Governing Structures in Malta's Higher Education: A Drive Towards Managerialism?

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Introduction

Higher Education is no longer dominated by monopolistic structures but is becoming increasingly competitive both on the domestic and international platform. This is mirrored in Malta's higher education governing system where public higher education institutions are not anymore the sole players because they are competing with private institutions that are enrolling an increasing number of students and have now become a major player in this sector. This raises the main research question of this paper: How are Malta's educational institutions facing this reality and how are the governing structures being re-engineered in the context of an international competitive scenario? In its attempt to provide an answer, this paper introduces the concept of the 'governing and managerial engine' and presents a preliminary study of the governing and managerial state of higher education in Malta.

The shift from a government to a governing perspective in public policy which challenged the idea of having a 'lone co-ordinator' into more 'network steering', 'quasi-markets', 'new public management' and 'interactive governance' has had its influences on higher education (Huisman, 2009: 2). Governance in higher education became not only associated with the idea of networks but also with the introduction of markets and New Public Management concepts which are associated with the business enterprise world (Rebora and Turri, 2009: 13). This is a process towards the development of business-like governing structures and a higher education 'governing and managerial engine'.

The focus of this paper is to assess structural theories and investigate one of the streams of the governance model proposed by De Boer, Enders and Schimank in 2006, namely the development of effective managerial hierarchies, goal-setting regimes and decision-making powers in Malta's higher education structures (Hénard and Mitterle, 2009: 29).

The analysis in governing structures is limited to the three main public institutions offering courses at Higher Education Level: the University of Malta, Malta College of Arts, Science and Technology (MCAST) and the Institute for Tourism Studies (ITS). The first section provides an introductory analysis of the changing context and how students' population in the private and public institutions has evolved over time. The second section assesses the importance of strengthening managerialism instead of focusing exclusively on academia. The third section examines the governing structures at a national level and compares the structural arrangements at an institutional level.

1. The changing context of higher education in Europe and in Malta

The focus on managerialism, governance, structures and decision-making powers has been accelerated by the changing higher education scenario. Universities across the globe are changing rapidly in an unprecedented manner. One of the main drivers for change is the ever increasing number of students attending courses at tertiary level which is resulting in a broad mix of students segments. The effects of globalisation and the financial crisis brought about the urgent need for higher education institutions to widen the participation of students, to focus more on research, innovation, internationalisation and stronger ties to the social and economic sectors of modern states (Sursock, 2015). More focus on research and innovation is crucial towards strengthening the industry links, an aspect which is becoming increasingly important for the Maltese economy, while internationalisation is putting higher education institutions on the global map; an essential element in attracting foreign fee-paying students. Such an internalisation process was facilitated through the

Bologna process, ERASMUS programmes and the introduction of the European Credit Transfer and Accumulation System (European Parliament, 2015).

Across Europe there has been a significant increase in the student population in higher education institutions. In a study conducted by the European University Association, in 2015, among 451 higher education institutions, 62% experienced an increase in the number of students during the last five years. The study analysed the three main cycles of higher education namely: the bachelor, master and doctoral level. Belgium, Denmark, Norway, Switzerland and Turkey experienced the largest growth while Austria, France, Germany, the Russian Federation and Ukraine registered an increase of a marginal extent. On the other hand, the Czech Republic, Lithuania, and Slovakia experienced a decrease (Sursock, 2015). All in all, Europe registered a remarkable increase in the student population.

Official documents published in Malta confirmed this trend. In fact, the *Higher Education Strategy for Malta,* which was published in 2014 within the framework of two main strategic documents namely: *Further and Higher Education Strategy 2020* (NCHE, 2009) and the *Framework for the Education Strategy for Malta 2015-2024* highlighted the increase in higher education graduates during the period 2002 until 2013 for the age bracket 30-34 year olds. The increase was from 9.3% in 2002 to 26.0% in the year 2013 (2014: 5).

The National Commission for Further and Higher Education (NCFHE) analysed the number of students in higher education in the last twenty years (2015: 25). Table 1 reveals that the student population at tertiary level increased by three times in the last fourteen years, from 6,362 in the year 2000 to 15,038 in 2014, a more than two-fold increase. Worth noting that in 2014 the University of Malta had a share of 76% (11,476) of the total higher education student population (Malta Parliament, 2015). Table 2 provides details of the University's population in the last twenty years.

Table 1: Total Student Population in Higher Education in the Period 2000 – 2014

Table 2: Total Student Population at the University of Malta

Year	Total
2000	6,362
2001	7,493
2002	7,332
2003	9,006
2004	9,245
2005	9,530
2006	9,450
2007	9,500
2008	9,747
2009	10,117
2010	10,737
2011	11,714
2012	14,718
2013	16,678
2014	15,038

Academic Year	Total
1999/0	6,959
2000/1	7,420
2001/2	7,875
2002/3	8,891
2003/4	9,257
2004/5	9,966
2005/6	10,089
2006/7	9,707
2007/8	10,355
2008/9	10,094
2009/10	10,617
2010/11	11,011
2011/12	11,538
2012/13	11,350
2013/14	11,510
2014/15	11,476

Source: Further and Higher Education Statistics 2013/ 2014.

Source: Parliamentary Question 16556 of the year 2015.

Table 3 shows the dominant position of the University of Malta measured by the number of graduates in the period 2010 and 2012. The number of University graduates when compared to MCAST was more than seven times bigger in 2010 and decreased to five times in 2012. The ratio of University to ITS graduates was 164: 1 in 2010 and decreased to 130:1 in 2012. Despite such ratio decreases in the

graduate numbers, the University of Malta is still the major public higher education institution on the island.

Table 3: Number of graduates per institution

Higher Education Institution/Year	2010	2011	2012
University of Malta (MQF levels 5-8)	2,780	2,893	3,243
MCAST (MQF levels 5 and 6)	368	511	623
ITS (MQF level 5)	17	19	25

Source: Data available at the University of Malta website and NCHFE Higher Education Statistics of 2012.

Despite the evident dominant position of the University of Malta, private institutions are on the increase. In fact, around 44 institutions are licensed to offer higher education courses in Malta, most of which are private institutions.

