INTERNATIONAL CASE STUDY OF A MERGER: UNIVERSITY OF WESTERN SYDNEY, AUSTRALIA

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1. INTRODUCTION

This report outlines the way the University of Western Sydney, Australia, approached the merger of three semi-independent 'member' institutions, beginning in 1998, and compares what was done with a set of key lessons about effective change management in higher education generated from 25 years of research on the topic.

The University of Western Sydney (UWS) is one of Australia's largest universities, with an enrolment of some 37 000 students. It operates from six campuses across some 2000 square kilometres of Greater Western Sydney (GWS), one of the fastest growing regions of Australia and one of the most multicultural areas in the southern hemisphere.

Some two million people from more than 100 countries live in the GWS region. Its rate of growth over the next 20 years is predicted to be 20 percent, much faster than that of the rest of Sydney and the nation as a whole. It has the same number of indigenous residents as the states of Victoria or South Australia. Seventy-three percent of UWS students are from GWS and, of these, 70 percent are the first in their family to attend university. Youth unemployment in GWS stands at around 25 percent; and in some areas of GWS it is reported that only 30 percent of students complete the higher school certificate (MROC, 2004).

In 1989, the so-called Dawkins Reforms (named after the Federal Labour Minister of Education at the time) dismantled the previous 'binary system' of higher education in Australia – a system made up of Colleges of Advanced Education and universities. UWS was formed from the merger of three of these colleges, Hawkesbury Agricultural College, Nepean College of Advanced Education and Macarthur Institute of Higher Education, under an Act of Parliament which stated that the new University would provide educational opportunities for the diverse and, in part, highly disadvantaged region of GWS. The University was originally structured as a federation of the three merging institutions. In this structure, although there was an umbrella coordinating group, each of the three 'members' operated relatively independently. This model was unique in Australian higher education.

1.1 The need for change at UWS

By 1995, it was becoming clear that the 'federated model' was not working. At times it seemed that there was more competition between the members than there was with other universities. Then one member tried to secede, but was unsuccessful in doing so.

This led to a strengthening of the central core of the University, but still allowed autonomy for its member institutions. Community Councils were created in the sub-regions served by the former colleges and each member continued to have a strong leader – with a dual role as a Deputy Vice-Chancellor of the University and President of the member.

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By 1998, it was clear that the federated model was not only inefficient, duplicating provision and characterised by internal competition, but it was also not producing the benefits to GWS anticipated in the UWS enabling Act. In that year, a new Vice-Chancellor was appointed with a mandate to move away from the inter-institutional conflicts and to develop a unified UWS.

The unification process started modestly in late 1998 with discussions being opened up among the colleges' staff on how they might work productively together, share services and develop a vision for the University as a whole. A group of 28 projects under the title of *Agenda 2000* was used to facilitate and give focus to these discussions. In September 1999, the UWS governing body, the University's Board of Trustees, told the Vice-Chancellor to be bold, to think about the sort of university UWS should become and what needed to be done to achieve this. The Vice-Chancellor called for the University to unite – for the member institutions to merge and for UWS to become a unified multi-campus University with one administration and one academic structure.

It is widely recognised that this merger was the biggest change to any Australian university in the ten years following the development of Australia's unified national system put in motion by Minister Dawkins in 1989.

1.2 What must a merger focus on?

UWS's experience – what it had to focus on as it sought to bring together the three members of the federation into a unified institution – identifies for all institutions faced with a similar process the things that need to be addressed if a merger is to be successful.

Figure 1 identifies all the focus areas of the UWS unification. It shows the roles and activities of Overall Direction Setting, Resourcing, Governance and Communication (A); the University's Core Activities of Teaching and Learning, Research, Community Engagement and Entrepreneurial Activities (B); and the associated support, infrastructure and administrative activities[2] which are necessary to enable the core activities to work efficiently and effectively (C).

A university that is successful in its merger will effectively have managed appropriate change in all these areas and will have made sure that A, B and C are mutually reinforcing.

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[2] These activities cover everything from student administration, student services, IT, the library, buildings and facilities management to legal and corporate services, financial management, and the provision of shops, sports activities and student unions.
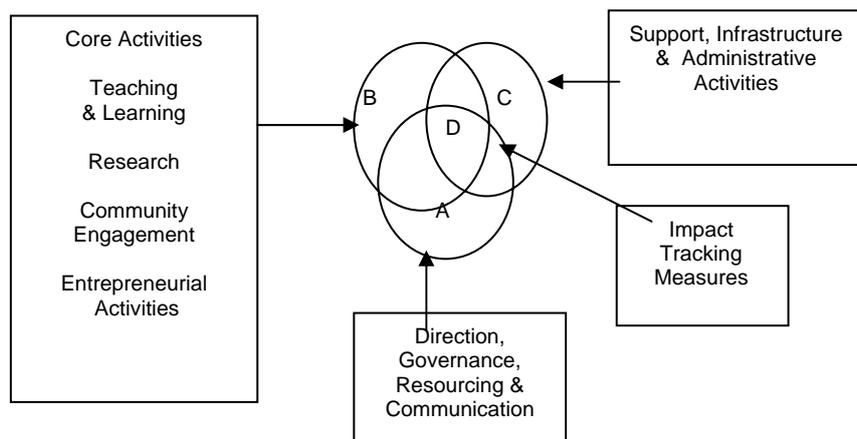
Core Activities

