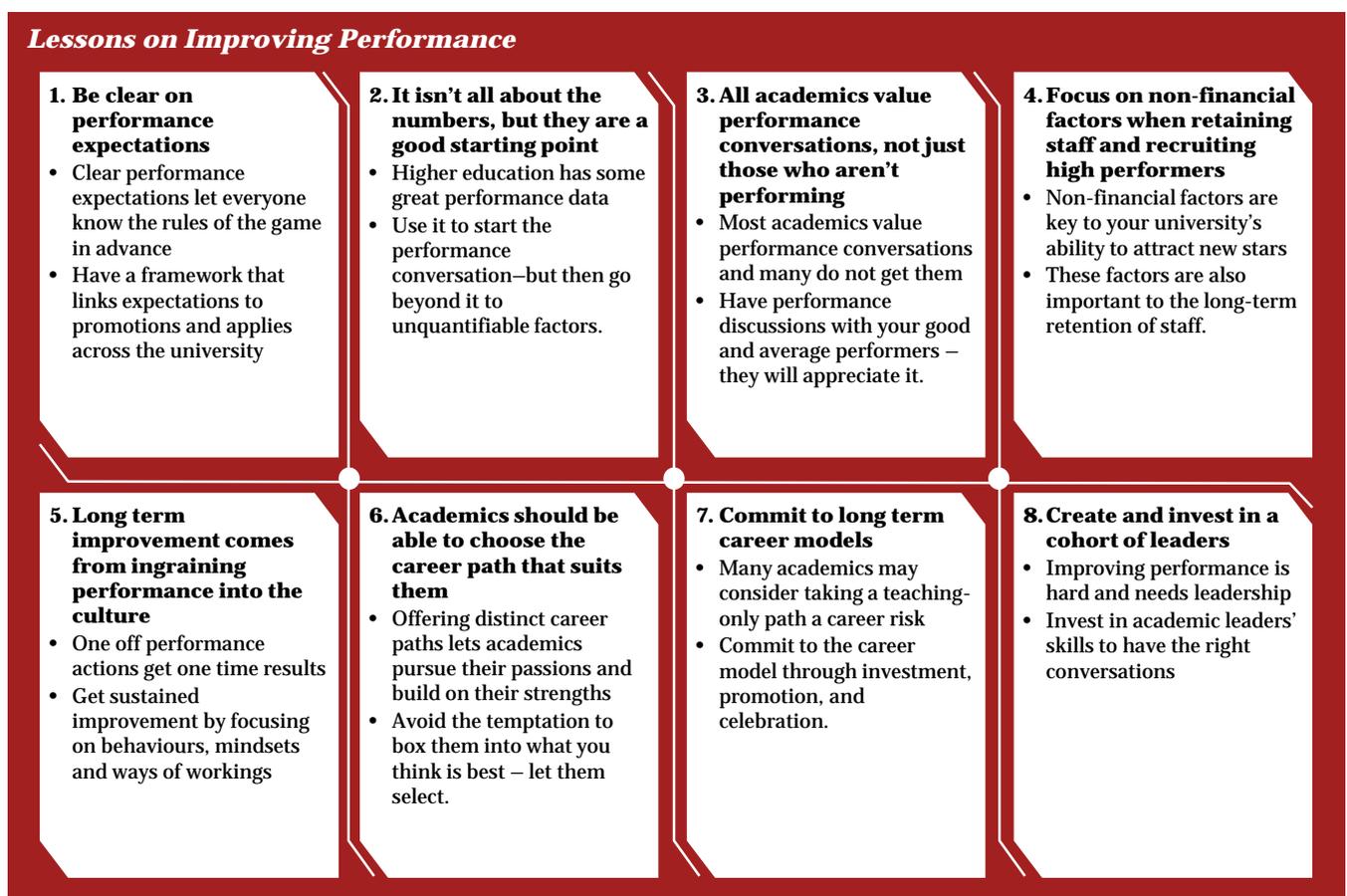
The options to improve academic performance are not exclusive, and can reinforce each other when taken together. Setting clear performance expectations can prompt academics to specialise in what they are good at and a university's choices about its portfolio of disciplines can help define its recruitment and alliance options.

Pragmatic lessons on how to make it work

We have helped several universities achieve greater levels of academic performance, with much of their success turning on how they have pursued the options identified. Eight important lessons have emerged from our experience with these universities and are outlined below in *Figure 5*.