Table 4: Share of higher education students population in terms of private and public sector

Year	2008	2009	2010	2011	2012	2013	2014
Public Sector Students	9,508	9,616	9,809	10,405	12,403	12,981	12,440
Private Sector Students	239	540	928	1,309	2,315	3,697	2,598
Total Student Population	9,747	10,156	10,737	11,714	14,718	16,678	15,038

Source: Further and Higher Education Statistics 2013/ 2014.

Table 4 indicates almost a nine fold increase in private sector market share in just six years, from 2008 until 2014. This indicates that the private sector is growing rapidly and, correspondingly, the public sector is experiencing tough competition from private higher education organisations. In fact, while the ratio of students in public and private organisations was 40: 1 in 2008, the gap decreased significantly in 2014 through a ratio of 5: 1, a decrease of eight times in the difference of students` population (NCHFE, 2015: 27).

Such a change in the composition of the student population has been accentuated by legal notice 150/2015 which was intended to inject greater internationalisation and pluralism of higher education. The concern with this change in the parameters and foundations in higher education brought about fear of reducing the quality. The National Commission for Further and Higher Education (NCFHE) explained that the main reason to introduce such changes was to give the possibility to Universities to obtain a licence even if they do not offer a wide range of programmes. The requirements specify the need for Universities to deliver programmes which consist of at least four qualifications at MQF levels 5 to 7 and provide evidence of capacity to offer doctoral degrees at Level 8 (NCFHE, 2015).

2. The structural perspective of governance and the 'governing and managerial engine' of higher education institutions

The increase in student numbers and university rankings are not the only challenges facing public higher education institutions. Other pressing challenges are new modes of delivery especially through e-learning, more heterogeneous student bodies and student representatives, the internationalisation of higher education, the increasing focus on research and innovation, the diversification in the provided services and the competitive higher education sector (Hénard and Mitterle, 2009).

This list of challenges shows that higher education institutions are not anymore simple organisations. To the contrary, they have evolved to become extremely complex organisations with a diversity of actions (Austin and Jones, 2016: 1) and which employ thousands of employees. The increase in size and the complexity of today's universities was also highlighted by Kezar and Eckel when assessing the decision-making processes of higher education institutions (2004). In an unpublished internal quality assurance report prepared by the University of Malta, it was revealed the University of Malta employs more than 2358 employees divided into 1522 academic staff and 836 administrative, technical and support staff (2015: 6). Furthermore, the University consists of 14 faculties, 18 institutes, 11

centres, 2 schools and an academy. This entails a complexity of 46 different main students' centres within the governing structure of the University of Malta and a total of 150 departments, divisions or units across University.

Worth noting is the fact that Shangai Academic Ranking of World Universities and Times Higher Education University Rankings (two of the most influential and widely observed University measures) base their rankings methodology on various aspects of higher education but not directly on governance and managerial issues even though these are becoming increasingly important in order govern and manage higher education institutions successfully. In fact, Shangai Rankings focus on the quality of education (10%), quality of faculty (40%), research output (40%) and per capita performance (10%) (Academic Ranking of World Universities, 2015). On the other hand Times Higher Education Rankings estimate a weighting of 30% for teaching, 30% for research, 32.5% for citations, 2.5% for industry income and 5% for international outlook (Times Higher Education, World Rankings, 2016). This demonstrates that although various elements are considered in these ranking models, the governance and management factors are not essential features of the ranking criteria.

In order to manage the challenges of complexity, structural theorists such as Bolman and Deal (2008) focus on the mechanistic dimensions and the structural arrangements of organisations. They concentrated on the way structures are organised in order to achieve the goals and objectives, enhance performance, coordination and control (Austin and Jones, 2016). Kezar and Eckel focused on the rules, procedures and decision-making bodies such as boards and committees (2004) which will be discussed in detail in the next sections of this paper.

The readiness to face the complexities of higher education institutions cannot be limited only to a structural approach. The managerial dynamics of higher education is influenced by a larger dimension than that of structures. Lombardi et al. called it the 'administrative shell' which not only sustains the systems and hierarchies of universities

and maintains the infrastructure but also helps to recruit students and generates revenue (Lombardi et. al, 2002: 5).

The model proposed by Lombardi has to be analysed within the perspective of a movement which can be traced back to the early 20th century which rendered universities more closely associated with a business-like approach. These practices entail that private sector management and governance approaches are required for an efficient running of public sector organisations, not least public higher education institutions (Austin and Jones, 2016: 165).

The shift from an administrative to a managerial philosophy motivates the transformation of the 'administrative shell' concept to the notion of 'governing and managerial engine' of higher education institutions. Without an effective governing and managerial capacity, higher education institutions will not achieve the desired competence in all areas that they are involved in and face the challenges ahead in an effective manner. Section 3 will analyse how the structural perspective and the governing and managerial engines of Governance are working at a national and an institutional level.

3. Malta's higher education governing and managerial hierarchy: an analysis of decision-making bodies

3.1 Governance at a national level: the state-institutions relationship

Governing structures cannot be analysed only at an institutional level but it is very important to understand the structural dynamics at a national level, especially with regards to the manner that national agencies interact with each other and how they are influencing the management of higher education institutions. Therefore the model put forward by De Boer, Enders and Schimank (2006) concerning the decision-making hierarchies and decision-making powers has to be examined into two main different governing levels: the national and the institutional level.

Shattock highlights this importance and asserts that it is not possible to think about governance in higher education without examining the influence of the state (2006: 30). Today's higher education governance is largely focused on assessing the extent and nature of government involvement in higher education institutions which defines the state-institutions relationship. Austin and Jones (2016) highlight the three models proposed by Capano in order to discuss state-institutions relationship. The Continental Model is the first model which is system based, having strong hierarchical coordination through state-centred policies and no institutional autonomy. The British Model is the second model which is based on institutional autonomy, academic collegiality and limited state involvement. The American Model is the third model which has strong universities autonomy but strong public monitoring of institutional performance and external stakeholder involvement (Quoted in Austin and Jones, 2016).

As Trakman (2008) argued, state-institutions relations realties cannot be rigidly assessed to one model. Malta's national governance is an example of a system of governance based on a mix of the three models.