Teaching & Learning

Research

Community Engagement

Entrepreneurial Activities

B

C

D

A

Support, Infrastructure & Administrative Activities

Impact Tracking Measures

Direction, Governance, Resourcing & Communication

Figure 1: Areas of focus for a university merger

1.3 Determining quality

Successfully merged universities not only track how well the various activities depicted in Figure 1 are working by regularly seeking user feedback, they also recognise that the acid test of quality involves determining whether these activities are, in combination, having a positive impact on their students and the other key beneficiaries of their work (D). For example, in the area of Learning and Teaching they not only use satisfaction surveys on areas A and B, but also look at impact indicators (D) such as benchmarked trends in demand, retention and graduation rates, assessment performance, graduate employability and salaries, as well as employer satisfaction with their graduates. In the area of research, they use benchmarked trends in doctoral completions, refereed publications per full-time staff member, number and value of grants won in relation to applications, research income, and so on. Equally, they look to evidence of a positive impact on the communities they serve and to their overall financial performance.

The tracking data gathered about the quality of operation of A, B and C and the university's impact (D) can be both qualitative and quantitative and can be used to prove and to improve the quality of what a university does. These data provide critical indications of what is and is not working as the merger is being implemented (i.e. put into practice across the institution).

1.4 A clear plan of action

There was a clear plan of action for the UWS merger. In October 1999, the UWS Board approved the Vice-Chancellor's paper entitled 'The Shape of the Future'. The objectives set for the 'new UWS' formed from the merger were to

- improve the quality of services and the educational experiences for all stakeholders, particularly our students;

- provide those services in a coordinated and cost effective way, building on all elements of best practice;

- provide a working environment for staff that is supportive, energising and rewarding of creativity, intellectual rigour and academic excellence;

- develop the structure and direction of the University in ways which add value to its international reputation, competitiveness and standing;

- promote and support a businesslike approach to academic and organisational developments with regional development as an institutional focus; and

- establish an operating environment where the University has the administrative flexibility to adjust to radical changes in the external funding environment.

The paper had three critical elements:

1. a blueprint for the unified UWS;

2. the principles and values that would bring about this new UWS – most particularly a transparent and fair process that showed our commitment to staff; and

3. the process to bring about the merger.

The rest of this case study first outlines what was done to address all of the elements in Figure 1, as the core elements of the Board-endorsed merger plan were attended to, and then discusses the way the strategies adopted at UWS to put the many changes arising from this merger agenda into practice align with research on effective change management in higher education. The key lesson learnt is that we needed to be good at:

- not only the **what of change** (figuring out the optimum shape of the new, unified UWS for it to operate successfully and in a sustainable manner),

- but also the **how of change** (successfully deploying the strategies for taking a desired change idea and actually making it work consistently and in a sustainable manner in daily practice).

First then, **what** was done to address each of the core elements in Figure 1? In what ways was UWS changed in order to make the merger work?

2. GOVERNANCE, STRUCTURE AND RESOURCING

A key step was to determine the exact governance and management structure for the University. The one that was selected for the unified UWS is now comparatively common in Australia. It consists of a Board of Trustees (BOT) and a range of Board committees; a University Executive comprising the Vice-Chancellor and three Deputy Vice-Chancellors, each responsible for one of the three Divisions that make up the University, an Academic Senate and a range of Senate Committees. The University is organised into three Divisions, each led by a DVC (Academic and Services) (made up of a wide range of central academic support staff and the Academic Colleges of the University); Corporate Services (planning and quality, Human Resources, Marketing, Legal Services, etc.); and Development and International operations (including research, business development and community engagement, and responsibility for buildings and facilities and the University's international operations).

In terms of its academic operations, the merger involved the University moving from a system of 56 separate academic units, many of which were in strong competition with one another, to four colleges made up of 22 schools. What is important is that these academic groupings were formulated by the staff members themselves. Over 1000 academic staff were able to choose the academic group that best matched their academic interests within guidelines developed in consultation with staff and unions.

Overall, the University saved $11m from the merger – this has proven to be a vital outcome as the University battles a continued decrease in its funding from government under the 2003 Higher Education Support Act. To achieve these savings under the new structure, 60 senior staff positions were removed and 28 new ones created. In total, more than 100 staff members were made redundant as a result of the restructuring. The process for accomplishing this was mostly internal, with the more than 900 administrative staff either being placed in positions, having to compete for a restructured position, or accepting redundancy.

It should be noted that the process of monitoring and improving the University's governance, management systems and structure is ongoing. For example, in 2005 the original four colleges and 22 schools formed during the merger have been consolidated into three colleges and 16 schools to give greater coherence to the University's research and teaching programmes and to better support the key strategic directions endorsed by the BOT in December 2003. In 2005 a new University Television Station opened; and in 2007 a new Medical School. Both of these have been catered for in the consolidated structure.

2.1 Communication and involvement

Two-way communication about the merger's change agenda was crucial to demonstrate to all concerned that the merger was both necessary and unavoidable; that it was to be managed effectively and collaboratively; and that, within the overall parameters set by the 'Shape of the Future' paper, staff and other key stakeholders would be asked to play an active role in devising the best ways to make the required changes.

The general motto has been to 'listen, link and lead', in that order. Trying to market predetermined solutions does not engage those who are to implement them. Communication and motivation to engage in the change are, therefore, intimately connected.