Figure 5

Lessons



1 Be clear on performance expectations

The credibility of efforts to improve performance often depends on the transparency of expectations and the consistency of their application. Traditionally, academic statements of performance expectations have been general and did not always drive focus except around promotion points. Having integrated expectations frameworks that link performance with promotion hurdles helps build consistent performance across years and not just when people approach promotion. Carefully designing performance expectations that can be applied across a variety of disciplines means there can be few excuses to avoid them. It is much easier to have a cross-university

framework than each school having to try to push forward performance expectations alone

2 It isn't all about the numbers, but they are a good starting point

Academic endeavours aim to achieve a range of outcomes. Numbers themselves cannot, and should not, be the only way to view academic performance, but they can be a good starting point. Higher education has some of the best performance data of any sector. While this data is primarily research-focused, it can be used as an important input for creating an objective fact base that non-quantifiable factors can then be added to. Metrics work best where they are externally focused and can be applied across a range of disciplines. Such metrics provide academics with a less institution-specific view of what good performance looks like in their chosen fields.

3 Academics value performance conversations, not just those who aren't performing

Unlike some industries, academia has less of a tradition of regular conversations about performance with immediate managers. As a result, many academics view these conversations as only being about managing poor performance. Once they realise they can have regular, structured discussions about how to improve and how the school or faculty can help them, many appreciate it as a signal of interest in their development. Often there may be significant benefits in working with academics whose performance is satisfactory but who have the potential for significant improvement. Today's early - and mid-career researchers and educators may become star performers in time and will need help to get there. Heads of School and other senior academics need to lead these discussions, which can be energising for all involved.

4 Focus on non-financial factors when retaining staff and recruiting high performers

Hiring star academics can have a catalytic effect; however, it is also highly competitive, expensive, and can undermine the performance of existing high performers. Focusing on non-financial factors in retaining staff and the hiring process can help attract, retain and integrate high performers. Non-financial factors include things such as the strength of networks and partnerships, development opportunities, flexible working arrangements, housing, child care, location and culture. While managers may have a common view of what attracts academics, often they are not clear on what differentiates their university.

5 Long-term improvement comes from ingraining performance into the culture

Often universities go through a large one-off exercise to improve performance, which can have a material impact through resetting expectations and identifying areas of underperformance. Yet if performance does not remain a focus, the full benefit is not achieved. Universities need to make high performance part of their culture by focusing on behaviour, mindsets and ways of working. These rely on informal factors that shift mindsets such as symbolic hires and investing in people – for example, in research infrastructure or pedagogical techniques. These ways of working can be aligned to employment agreements, especially because universities and unions are ultimately both motivated to support academics to perform.

6 Academics should be able to choose the career path that suits them

Not all academics have the same strengths. Career models that enable academics to pursue just research or teaching rather than both can therefore significantly improve their performance. The choice of the right career model for each academic needs to be just that, a choice. Forcing academics down a specific model risks diminishing the passion and sense of purpose that may have been the basis of their strengths. Moreover, it can have an adverse effect on the perceived value of different careers, particularly for teaching focused roles where it can result in a perception that such roles are for underperforming researchers rather than high-performing educators.

7 *Signal commitment to long term career models*

Scepticism about new teaching only career models comes from unsuccessful past efforts, the growth of casualisation, and uncertainty about what it implies for the identity of an academic. A well-structured teaching-only career model provides some signal of its longevity and benefits. This needs to be matched with other signals, such as investment in academics taking the risk to pursue the new model, promotions to show advancement under the model, and celebration of achievement.

8 *Create and invest in a cohort of leaders*

Actions to improve performance are often cynically viewed as a blunt management intervention that only has adverse consequences. The antidote is to work with leaders from across the university to build their willingness and capability to create a high performing culture. Academic leaders are typically technically brilliant and broadly respected, yet often they have less exposure early in their careers to working with their colleagues to improve performance. Indeed, they are often reluctant to discuss career paths or performance with people who were previously their peers. Significant investment in these skills is made in other industries, so why not in academic leaders?

From our experience working with more than 80 per cent of Australian universities, we believe they all must make bold decisions about how to operate in an increasingly competitive environment. Lifting academic performance is not the only solution, but it is a powerful one when done comprehensively, systematically and with focus. How each university fosters high performance needs to reflect their own situation, the industrial environment, and their aspirations. Our proven menu of actions and pragmatic lessons provides a recipe for success.

Endnotes

¹ Unless otherwise noted, data on student and staff numbers at Australian universities is from the Department of Education and Training's uCube.

² Based on the Academic Ranking of World Universities, www.shanghairanking.com/ARWU2017.html.

³ The benefits of this comprehensiveness are challenged by changes in student demand for different disciplines, sometimes resulting in disciplines being loss-making; increased competition from newer universities focusing on excelling in a narrower group of disciplines; and technology making it infinitely easier to collaborate on research across the globe.

⁴ An estimated 80 per cent of the teaching-only workforce in Australia is casual.

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