From a legal and policy perspective, the governance of Malta's higher education rests entirely on the Education Act, Chapter 327 of the Laws of Malta and is therefore very much state-centred. A state-centred perspective is very much alike the Continental Model. The law was enacted in 1988 and provides an explanation of the different functions of the Education Directorate and its co-operation with schools, colleges and not least with the University and MCAST, the duty of the state to provide education, a defining framework of further and higher education, details concerning the governance of colleges, the University of Malta and MCAST and other important considerations such as the teacher's profession and the financial provisions (Education Act, 1988).

As from 1988, the Education Act was amended substantially with the more recent amendments being affected in the last three years. The fact that this is the only act, until now, which governs Maltese

education and the fact that the Maltese state is expected to provide for education as outlined in Articles 43 to 48 (Education Act, 1988) is an indicator how the Maltese education sector is excessively reliant on the Central Government.

Higher education funding is outlined in the annual budget speech of the Minister for Finance yearly (European Commission, 2008) and most of the institutions funding rests on the government budget. Central Government finances the University of Malta budget for about 80% of the total University's income (University of Malta, 2015) and almost 100% of MCAST and ITS budgets.

Policies on a national level are crafted by the Ministry for Education and Employment. In all European countries, including Malta, the overall responsibility of Higher Education lies within the Ministry responsible for Education. Their main role is to craft and execute policies concerning higher education following proper consultation with all stakeholders involved.

This entails that while the University of Malta considers itself as an autonomous institution, similar to the British Model, it largely depends on the input of the Central Government from a legal, policy and financial perspective.

The American Model comes in when considering public monitoring and external stakeholders` involvement in Malta's higher education. For the first time in Malta, an external audit of the three public higher education institutions has been carried out in April and May 2015 with the aim of setting up a national external quality audit system that complements the internal quality assurance mechanisms of individual further and higher education entities and to develop a national quality culture. The way the audit was carried out involved a number of stakeholders such as the Directorate for Lifelong Learning and the Employment and Training Corporation and ACQUIN, the transnational partner of the ESF project entitled 'Making Quality Visible' and an established cross-border Higher Education Quality Assurance Agency based in Germany (NCHFE, 2015).

3.2 *The Roles of the main Governing Bodies at a national level*

The discussion of governance at a national level maps out the roles of national agencies in higher education and their respective roles. Most European Countries have a Higher Education Advisory Board, Council or Committee which are entrusted to advise the Ministry for Education on higher education policy matters. In Malta there is no such advisory role in existence which could be crucial to provide advice on a national scale after gathering data from the European counterparts. To the contrary, advisory roles are entrusted to individual consultants rather than a statutory body. A Higher Education Advisory Board could also bring together all parties all major players. This entails that an atmosphere of dichotomy, which brings a sense of fragmentation, is still prevalent in Malta's higher education governing structures. Svara (2001) explains the danger of dichotomy which is translated into two different and divisive spheres of work within the same work environment rather than continuous interaction. Such an undesirable outcome can be observed in the lack of a co-ordinated body which, if in existence, could bring all higher education key players working in a complementarity manner. Svara highlights the main elements of complementarity which include ongoing interaction and reciprocal influence and which results into separate parts which come together in a mutual way (2001: 179 - 180).

As shown in Figure 1, there is a lacuna in having a Higher Education Advisory or Supervisory Board. This is a basic missing element in Malta's Higher Education Governing Structure since such a designated Higher Education Advisory Board would not only advise higher education institutions and the Ministry on the strategy and direction from an external point-of-view, but they may also provide important advice on the finance and cost-effectiveness functions of higher education institutions (European Commission, 2008). The functions of the National Commission for Further and Higher Education (NCHFE) do cover some of the duties normally done by the Higher Education Advisory Board. In fact, one of the main functions of the Commission is to recommend policies related to both the education and financial domains in order to address sustainability issues not

only with regard to how higher education will be financed but also in relation to building the necessary structures to provide effective guidance to students when it comes to their educational pathways and with regards to research, innovation and knowledge transfer. Nevertheless, a specific Board would be much more effective and beneficial both from a policy point-of-view and when implementing the policies. Table 5 shows that the majority of higher education governing systems in Europe have an advisory or supervisory board. Only a few countries such as France, Romania, Greece, Iceland and Finland do not make use of such a board. On the other hand, worth noting is that only 11 countries have the advisory or supervisory board composed of members who are external to the higher education institutions.

Figure 1: Malta's Higher Education System at a national level
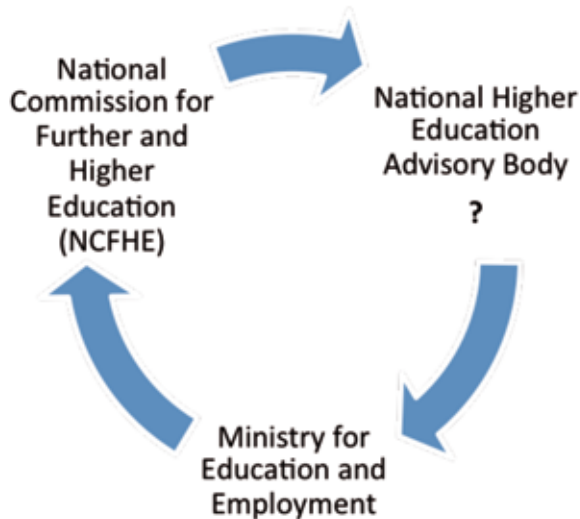
Source: Colin Borg (2016)

In addition to an advisory board, most European countries have an independent body which is responsible for ensuring standards and quality assurance with the ultimate aim of improving the quality of education and research delivered in higher education institutions.

In Malta, such a role is entrusted to the National Commission for Further and Higher Education (NCHFE). The Education Act also highlights the role of the National Commission for Further and Higher Education (NCFHE) which was set up in 2006 and is the main national authority with the power vested in it as the competent authority for licensing, accreditation, quality assurance, and recognition of Higher Education providers; the promotion and facilitation of lifelong learning and vocational education; maintaining the Malta Qualifications Framework; ensuring the compilation and, where necessary, the updates regarding the skills, competences, knowledge and attitudes of jobs at the labour market which are crucial for higher education institutions to design their courses and the validation of informal and non-formal learning (Education Act, 1988: 37).