2.2 Unification of the academic programme

The unification of UWS did not take place in a vacuum. Courses were on offer and students were enrolled in them. The University took the view that it would consolidate and harmonise the various member awards as soon as possible. This was a major task, led by the Pro-Vice-Chancellor (Academic). At the start of the consolidation process in 2001, there were some 800 undergraduate programmes made up of 5500 units of study (subjects). By the end of the process in 2004, there were 76 undergraduate programmes and 1400 units. At the same time, programmes at the postgraduate level have been reduced from several hundred to 79.

Because the three member institutions were part of a Federation which was self-accrediting with respect to its awards, there were no issues with respect to the standard of the awards. All of the awards were three- to four-year bachelor's degree awards and in many cases they were accredited by the same agency; for instance, the UWS undergraduate Nursing degree was recognised by the Nurses' Registration Board.

The new awards were to be far more flexible than the old member awards and so it would be easy to transfer students to the new ones. However, it would also be easy for a student to complete the old award, because equivalent units would be on offer. Indeed, when each consolidated or harmonised award was presented for re-accreditation, the proposers were required to include a transition table setting out the unit equivalences to show how students in the old awards could complete their degree.

It was left to the various schools to determine whether students would be required to transfer to the new awards (as was the case in, for example, Engineering and Psychology); given a choice (for example, in Accounting); or remain in the old member award (for example, in Podiatry). Where students chose to remain in the old member awards, the University agreed that the old member testamurs[3] would be awarded

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[3] A *testamur* is a certificate of passing a university examination.

for the first two years after the unification, but after this they would reflect the new unified institution. Students who transferred to the new awards upon unification would receive the new testamurs upon graduation.

On reflection, allowing students to remain in the old member awards was a mistake. The University has now determined that where a course changes and the outcomes are the equivalent of or better than the current course, all students will be moved to the new award. The failure to do this systematically has meant that up until recently there were some 800-plus undergraduate awards on the University's system. This was partly because of students remaining in these old member awards. One of the outcomes of our recent Academic Programme Review has been to ensure that students either graduate from these awards within the next 18 months or transfer to the new awards. Most students have been transferred.

The key objectives of the unification process for the academic programme were to

- bring the existing, parallel academic groupings together;

- remove duplication of courses and units;

- remove uneconomic units and courses that were being subsidised by the rest of the university;

- focus the academic effort on quality; and

- be open, transparent, evidence-based and fair.

The following areas had to be addressed:

- Consolidation of those courses and units that were being duplicated.

- Harmonisation of the resulting programmes so that they all conformed to a common, agreed degree structure and set of operating principles.

- Developing common admission and articulation processes and rules.

- Developing and implementing a common policy on prerequisites.

- Ensuring flexibility – that students could follow flexible learning paths by being able to take a proportion of their study programme as electives.

- Putting in place a common assessment policy.

- Efficiency – removal of uneconomic or duplicated units or programmes.

- Ensuring that courses that were to be discontinued were taught out or that students could transfer to a new, appropriate course without disadvantage.

- Rewriting the academic rules to reflect the changes.

To achieve the required consolidation and harmonisation of the academic programme, the merged schools were given 18 months after amalgamation to complete the task of reaccrediting all awards. There was reward money associated with the successful completion of this task. The principles underpinning this process were as follows:

1. All units had to be ten credit points, or a multiple thereof. A credit point is the equivalent of one hour of student engagement for each week of a teaching session. Therefore, ten credit points are the equivalent of ten hours per week. Forty credit points per semester are regarded as a full-time load, which is 40 hours a week. Some 370-plus units that did not conform to this principle were identified at the outset.

2. All courses were to contain at least eight units of open electives out of 24 for a three-year degree and 32 for a four-year degree. This requirement was to ensure that students could have the maximum choice to mix and match the make-up of their degree. For example, a student doing Accounting might wish to combine this with a major in Japanese.

The merged institution was sensitive to the requirements of professional bodies, but tested the claims of academics against the written documentation provided by these accrediting bodies.

3. Prerequisites were to be used sparingly. This principle was designed to underpin the previous one in ensuring that students were not locked in (or out) by the use of prerequisites.

4. The former member institutions had all had good relationships and articulations with the relevant local Technical and Further Education Institutes, namely Southern Sydney, South-Western Sydney and Western Sydney. Staff members were asked to reframe these articulations as they developed the new degrees. Again, this has been successful in that the University has more people with a Technical and Further Education (TAFE) qualification in its student body than any other University in Australia. The University also has a unique approach to articulation that allows students who move from, for example, the study of early childhood education in TAFE to accounting at UWS, to use some of the academic credit they would have gained for their early childhood studies towards the 'open elective' component of their University course.

At the same time, all academic rules were rewritten, taking the best of what had existed at the three former member institutions. This was achieved by requiring that they be completed in a very short space of time, with the 'threat' that if the task were not completed, one of the old rules would simply be chosen!

The new awards were successfully developed within the 18-month time frame. To give some indication of the magnitude of the task, the Course Approvals Committee examined some 30 000 pages of documentation and produced some 350 pages of minutes. Importantly, the majority of the students are enrolled in courses that meet the principles set out above. All awards were reaccredited by the various professional bodies. Indeed, in the end more of the University's areas of study were accredited professionally than had been in the past.