In addition to these roles the NCFHE acts as the main research and consultative arm for the Government, its structured dialogues with the different stakeholders involved in this sector, the necessary liaison with European Union institutions, maintenance of the Quality Assurance Framework, administration of the National Qualifications Framework (NQF), development of National Strategy in Higher Education and acts as a medium of information to the general public (NCFHE, 2013: 10).

On an international level, a number of associations such as *Agence universitaire de la Francophonie*, Association of the Carpathian Region Universities, Danube Rectors' Conference, Network of Universities from the Capitals of Europe and Rectors' Conference of the Alps Adriatic Universities are in existence (European Commission, 2008: 27). Malta lacks participation in the Network of Universities from the Capitals of Europe which consists of 46 members (UNICA, 2015) but is a member of the Association of Commonwealth Universities (2015).

When assessing the governing structure at a national level, it is also important to assess the current hierarchies of the three main public institutions providing higher education in Malta: the University of Malta, MCAST and the Institute for Tourism Studies (ITS).

Hogan (2006: 1) encapsulates the governance of universities into four categories: first, unicameral governance under which the institution is governed by a single governing body; second, bicameral governance which in practice means two governing bodies: a governing board and a senate or a university council having distinct and complementary roles; the third form of governance rests on a governing board, a senate and a university council and the fourth pattern is hybrid governance.

Malta's higher education institutions are governed either through a unicameral or a bicameral institution. As can be noticed in Table 5, the University of Malta is governed via a bicameral system, comprising the Council which is responsible for the general administration of the University, for managing resources and for appointing new staff, while Senate decides on academic matters. On the other hand, MCAST and ITS are governed by a Board of Governors through a unicameral system of governance. It is important to note that Table 5 is focusing on the main and highest governing bodies since both MCAST and ITS have other governing bodies which are examined in the next section.

Table 5: Main governing bodies of Malta's public higher education institutions

Malta's Public Higher Education Institutions	Governing Bodies		Governing Type
University of Malta	Senate (Rector)	Council (Pro-Chancellor)	Bicameral
MCAST	Board of Governance (President)		Unicameral
ITS	Board of Governance (Chairman)		Unicameral

Source: Colin Borg (2016)

Table 6 shows that most of the governing systems around Europe are bicameral and decision-making power is vested in the Senate, Council or a Governing Body. In the absolute majority of the cases, the Rector is the executive head although in a few cases such power is vested in the Chancellor, Vice-Chancellor, President or Director.

3.3 Governance at an institutional level

3.3.1 The main governing arrangements: managerialism, academic self-governance and collegiality

Governance at a national level is only one side of the coin. As Austin and Jones (2016: 149) assert, governance is also about the manner in which today's Universities take decisions. An effective internal governing structure and an efficient governing and managerial engine is a way towards achieving better results at an institutional level.

The responsibility of higher education institutions to embrace and reach out more with the business world and the community led to the creation of complex governing arrangements. As shown in Figures 2, 3 and 4, the governing structures of all three main public institutions are quite elaborate even though in terms of organisational size there are substantial differences. The size of the University of Malta is approximately twelve times larger than that of ITS: 12,000 to 1,000 students.

The main provider of tertiary education in Malta is the University of Malta. However the Malta College of Arts, Science and Technology (MCAST) and the Institute for Tourism Studies offer higher education courses at Higher Diploma level and in the case of MCAST at degree level as from the year 2009. In addition to public institutions, tertiary education is also provided by a number of private institutions which are branches or franchises of British or American Universities and are offering specialised education through a campus in Malta.

Table 6: Institutional governing bodies around Europe - higher education governance in Europe: policies, structures, funding and academic staff compiled by the European Commission

	Executive Head	Academic Body	Decision-making Body	Advisory/Supervisory Body
BE fr	Rector	Academic Body	Educational Management Council	Administrative Council
BE de	Director	Academic Council	Management Board	
BE nl	Rector (Executive Board)	Academic/Scientific Council	Governing Body	⊗
BG	Rector	Academic Council	General Assembly	Controlling Board
CZ (a)	Rector	Academic Senate		Board of Trustees
CZ (b)		School Head		⊗
DK	Rector	Academy Council		Board of Directors
DE (a)	Rector	University Board	Senate	Governing Board
DE (b)	Director	Conference	Dual Senate	Governing Board
EE (a)	Rector	Council		Board of Governors
EE (b)	Rector	Council		Advisory Body
IE (a)	President/*Provost*	Academic Council	Governing Authority	
IE (b)	President/Director	Academic Council	Governing Body	
EL	Rector	Senate		⊗
ES	Rector	University Senate	Governing Council	Social Council
FR	President	Academic/Scientific Council/Council of Studies and University Life	Administrative Council/Board	⊗
IT	Rector	Academic Senate		Board of Governors
CY	Rector	Senate	Council	
LV	Rector	Senate/Academic Assembly		Convention of Advisors (*)
LT	Rector	Senate/Academic Council		University/College Council
LU	Rector	University Council	Governing Council	
HU	Rector	Senate		Financial Board
MT	Chancellor; Rector	Senate	Council	⊗
NL	Rector magnificus	Executive Board		Supervisory Board/Main Representative Advisory Board
AT (a)	Rector	Senate	University Council	
AT (b)	*Erhalter*	Collegium		Board of Trustees (*)
PL	Rector	Senate		Council (*)
PT (a)	Rector	University Senate		University Assembly
PT (b)	President	General Council		Administrative Council
RO	Rector	Senate		⊗
SI	Rector	Senate		Managerial Board/Council of Trustees (*)
SK	Rector	Academic Senate		Board of Trustees
FI (a)	Rector	Senate		⊗
FI (b)	Rector/Maintaining Organisation	Polytechnic Board/Maintaining Organisation		⊗
SE	Vice-Chancellor	Senate	Governing Board	
UK	Vice-Chancellor	Academic Board/Senate	Governing Body/Council	Court (*)
IS	Rector	Senate		⊗
LI	Rector	Assembly/Senate	Council	
NO	Rector	Senate (*)	Board	

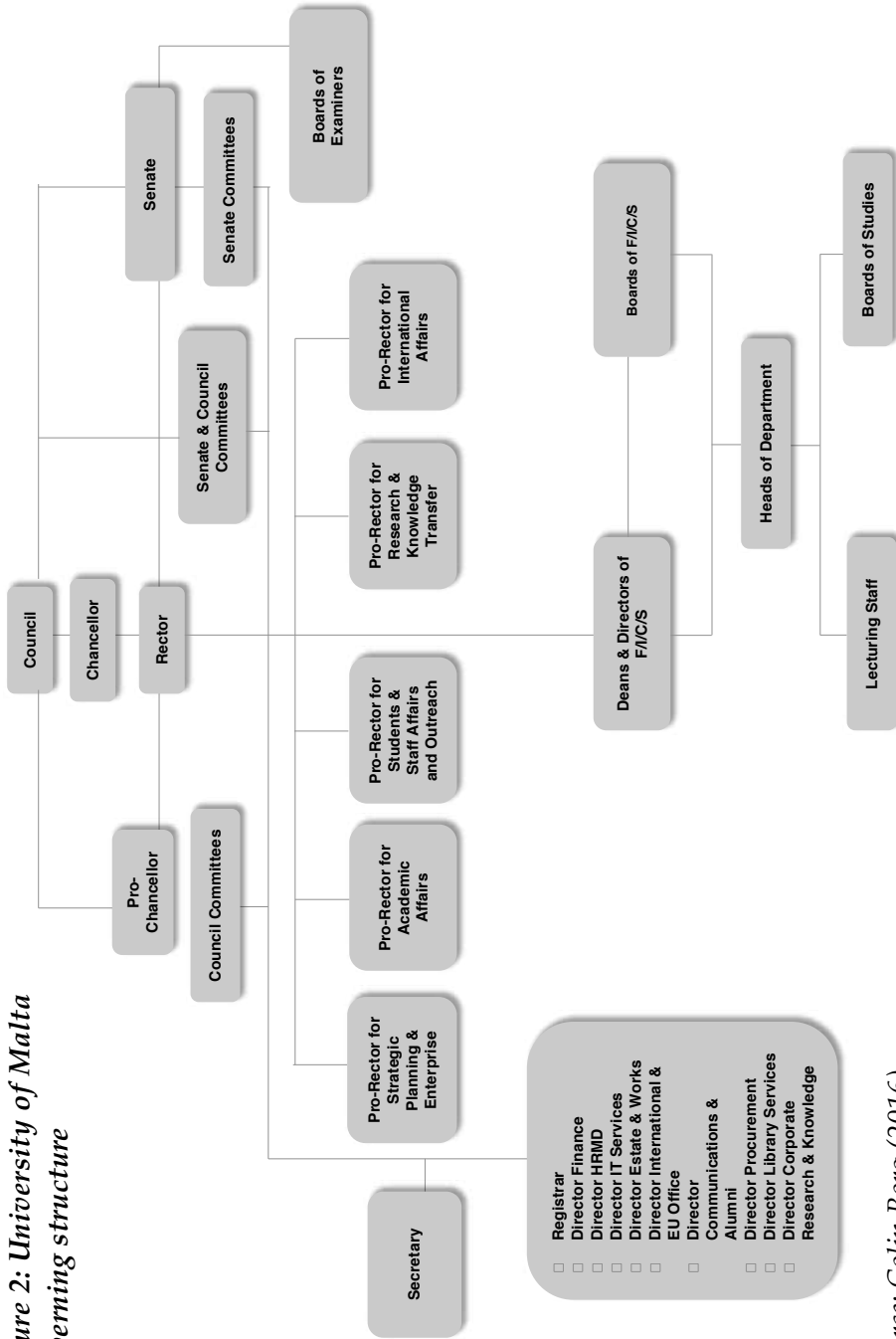☐ Solely Internal Stakeholders   ☐ Internal and external stakeholders
■ Solely External Stakeholders   ⊗ Body does not exist
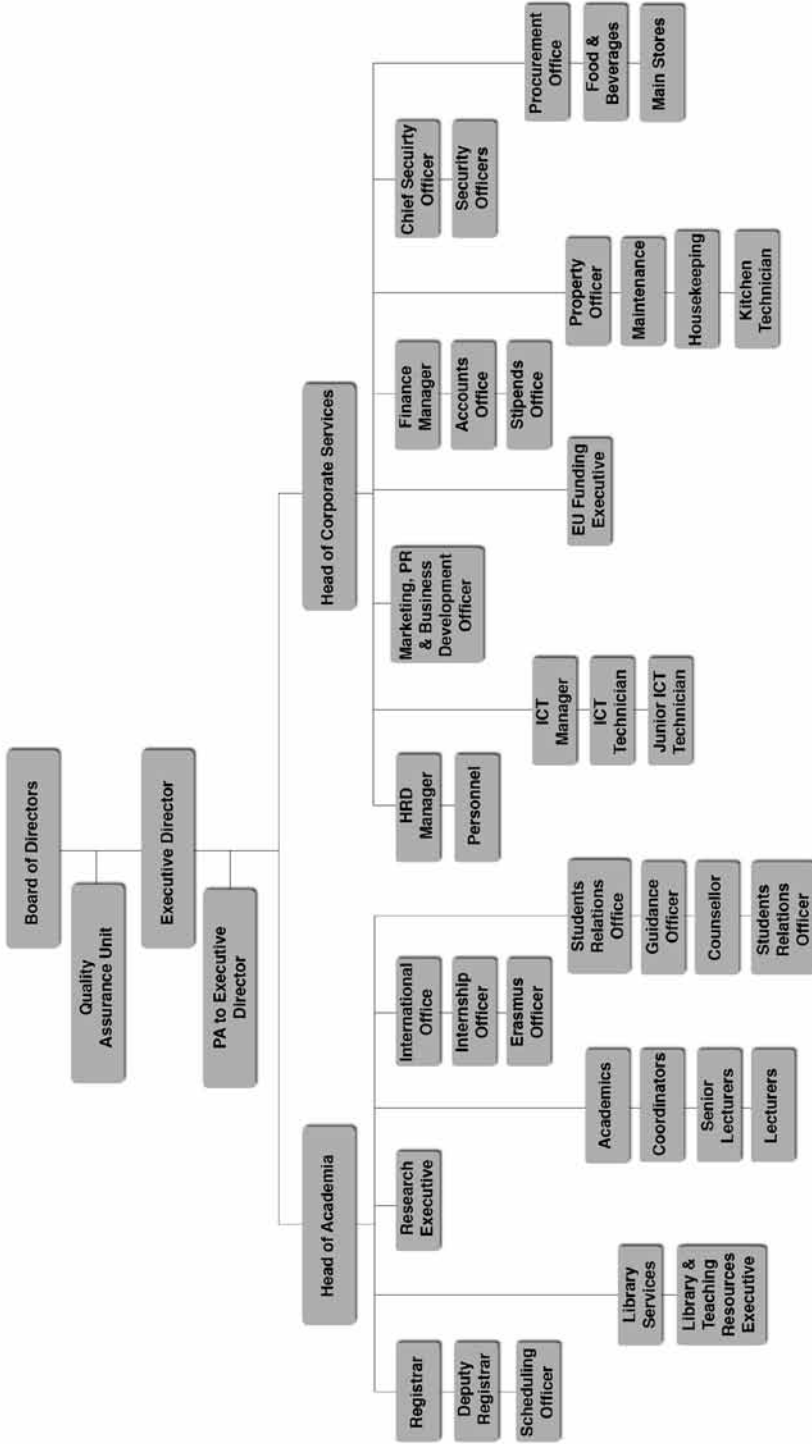(*) Body is not mandatory for all Higher Education Institutions