However, one thing that was not done, at the time, was to require all students to move into the new awards. This has meant that some of these 'legacy' courses are still running. There is now a rule that states that where a course is changed and the new course provides at least the same benefits as the old course, students will be transferred to the new course. Similarly, letters have been sent to all students who have taken leave of absence indicating that they will be moved into the new award on their return. Where an award is likely to be phased out, students are informed of the intention to do this and they are asked to contact the University to discuss their options. It is hoped that the vast majority of these old awards will be taken off the student system by the end of 2006. Importantly, students are most often enrolled in the 'new' units to complete their old degree, so the impact of these old awards has already been reduced.

The above procedure enabled UWS to present 'one face' to the world at large. The University now offered one degree in each area of study, not multiples. However, given the complexities of the unification, no decisions had been taken about whether the University should continue to teach a particular area, or whether it would continue to teach it on the various campuses where it had previously been taught. To make these decisions, UWS engaged in an 'Academic Programme Review'. One of the first things the review uncovered was that, as noted above, there were some 800-plus undergraduate programmes still on the system, because the University had not required students to move from old awards to the new ones.

The University began removing the old awards in 2004 and anticipates that some 80 percent of these old courses will have been removed from the system by the end of 2005. Nevertheless, the University's advice would be that students should transfer from old to new where there is little impact on outcomes.

The processes outlined above mean that the University now offers some 74 to 76 undergraduate programmes (two are under review). The same process has been used to consolidate and harmonise programmes at honours and postgraduate level. The former have been reduced by 75 percent and the latter from several hundred to 79, as mentioned above. The University is currently engaged in a process to graduate or move all postgraduate students enrolled in legacy/retired courses. Of course, reducing the number of programmes has had a significant impact on unit offerings (subjects, courses, etc.). It is anticipated that in the future some 1200 to 1500 units will be offered, which is a reduction from the 5500 in 2001.

It was found that some 30 percent of academic effort was being devoted to units that had fewer than 16 students enrolled in them, or three percent of the student enrolments. Removing these units has had a dramatic effect on timetabling and room usage. Forty fewer spaces are needed at every point during the teaching week for the same numbers of students. The casual teaching load has been considerably reduced. There are many benefits from using casual lecturers and the University will continue to use them, but they can present a considerable risk to academic activities.

Admissions requirements were a very interesting aspect of the merger. When the practices of the three former members were examined, there were 28 alternative entry schemes. The decision was to adopt a policy that students, where possible, would be selected on the basis of their Universities Admissions Index (UAI) or equivalent rank.[4] Previously, many students had been selected on the basis of portfolio, interview, or written application. These were discontinued for all courses, except those that had a performance base, for example, dance, music and fine arts.[5] This caused great consternation, particularly among some local schools, which are assessed against their ability to get students into university. However, UWS did retain a separate scheme for Indigenous Australians and a scheme that allowed students who went to local schools to boost their UAI. This scheme is called the Regional Entry Test (RET). It is basically the Special Tertiary Admissions Test (STAT) that the UK looks like adopting as an alternative to 'A' level entry. Students who score higher than their UAI can use the RET score to gain entry into a programme where their UAI is within ten points of the previous year's cut-off and their RET score is higher than this cut-off.

Although the course of action set out above certainly created difficulties with some of the local schools, UWS believes that it now has an open, fair, and transparent selection process that would stand up to any audit.[6]

The issue of assessment has been approached in two ways. During the consolidation and harmonisation process, a number of principles were set up to guide assessment, where a course or unit was taught across multiple campuses.

These included requiring that

- the assessment items were identical across campuses (it is surprising how many academics assumed that they could be different);

- there be cross-marking so that staff on one campus would mark the work of students from all campuses and vice versa;

- formal examinations held on multiple campuses be scheduled to start and finish at the same time;

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[4] Students who have just finished school and completed their Higher School Certificate are given a Universities Admissions Index. Students who have completed, for example, a TAFE award are given the 'equivalent rank'. UWS uses these equivalent ranks to select students, but not all universities use them.
[5] Nevertheless, we wrote a set of protocols about how these processes should be conducted.
[6] Indeed, our concern now is that because we select solely on the basis of merit, we are not doing as well as we might with respect to our equity goals. We are currently looking at this.

- school and college Assessment Committees pay particular attention to the grade distributions on each campus where a unit was taught across several campuses (it was not anticipated that the distributions would be identical, but academic staff were expected to have examined the distributions and to be prepared to defend them); and

- unit coordinators provide an explanation where the outcomes were different from an established set of guidelines: (High Distinction + Distinction) < Credit < Pass – all schools appear to have taken this on board to the extent that deviation from this rule is rarely allowed.

Now that the reorganisation and reaccreditation of the academic programme is complete, there is renewed focus on assessment and there are a number of initiatives under way to convince staff to 'assess less, but assess better'.

2.3 Funding model for the merged academic programme

To underpin all of the above, a University Funding Model was developed. It distributes monies to the colleges and schools on the following basis:

- The majority of academic funding is distributed on the basis of weighted student load. A set of weights based on discipline was initially developed through selecting some 12 Australian universities that used weighted load models. Some adjustments were made to the model on the basis of strategic objectives and colleges/schools could appeal against the outcomes. However, the model appears to have worked well. From 2005, the University is applying the discipline based relative funding weights that the Commonwealth Government is using as part of its new funding model for the sector. This simplifies the weighted load model and the resultant weights are quite similar to the weightings applied previously at the University.

- Nine percent of academic funding is distributed on the basis of research performance as defined according to government criteria (publications, research income and student completions).