Source: Education and Culture DG 2008: 34-35.
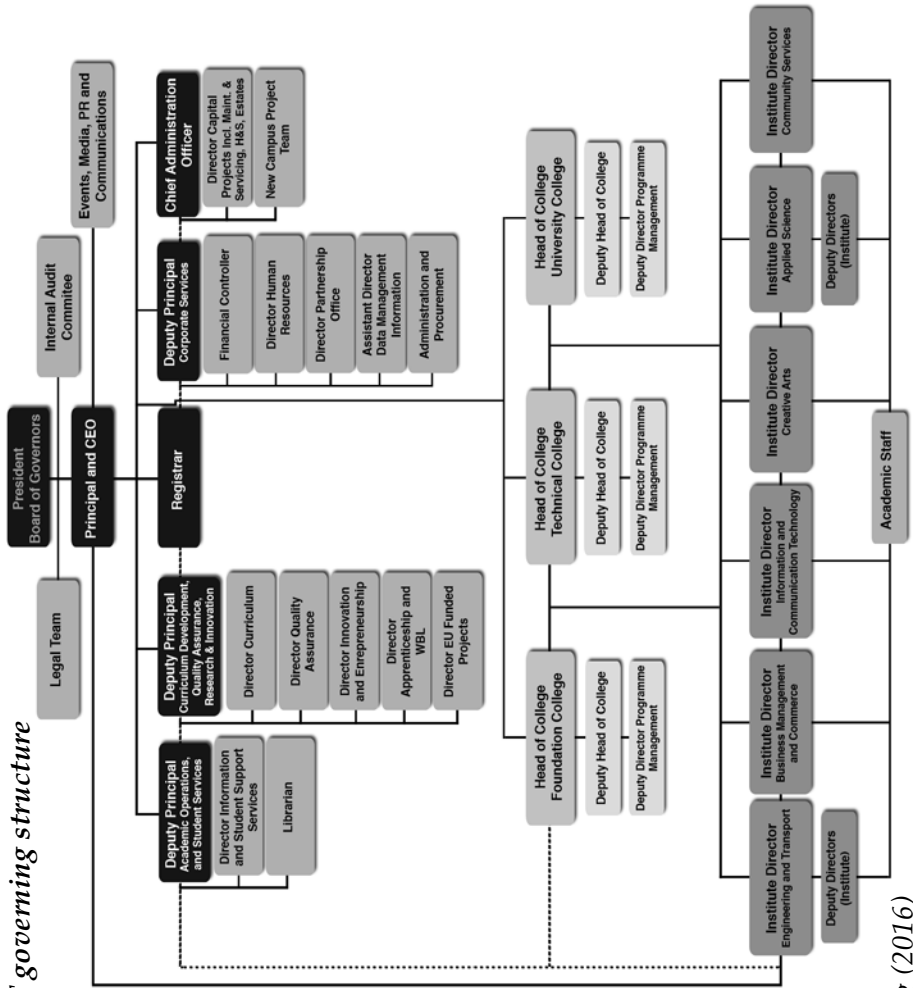
Figure 2: University of Malta governing structure

Source: Colin Borg (2016)

Figure 3: ITS governing structure

Source: Colin Borg (2016)

Figure 4: MCAST governing structure

Source: Colin Borg (2016)

Sections seven (7) and eight (8) of the Education Act provides for the governing arrangements of the University of Malta and the Malta College of Arts, Science and Technology (MCAST). It outlines (i) the main functions of both institutions and their respective role in the higher education sector; (ii) the governing bodies which are responsible for the resource management and academic affairs of both higher educational institutions; and (iii) the principal officers (Education Act, 1988: 41-64).

According to the Education Act, the University's main decision-making bodies are Council and Senate (Education Act, 1988). This is in line with the tradition of most foreign Universities which embrace the concepts of 'academic self-governance' and 'collegiality'. In essence, these entail that Universities should be governed by the academic staff, since they really know the needs of the institution, within a collegial set-up of committees such as Senate and Council (Austin and Jones, 2016: 1)

Academic-self-governance does not necessarily entail academic freedom. The drive towards managerialism, as explained by Tierney and Lechuga (2010), brought about governing structures and processes which undermined academic freedom and most decision-making is in reality imposed on academics. The principle of collegiality is also under threat if there is no effective co-ordination between central and faculty or institute level decision-making. A strong bridge is required between the central and the local units of the University (Shattock, 2006: 110-111). Otherwise the risk will be to turn Senate and Council meetings into rubber-stamping forums.

The present University's organisational structure (Figure 2) is a reflection of such a risk. At the central high-decision-making level, the University's Chancellor is the principal officer in addition to the Pro-Chancellor, Rector and the Pro-Rectors. The Pro-Chancellor is the Council's president, a body mainly responsible for the management of the university's resources such as the appointment of academic, administrative and technical staff, the university's strategic way forward and its financial outlay. The Rector presides on Senate which

decides on academic matters following recommendations from the Boards of the Faculties, Institutes, Centres, Academy and School. There are other important principal Officers of the University such as the Secretary, Registrar and the Director of Finance.