- Nine percent of academic funding is distributed as a fee income incentive. This incentive is based on the amount of fee income received above the level of funding for government supported students and is received in addition to weighted student load funding for those students. This means that colleges and schools get more money for a fee-paying student. It encourages them to grow by increasing the numbers of fee-paying students, not by 'poaching' government funded students from other academic areas.

The initial funding model allocated nine percent to be distributed according to academic quality indicators. In fact, up to the present the University has funded colleges on the basis of the three components set out above and is only now moving into rewarding academic quality through its new Course Performance Fund. The key variables to be used in this funding include graduate ratings of good teaching and overall satisfaction, employability outcomes and student retention rates, benchmarked against sector field of education data.

Colleges and schools also directly receive their research grant, non-award and offshore fee income and consultancy income, some of which is subject to a University levy.

2.4 Support and infrastructure

The merger required the unified UWS to determine how best to consolidate and harmonise each of the following support and infrastructure activities of the University (C in Figure 1) and then to ensure that they were directly enabling its core activities (B in Figure 1) to perform effectively:

- Student Administration

- Student Services and Learning Assistance

- International operations

- Capital Works and Facilities Management

- Security Services

- Information Technology systems and infrastructure

- Human Resources, professional development, payroll etc.

- Financial Services

- Audit and Risk Assessment

- Business Services

- Marketing and Media Relations

- Planning and Quality Management

- Policy and compliance

- Records and Archives

- Legal Services

- Library

- Print Services

- Research Services

- Student Unions and shops

- Provision for different religious groups

- Regional engagement and development

- Educational Development Services

- Online Learning Systems.

A key challenge has been figuring out how, on the one hand, to take account of existing good practice in the federation member institutions while, on the other, establishing a unified and 'good practice' approach

to each element. In some cases, it has emerged that none of the member institutions was managing a particular component effectively and new approaches have been sought through external benchmarking. For each of the activities listed above, a detailed and lengthy change process has unfolded as new, proven ways of operating have been identified, tested, refined and then scaled up. In some cases, the new unified approach has been effective; in others, the optimum solution is still to be found.

A key 'hot spot' for any merger involves developing a single, universally applied system of student administration. This includes achieving quick, accurate and efficient enrolments, timely and accurate fees invoices, effective graduations, and making sure that there are direct links to the new course rules emerging from reform of the academic programme. In late 2005, UWS is moving to an online enrolments system, which, it is anticipated, will address a number of these merger hot spots.

3. MANAGING THE CHANGE

Whereas the above discussion concerns the **what** of change what follows discusses the **how**. The way we have made sure that the change agenda, which flowed from the Vice-Chancellor's 1998 vision, was actually put into practice successfully and sustained generally aligns well with the key lessons from 25 years of research on effective change management in higher education. (For more detail on this research see Scott, 1999, 2004.)

Our motto and focus can be summarised in Canada's Michael Fullan's words: 'Good ideas with no ideas of how to implement them are wasted ideas'.

Below, the key themes that flow through this change research are summarised, and then the nine key lessons derived from it are outlined and illustrated by referring to the change implementation strategy for the UWS merger. What is particularly challenging about a merger is its size, complexity and the constant interplay between different elements. As Figure 1 shows, pretty well every aspect of a university's operation has to be addressed. And what is frustrating is the fact that you have to 'build the plane while you are flying it'.

3.1 Key change themes

Four recurring themes underpin the effective change management lessons:

1. Change is a complex learning and unlearning process for all concerned. It is not an event.

2. Organisational and individual capabilities to manage change are directly linked. Change ready and capable organisations are made up of change ready and capable staff.

3. There is a profound difference between *change* and *progress*. The former is about something being made different or becoming different. The latter involves coming to a value judgement about the worth of each change effort. Change management is, therefore, heavily value-laden.

4. Strategic change and continuous quality improvement are two sides of the same coin. The former is concerned with setting and implementing quite new directions, the latter with ensuring that current practice is regularly tracked and the key areas identified for enhancement are addressed promptly and wisely. Having 'good ideas' for structural change, strategic innovation or quality improvement will not make them happen. For this to occur and for the impact to be positive, the following nine change management lessons need to be learned appropriately and effectively in the unique context of each university.

3.2 Key change lessons

You can't address every change idea that comes along.

Priorities must be set. This process must be evidence based by referring, depending on the change concerned, to any one or a mix of the following: robust tracking of data on performance, satisfaction and impact, external benchmarking and strategic intelligence. And the priorities that emerge should be consistent with the University's core values, mission and overall direction. The process and criteria which are used to determine the University's development priorities need to be transparent and accepted if the change agenda that emerges is to be pursued actively by those who are to implement it. The aim then is to achieve consensus based on robust evidence of what needs to happen, not just consensus around the table.

In the case of the UWS merger, it was clear that the improvements in the University's performance were being held back by the federated structure, that structural change was a key change priority for the University. In addressing this priority, the University kept faith with the overall merger plan set in 1998–1999 and the set of values and principles that underpinned the process. The unified governance structure, systems and academic programme that have emerged have been shaped and refined by drawing on evidence of effective internal performance and external benchmarking, and by confirming that what is proposed will directly enable the University to achieve its mission and key strategic purposes.

As the UWS communication strategy for its merger emphasized, it is crucial that a clear, succinct and evidence based case for the necessity of change be presented and that staff be allowed to react to and question the rationale.

For effective strategic planning it is best to set just a small number of overall key strategic directions for the University rather than dozens and ensure that people do not confuse setting improvement priorities for current practice with setting key strategic directions.