At the faculty, institute, centre or school level there are the Deans and the Deputy Deans. The roles of these main decision-makers are all established by the Education Act. It is important to distinguish between the University-wide roles such as the Secretary, Registrar and the Director of Finance who are involved in the management of the University and the Deans and Deputy Deans who manage their respective faculties or institutes apart from their academic duties. When considering the number of principal officers involved and the number of committees which exist at the University, the challenge is always to take decisions which reflect the aspirations of the academic staff of the University and to create a managerial environment which does not hinder academics from their teaching and research initiatives.

Figures 3 and 4 show that even though MCAST and ITS are smaller in size, the organisational decision-making arrangements are also quite elaborate. The highest decision-making body for both ITS and MCAST is the Board of Governors. Other important decision-making bodies for MCAST are the Council of the Institutes, the Administrative Bureau, the Boards of Studies of the Institutes and the Partnership Office. MCAST's main officers are the President, the Registrar, the Deputy Principals, the Principal and the CEO, the Administrative Director, the Head of the Institutes, the Head of the Partnership Office, the Librarian and the Financial Controller (Education Act, Chapter 327, 1988).

The Subsidiary Legislation for the Institution of Tourism Studies Regulation defines the Board of Governors and the Board of Studies as the main governing bodies for ITS. The Principal Officers are the Chairman, Director, Deputy Director, Head of Academic Affairs, Head of Administration, the Registrar, Heads of Departments and Branch Managers (ITS Subsidiary Legislation, 2012)

When having elaborate governing structures the risk of creating a governance ambiguity is also a reality but given the size of today's higher education institutions and the external environment within which they are operating, these complex governing structures are inescapable. Therefore, it is important that a well-understood governance structure and effective lines of communication are in place (Shattock, 2006).

From a structural and organisational point of view, while the governing arrangements of the University of Malta is still based on the traditional academic self-governance model, the governance of the two other public institutions: MCAST and ITS are more business-centred models. The University's structure is centred and modelled on the two main governing bodies (Council and Senate), the Rector and the five Pro-Rectors, the Corporate Services Section features more prominently in the structure of MCAST and ITS. In fact the Corporate Services Section is strategically positioned at the same level as the academic domain. Furthermore, at MCAST a deputy principal is responsible for Corporate Services while at ITS there is a Head of Corporate Services. This means that the institutional governance of both ITS and MCAST rests on two main pillars: the academic pillar and the corporate governance and management pillar.

Such an organisational positioning does not entail that the functions of a Corporate Services Section is missing in the University of Malta. To the contrary a number of Directors represent several managerial domains such as Finance, Human Resources, International and EU Affairs, Estates and Works, IT Services, Finance, Procurement, Library Services, Marketing and Communications, and Corporate Research and Knowledge Transfer. Such diverse portfolios exist in a very similar pattern to those designated by ITS and MCAST. Furthermore, the role of the Secretary who is appointed for a term of five years (Education Act, 1988) is mainly a corporate services one.

The appointment of a new Rector and five Pro-Rectors with effect from 1st July 2016 brought about a new dimension in the governing and mangerial aspects of the University of Malta. Two completely new

portfolios were created, namely Strategic Planning and Enterprise, and International Development. These reflect a changing directional paradigm from an inward towards an outward looking perspective. Worth noting is the incorporation of management focus, such as Staff Affairs, with other institutional dimensions that influence the University's governance; students and the external stakeholders (the genereal public, parents, NGOs and the business community). This intersecting hybrid of dimentions is incorporated in the new Students and Staff Affairs and Outreach portfolio.

MCAST institutes are now organised into three main colleges: the foundational, technical and university colleges, a move which is intended to rationalise the organisational dynamics of a growing educational institution. These colleges reflect both the nature and academic level of courses on offer and bring together six main institutes. This is not the case in the University's organisational structure even though it consists of fourteen faculties, eighteen institutes, ten centres, one academy and one school which in total are forty-four different academic entities within a University having approximately 12,000 students.

Of special interest is also the portfolio of innovation which exists at both the University of Malta and MCAST. At the University of Malta, a Pro-Rector role was previously responsible for research and innovation, and which was subsequently reshaped to Research and Knowledge Transfer portfolio. This change was initiated in order to emphasise further the importance of conducting research and business that can be transferable to the economy and society. At MCAST, a Director was appointed to take care of Research and Entrepreneurship.

Another important difference lies in the nomenclature adopted by the respective institutions. Whilst at both ITS and MCAST the highest official is a business-centred position: an Executive Director and a CEO, at the University of Malta the Executive Director is the Rector. The Secretary is the highest administrative officer of the University.

This shows that the University's governing structure is still embedded into a traditional academic-centred organisational structure.

3.3.2 *Adjusting or creating structures in tune with the external environment*

A key factor in the institutional governance is the ability to adjust their structures and the managerial engine in a manner geared to respond to the exigencies of the external environment. DiMaggio and Powell (1991) emphasise this issue not only from a strategic point-of-view but in order to remain in tune with the society, community, the economy and the outside world and therefore to retain their legitimacy.

This is an important challenge for Malta's public higher education institutions especially in the light of the investment from the private sector. This section will analyse the governing and managerial engine from a student affairs, internal audit, marketing and communications perspective.

Presently, there is no Student Welfare Support Unit at both MCAST and the University of Malta, although both institutions have high-level officials assigned to student welfare, a Pro-Rector and a Deputy Principal respectively. Both institutions have a number of units or officials taking care of student welfare but the challenge is to rationalise such different offices into a Student Welfare Support Unit which would serve as a one-stop shop. Take the University of Malta as an example. The present student support services are sporadic and concentrated in different units of the university's structure such as the Students` Advisory Services, the Office of the Registrar and within Faculties or Institutes. A well-manned Student Welfare Support Unit does not only provide guidance to current University students but also to prospective students in all aspects of their University life and could also act as a liaison with the Kunsill Studenti Universitarji (KSU) in directing their ideas and their projects for a better University experience. The ripple effect can be that the University could handle students' complaints before they have to resort to the Ombudsman

or the Ministry for Education for redress. ITS created a students relations office within their structure very recently as an attempt to organise better their students services.