The UWS 'Shape of the Future' paper gave a succinct focus to the underpinning principles for the merger but, most importantly, it only set out the broad parameters and operating principles for the change. It did not seek to pre-specify how to put these into practice. This had to be a collaborative effort involving those who were to implement the merger. A similar approach was seen in the way the unification of the academic programme was handled.

Change is a learning process − not an event − and the motivation of key players to engage in and stick with it is critical to successful implementation.

Change in higher education is fundamentally about the staff who are to put each development into practice, learning how to do something new (and 'unlearning' old approaches). If staff members do not have to do something new, there is no change, only 'window dressing'.

And it is motivation that drives this learning process. Staff will not engage in a change effort and the learning that goes with it unless they can personally see that doing so is relevant, desirable, distinctive and, most importantly, feasible. Being appropriately involved in shaping an agreed change project and being clear on what is envisaged are also powerful motivators. Right from the outset, the staff affected by each change will be weighing up the benefits of engaging in and persevering with it against the costs. This is a process that carries on over the whole life cycle of every change effort.

Motivation to engage in change can be both extrinsic (e.g. a financial crisis, threat of job loss, the prospect of a financial reward, praise from one's boss, negative student feedback, pressure from colleagues) and intrinsic (e.g. seeing that what is proposed is consistent with one's moral purpose, having a sense of personal ownership of and commitment to what is planned). The inspiration to engage in change always has both a rational and an emotional dimension.

In the case of the UWS merger, as already stated, it was clear that the federated model was not working and that, if the situation had not been addressed, the University might have become untenable, especially as sector-wide financial pressures were felt in the late 1990s.

The same flexible and responsive approaches to learning now being advocated for use with higher education students apply equally to university staff involved in change. Alan Tough's research more than 25 years ago shows, for example, that a key resource for productive learning is having timely access to a fellow staff member who is further down the same change path one wants to pursue (Tough, 1977). It is also known that one-off, generic staff development workshops, led by 'outside experts' unfamiliar with the daily realities of the University's operating context, have little effect (Fullan, 2001: Ch. 15).

In the case of the UWS merger, as noted earlier, the University started modestly in 1998 by opening up discussions of how best to work together, sharing services and gradually developing a vision of the University as a unified entity. This work was enabled by the establishment of a group of 28 projects under the title 'Agenda 2000'. It was through this cross-functional, team based approach, which involved staff from all three areas identified in Figure 1, that direct links between hitherto isolated groups were encouraged and thus ownership of the merger process was developed. And it was through identifying and testing solutions in these groups that the practical learning essential to implementation was achieved.

The scope of the change and how digestibly, efficiently and effectively it is managed and supported are key motivators for staff. Strategic support is critical and this must be resourced. In the case of the UWS merger, for example, it was important that the merger working groups were well led and the team process assisted. This required the targeted allocation of resources.

As the merger proceeded, staff were confronted not only with having to learn new ways of doing things, but also with unlearning old, superseded ones. As this learning and unlearning process unfolds, it is natural that staff will feel a sense of significant loss – of familiar and predictable patterns, of familiar networks of friendship, information sharing, assistance and collegiality. The importance of addressing these social underpinnings of the change and learning process should not be underestimated.

A university's culture is a powerful influence on motivation to commit to change.

A key influence on the motivation to change is the peer group and the collegial networks in which university staff are engaged. These groups develop a particular culture ('the way we do things around here'). Universities develop an overall culture, but they also develop a range of subcultures, which feed the micro-political processes that can help or hinder change. When amalgamations or restructuring processes are in the air, the potential for a clash between differing cultures and histories is heightened. This was a major challenge faced in the UWS merger, given the competing cultures of the three member institutions of the federation.

Just as the peer group of school or university students profoundly influences their motivation to engage in learning, so too does the peer group influence staff engagement in the learning necessary to put desired changes into practice.

Change in a university's culture naturally takes a lot of time. A fundamental factor in reshaping culture is how well the senior management consistently model the desired behaviours over time. In the case of the UWS merger, it has taken a number of years for a more unified UWS culture to emerge. Even today, there are still those who talk about 'how we used to do it' at one of the member institutions of the federation. Findings show that the culture change necessary to underpin the unified UWS can be shaped by many factors: senior staff modelling the new ways of behaving; providing direct rewards for working in collaboration across the University; giving emphasis to such things as promotion criteria; and bringing new staff into key positions.

Change in one area of university activity typically triggers a need for change in other areas.

It is gradually being recognised that Support and General Staff are just as important to the success of a university as the academic staff. The best universities bring both groups together strategically into a consolidated team effort around key areas of activity and reform, with each member contributing his or her own specific area of expertise.

One of the challenges of the UWS merger has been to ensure that the changes in the core, academic programme, on the one hand, and merger developments in the University's support infrastructure, budgeting, administrative, overall direction setting and communication activities, on the other, are aligned. Achieving a nexus between the new student administration system for the merged institution and a consolidated and harmonised academic programme is a good example.

Successful change is a team effort.

It follows from the discussion above that change needs to be a team effort not a solo one. However, great care must be taken in selecting the team members who are to work on a particular change project. The leader of the team must not only be an expert in the area that is the focus of the change but must also have the emotional intelligence and capability to optimise the contribution of each member.

In the case of the UWS merger, a wide range of cross-functional working groups was established. Each group was charged with the responsibility of thinking about, researching and benchmarking innovative and optimal structures and arrangements for the 'new' integrated and unified UWS. Four University-wide groups were established to coordinate the process of bringing together key administrative and infrastructure areas (C in Figure 1). At a University-wide level there were four pivotal groups:

- A Staffing Committee – dealing with all the issues affecting staff and developing an agreed process for change with the staff Unions called the 'Staffing Paper'.

- A Benchmarking Committee – which rigorously costed every unit of administration, then worked with staff to reshape the units on a new, lower funding base.

- A Student Consultative Committee − which discussed with students the proposals for change and sought their feedback, which was included wherever possible.

- A Communication Committee – the purpose of which was to develop the means by which the University could consistently and on a regular basis advise the community about the merger, the proposals for change and any other information to allay concerns. This included University-wide e-mails, newsletters, a dedicated website, campus forums, community discussions, meetings with student and staff and their representative bodies and meetings of the governing Board and Academic Senate.

Each of the emerging organisational divisions also had a change management group with a project manager. Below this structure was a series of 30 staff work teams. In total, more than 300 staff members were involved in the design process. These groups were actually designing the new administrative and academic support structures while at the same time trying to manage and operate a very large and complex institution.

In determining the academic structure of the University, again a team based approach involving a 'top-down and bottom-up' strategy was used. The existing academic groups from the old member institutions were supported by the formation of a college and schools Facilitation Team. Twenty-eight submissions to form schools were developed. It was from this process, along with benchmarking with other similar

universities, that the four colleges and 22 constituent schools that eventually made up the unified UWS emerged.

It is necessary to focus simultaneously on the present and the future.

As noted earlier, strategic change and continuous quality improvement are two sides of the same coin. The former is about how best to position a university strategically to ensure that it remains in alignment with a rapidly changing external environment. The latter is about how best to ensure that current practice operates as well as possible and continues to deliver the benefits intended. In the case of the UWS merger, it was essential to maintain the quality of what was being delivered to students and other stakeholders while at the same time reshaping and unifying the institution. This challenge of 'having to rebuild the aeroplane while flying it' has already been noted.

Change is a cyclical, not linear, process.

'We rise to great heights by a winding staircase.'

As the above quotation from Sir Francis Bacon implies, the process of developing, implementing, monitoring, refining and scaling up a change operates in a cyclical not a linear fashion. No significant change ever works out, in practice, exactly as anticipated. The process will always have to be adaptive and iterative.

In the case of the UWS merger, although the overall merger plan 'The Shape of the Future' was used as a 'light on the hill' to steer the course, to set the overall parameters within which to shape the change, considerable time has been expended by University teams on testing, reviewing and refining not only the structure but also the administrative and academic systems. For example, as noted earlier, when the unification was first implemented there were four colleges and 22 schools. In 2005, in the light of subsequent developments across the sector and internal monitoring, a more focused, efficient and strategic structure of three colleges and 16 schools was instituted.

For this spiralling approach to action research and work based learning to succeed, it is essential to have in place robust tracking systems, which enable the team to determine how effective the implementation of each merger solution is proving to be.[7]

There is a need to look not just inside but outside for effective change solutions.

Effective solutions to key change problems may lie hidden in pockets within one's home university. Equally, however, they may exist in similar universities and institutions elsewhere. And this is where strategic networking – shared tracking systems and working in a reciprocal way with equivalent institutions within and beyond Australia – has been so important to the effectiveness with which UWS been able to address its agreed change priorities. For these networks to work it is critical that participation in them is both personal and reciprocal; that is, one needs to give in order to receive. In the case of the UWS merger, not only did the University look inside for solutions for its new academic and administrative structure and systems, it also looked to the way in which other similar, successfully performing universities were structured and how they operated.

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[7] Details of the UWS approach to tracking and improving teaching and learning can be found on the UWS Quality Management Web site on the UWS Home Page at www.uws.edu.au.

Change does not just happen − it must be led.

There is little doubt that leadership of change in higher education is going to be a key issue, internationally, in the coming five years. This is because change does not just happen, it must be led, and because in many countries there is going to be a large-scale exit of the so-called 'baby boomers' who currently hold middle and senior management positions in universities.

In the case of the UWS merger, there would have been little engagement by line staff if the Vice-Chancellor had not championed the unification − complex changes like this do not just happen spontaneously, they have to be led and deftly so. A key leadership strategy is, at first glance, paradoxical – it involves balancing top-down with bottom-up change strategies. It is critical to set the vision and direction for the change, as the UWS Vice-Chancellor did. But, it is equally important to see this not as being a detailed plan, but simply as setting the broad, non-negotiable parameters, the detail for which must be invented from the bottom up as teams of staff, drawing on their own experience and that of institutions elsewhere which have merged successfully, shape, put to the test, and refine the operational aspects of the merger through a series of action learning projects. In this sense, the best motto for an effective leader of a merger is *ready, fire, aim* – not *ready, aim* (pre-specify everything), *fire*. In this approach, 'ready' is to set the direction and the rationale for change; 'fire' is to explore and refine the best solutions; and 'aim' is to consolidate the most effective outcomes and then scale them up.