Another important managerial function is the Internal Audit Office which is part of MCAST governing structure but is absent both at the University of Malta and ITS. The internal audit office would act independently from the internal functions of the University and ITS such as the Finance Office and would report directly to the Council or to the Board of Governors. Its functions would not only be concentrated in the financial side but would also conduct reviews with regards to student-staff ratios and service efficiency. Most importantly, this office would serve as a check and balance on the University's Finance Office. Rather than relying only on external auditors, and on evaluations which may take place at certain occasion, such a structure ensures effective, continuous audit and assurance that (i) money is being spent wisely both centrally and at Faculty level; and (ii) resources, especially human resources are being used to their maximum potential. Therefore the focus of the Internal Audit Office is not only to ensure that financial transactions are effected in accordance with the financial regulations but a better value for money is realised throughout the University. This is manifested in the main aim of the internal audit department of the University of Colorado which is intended to add value and strengthen the University's operations (University of Colorado, 2015). A significant number of US based Universities such as Boston University, University of Kansas, University of Minnesota, Columbia University, Yale University, University of Toronto, University of Florida, University of Texas, University of Washington, University of Cincinnati and University of Virginia have their internal audit functions in place. In Europe reputable Universities such as the University of Edinburgh, Kent University, University of Strathclyde and the University of Nottingham while in Australia the University of Melbourne and the University of Queensland have internal audit as part of their organisational structure and mechanisms.

Despite these differences, there a number of similar managerial positions such as the role of the Registrar which is found in all three institutions. The same holds for other traditional roles such as Finance, Human Resources and Marketing. The role of quality assurance also plays an important role in all institutions. At the University of Malta, the pro-rector for Academic Affairs is responsible for quality assurance whilst at MCAST a deputy principal is in charge of this particular area. ITS organisational chart shows that quality assurance became a top priority for this institution. Towards this aim an internal quality assurance head has been recently appointed.

With regards to Marketing it is interesting to note the differences in nomenclature in all three institutions. At the University of Malta, it is called the Marketing, Communications and Alumni Office, at MCAST the PR and Communications Office, while at ITS it is called a Marketing and Business Development Office. This entails that marketing is becoming more and more integrated with other managerial functions. For a large institution such as the University of Malta, communications and marketing is a major challenge for communicating more than 870 courses effectively. When having such a large number of courses, creating a differentiated brand image is crucial.

The next major challenge is to transform public higher education institutions from traditional organisations into robust models of governing and managerial engines. Higher education institutions are still relying on traditionally-based administrative jobs such as clerks, executive officers, administrative assistants and administrative officers. A report published in 2012 entitled: *University of the future – A thousand year old industry on the cusp of profound change* stressed that given the forces of change are impacting significantly on the higher education sector, it is expected that higher education institutions embark on a significant business model transformation (Ernst and Young, 2012: 15). Such a management reform is to be modelled on a clear goal oriented and performance management programme (Hammerschmid et al., 2013).

New specialised posts have lately been introduced towards this aim but more could be done in this area such as Student Welfare Officers, Programme and Timetabling Managers, Faculty or Institute Managers and Certification Officers. Such a specialised approach would bring about a change in the management structures. This necessitates that there is a link between the designations of specialised new posts and the structure of a higher education institution. It also entails more delegation of authority and responsibilities from the central administration to the faculty level, in practice, the creation of already existing job designations at a Faculty or Institute level to move away from too much centralisation. Examples of such jobs are Human Resources Managers, Finance Managers and Communications and Marketing Managers. Such a model may not fit within small higher education institutions such as ITS but is much needed in larger counterparts such as the University of Malta.

Conclusion: the challenges of Malta's public higher education institutions

The current government policy of liberalising Malta's higher education sector is allowing the private sector to gain momentum and acquire a higher market share. This entails that our present public institutions need to adjust themselves to this unavoidable reality. The governing and managerial aspects cannot be overlooked any longer if public institutions are to remain competitive with the private sector. The model presented by Boer, Enders and Schimank and the arguments put forward by structural theorists such as Bolman and Deal and Kezar and Eckel are becoming increasingly relevant to higher education situation both on an international scale and a national scale.

Malta's higher education arena experienced a number of significant changes which were implemented in the last twenty years but more is to be achieved in the near future in order to strengthen the governing and managerial engine of the public higher education institutions. This reality will soon be accelerated by the planned radical changes in the Maltese Education Act of 1988 which will be repealed and instead

new legislation will come into force at an institutional level rather than a macro-level. Such a strategic move will certainly influence the governance of higher education in Malta and we would need to assess the ability of the institutions for stronger self-governance and less external reliance. If Malta's higher education governing system follows this model and greater autonomy is achieved, careful consideration would still need to be paid towards the excessive reliance of public institutions on central government funding, the direction of the Education Ministry on policy matters and the ability of creating effective coordinative mechanisms which are crucial in order to successfully govern the future higher education domain.

Successful governance rests on three main managerial initiatives: first the generation of more funds at an institutional level and the use of resources in an optimum manner; second, the effective integration of staff and students into the decision-making powers in a more synergised and effective manner without creating unnecessary overlaps and duplication of resources and third, the orientation of the institution into a closer collaboration with the outside world, the labour market, the society and the communities.

The introduction of a National Higher Education Advisory Board, which consists of a hybrid of educational and financial expertise, is essential towards more effective governance and greater efficiency. In addition, an effective internal audit function at the University of Malta and ITS will achieve more efficiency, quality, cost-effectiveness and most importantly greater accountability especially if higher education institutions are to become more autonomous. Given the relatively small size of our institutions it may be more financially viable to create an internal audit function at a national level rather than institutionally based. The auditing function is to be complemented by a robust marketing function within the institutions to attract more students, both local and foreign, to Maltese public higher education institutions in order to increase revenue.

New specialised posts are also a must in order to inject a stronger sense of managerialism instead of the grades of Clerk, Executive

Officer, Administrative Assistant, Administrative Officer and Senior Administrative Officer that have been in existence for a number of decades.

All initiatives are earmarked towards providing a better service to the students who after all are the clients of the institutions. A one-stop shop for student services will help to achieve better quality in the services offered to students. This would help institutions to generate more funds. An interesting cycle can be noticed between the governing and managerial engine, the academia and the students. An effective governing structure can lead to a successful cycle.

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