There is a growing database on what constitutes an effective approach to change leadership in education. For example, a study of 322 effective principles,[8] which aligns with studies already completed in a range of other professions and sectors, has just been completed. (See for example Fullan 2001b, 2003; *Harvard Business Review*, 2004.)[9] The findings consistently reveal that high levels of knowledge and skill may be necessary, but they are not sufficient for effective change leadership in education. It is personal and social emotional intelligence and a distinctive, contingent way of thinking that interact to make for excellence in leadership in education. Good leaders understand that they need to listen then lead, that informal and ongoing communication, staff trust and respect all encourage people to speak up promptly and honestly about the quality of change proposals and implementation difficulties before they escalate. They understand that change is an emotional as well as a rational process and that listening not only to enthusiasts, but also to resistors, provides important insights into how to ensure that a desired change effort succeeds.

For example, in the study of effective principles,[10] the top-ranking items of importance in the more than 40 items surveyed were, in rank order:[11]

Item 4:   being able to remain calm under pressure or when things go wrong (A1).

Item 11:   having a sense of humour and being able to keep work in perspective (A1).

Item 42:   having a clear, succinct and justified vision of where the educational institution must head (B).

Item 22:   being able to deal effectively with conflict situations (A2).

Item 7:   wanting to achieve the best outcome possible (A1).

Item 12:   being able to bounce back from adversity (A1).

Item 13:   the ability to empathise with and work productively with people from a wide variety of backgrounds (A2).

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[8] See: http://www.curriculumsupport.nsw.edu.au/leadership/docs/Learning_principalsnewb.pdf
[9] This issue of the *Harvard Business Review* is solely dedicated to investigations of the role of emotional intelligence in successful leadership in non-educational settings.
[10] The effectiveness criteria included evidence that projects were delivered on time to specification, high outcomes on agreed school performance indicators, and high levels of staff, student and community support.
[11] A1 indicates an Emotional Intelligence (Personal item); A2 an Emotional Intelligence item (Interpersonal item); and B an Intellectual Capability Item.

Item 9:   an ability to make a hard decision (A1).

Item 30:   being able to set and justify priorities (B).

Item 14:   a willingness to listen to different points of view before coming to a decision (A2).

Item 1:   being willing to face and learn from errors and listen openly to feedback (A1).

Item 24:   being able to identify from a mass of information the core issue in any situation (B).

Item 20:   being able to develop and contribute positively to team based projects (A2).

The results of studies like this can be used to make the identification of potential leaders more targeted, and may help to ensure that the support given to their development is more focused and better situated in the unique context of the University.

In the case of the UWS merger, with hindsight, what should have been done was to focus on the senior leadership profile as soon as possible and really not to have embarked on a change process with old and new leadership structures in flux and unresolved. One useful way to conceive of the role of leader in a university might be to see oneself as an adult educator assisting one's staff to set priorities for change and then helping them to learn how to accomplish them.

One final note: it is often implied that the only leaders of change are the senior, executive members of a university − this is wrong. Every member of staff is a leader of change in his or her own area of expertise. In the case of the UWS merger, it has become patently clear that new structures, systems, policies and processes are only as effective in their implementation as the people who deliver them. No merger is person-proof.

The lessons to be learned from the experience of the UWS merger are profound. First, it appears that emotional intelligence may not be teachable, but it is certainly learnable, once the key elements that account for successful practice in each role are made explicit. Second, few leaders are aware of this leadership research or of the more general findings about effective change management in higher education that have been outlined above. Third, it was found that what senior staff members do to lead change profoundly influences staff culture, morale and their willingness to engage in and actively pursue necessary change projects.

4. CONCLUSION

Higher education institutions are at a watershed. To survive in the increasingly uncertain, shifting and challenging environment now faced, universities need not only to identify an achievable number of good and carefully formulated change ideas. They must also make them happen consistently and in a sustainable manner, in practice, if they are to remain viable. It will be, therefore, the capability to bring together the **what** of change (good priority ideas for operation, improvement and innovation that are evidence based, relevant, desirable and feasible) and the **how** of change (research based ideas on how best to implement them) that will, more than anything, determine each university's future. The stakes are that high.

The nine change lessons identified in this report and the overall framework depicted in Figure 1 for understanding where the lessons can be applied are intended to help give this process focus. How they can be applied in the case of a university merger has been illustrated.

The change lessons and the themes which underpin them do not constitute a formula. This is because effective change management is essentially about the art of managing paradox. For example, it is about figuring out where, in each unique situation, to set the balance between

- using top-down and bottom-up strategies;

- listening and leading;

- concentrating on the core and the support components of change;

- emphasising stability or change; and

- focusing on improving current practice and setting out in quite new directions.

Change is typically a mix of drift (the impact of forces beyond one's control) and individual action (taking the broader external context into account and figuring out how best to move things forward).

Finally, it is important to be wary of a number of pervading change management myths:

The consensual myth

'Look we've all agreed that this is best structure for the merged university so that's what we're going to do!'

The change event myth

'Well, the hard work's done, we've got the new university structure approved, now all you lot have got to do is implement it.'

The silver bullet myth

'Just follow this five-step method to successful change and all will be well.'

The brute logic myth

'I've told them three times now and they still can't see that the new assessment rules are much better than what we had before.'

'Reformers have the misplaced notion that change is achieved by brute logic' (George Bernard Shaw).

The linear myth

'It's easy: we'll get the new transdisciplinary course approved, get the infrastructure in place, run a staff workshop on it and it'll be working by next semester.'

The knight on the white charger myth

'Now we've got a better Dean this Faculty will really take off.'

The either/or myth

'There's nothing I can do − I'm a victim of forces beyond my control.'

The structural myth

'Now we've restructured, the university will be a success.'

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