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Institutional Mergers in Ireland

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Chapter 6

Institutional Mergers in Ireland

Siobhan Harkin and Ellen Hazelkorn

6.1 Introduction

The importance of knowledge as a driver of social and economic growth and prosperity, and the increasingly competitive “global race for knowledge and talent” (Hazelkorn 2009) have combined to transform the higher education landscape, forcing national governments and higher education institutions (HEIs) to pursue new ways of addressing the challenges of a multi-polar world order. Rising demand for higher education (HE), as part of the broader shift from elite to mass to universal participation, has led to the emergence of new models of provision. At the same time, many governments face restrictions on public resources due to high levels of public and private debt; accordingly, system-level and institutional restructuring has been contemplated as a way to enhance quality, performance and efficiency.

Universities have been forming alliances of one type or another over the decades, giving rise to a remarkable increase in the number and type of partnerships, as well as changes in their nature, structure and complexity (Beerkens 2002). Such alliances or collaborations have arisen for many reasons; traditionally, many have, and continue to be, initiated at the level of the individual academic and derive from a fundamental collegiality, the desire to share and disseminate new knowledge, as well as the need to form linkages to address complex and challenging specialist research questions. Whilst individual academics and scientists will continue to collaborate across regional, national and global networks of their peers, HEIs as “corporate” entities are increasingly entering into partnerships with each

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other, and with business and industry, public sector and not-for-profit organisations driven by motivations more akin to those underpinning commercial strategic alliances (Eckel and Hartley 2008). The increasingly global nature of knowledge creation and exchange has encouraged the formation of sophisticated networks to further enhance attractiveness, visibility and global reach, and ranking (Harman and Harman 2008; Aula and Tienari 2011). Thus, inter-institutional arrangements have become increasingly strategic in nature, whereby universities and other HEIs form partnerships to achieve aims that they simply could not achieve on their own (Lawton et al. 2013).

Before the onset of the millennium, such partnerships were rare in Ireland, and then only voluntary. Since 2000, global and national economic circumstances have led to and encouraged alliances and mergers across the HE sector. While this period was marked by inter-institutional collaboration and alliance formation, it is only in the years since 2010 that policy-led restructuring came to the fore with the publication of the *National Strategy for Higher Education to 2030* (DoES 2011). Occurring against the backdrop of the worst economic downturn in the history of modern Ireland, growing demands on an already massified HE sector, and the drive to re-engineer Ireland as a twenty-first century knowledge-intensive society, emphasis was placed on system-wide re-organisation, and alliances, mergers and clustering as an integral part of a broader strategy to develop “a coherent and sustainable system of higher education to meet the economic and social needs of the country, within its broad ambition to create an export-driven knowledge economy” (HEA 2013).

This chapter traces these developments. It is divided into four main parts:

1. describes the socio-economic and policy context underpinning developments in Irish HE since the 1970s;
2. traces the origin and evolution of collaboration during the first phase (1996–2011) when alliance-formation was facilitated and incentivized by government funding;
3. looks at the current or second phase (2011) which envisages structural reform and system-wide change as part of top-down policy-steering; and
4. concludes with a discussion of the over-all changes to the HE landscape, and the implications of a shift from a policy of laissez-faire to steering-from-the-centre.

6.2 Overview of Higher Education System

In the early twentieth century, only 3,200 students were enrolled at five universities in Ireland (Coolahan 1981). This included the oldest, Trinity College Dublin (TCD), established in 1592, and four universities loosely federated as the National University of Ireland (NUI). This configuration remained until, beginning in the 1960s, Ireland was transformed from an economy based on agriculture and traditional manufacturing to one focused on enterprise buttressed by foreign direct investment and R&D. Free secondary education, coupled with the changed

economic imperative and the urgent need to produce technically qualified people to support industrial development, drove both the supply and demand for HE. *Investment in Education* (Fitzgerald 1965), produced in co-operation with the OECD, was the first major policy document on education.

A vocational education sector was created “for trade and industry over a broad spectrum of occupations ranging from craft to professional level, notably in engineering and science, but also in commercial, linguistic and other specialties” (Government of Ireland 1967). Nine regional technical colleges (RTC) were established between 1970s and 1990s (Daly 1981; Barry 2005); the government also established two national institutions of higher education, in Dublin and Limerick, as alternative HEIs. During the 1980s, the latter two (present-day Dublin City University and University of Limerick) obtained university designation, and Dublin Institute of Technology (DIT) was formed from an amalgamation of six former science, engineering, business and music colleges (White 2001) and placed on a statutory footing in 1992. There are also a number of publicly-funded teacher training and specialised colleges, and a small group of for-profit institutions.

Rapid expansion in ICT during the late 1980s, adoption of the “information society” paradigm at European level in the 1990s (Bangemann 1994), and passage of the Lisbon Strategy in 2000, combined to help push (higher) education to the centre-stage of government policymaking (Peters 2001; Harpur 2010). The 2004 OECD *Review of Higher Education in Ireland* provided the catalyst for further significant change, noting that, Ireland had a way to go to achieve competitiveness in R&D spending (OECD 2004). Thus followed *Building Ireland’s Knowledge Economy: Action Plan to Promote Investment in R&D to 2010* (Forfas 2004), and the *National Development Plan 2007–2013: Transforming Ireland: A Better Quality of Life for All*. Success was dependent upon an education system producing a highly skilled workforce and creating a pipeline of innovative research and technologies to meet the needs of a burgeoning globally-competitive economy (Coate and Mac Labhrainn 2009).

Higher education benefitted, receiving a significant influx of government investment for R&D, which increased from €204 m (1998) to €713 m (2008) (Forfas 2009). However, resulting from the global financial crisis (GFC), real GDP declined by 5.4 % between 2008 and 2011, while overall exchequer funding for publicly-funded HEIs, (c.95 % of all HEIs attended) fell by c.25 %. Decreases were partially offset by increases in the student contribution (aka tuition fee), and controls and reductions in employment numbers. However, rising demand, due to societal value on higher education credentials, demographic changes and unemployment, has put huge pressure on the system. Today, Ireland’s binary system of 39 HEIs services c.170,000 students, estimated to rise to over 250,000 by 2020; national participation rates have increased from 20 % (1980) to 69 % (2014), with 60 % of total students enrolled in universities and 40 % in Institutes of Technology (IoTs) (HEA 2012a). This has led to a decrease in overall funding (core grant, student contribution, etc.) per student of almost 20 % from 2007 to €8,000 in 2010/11 (Hazelkorn 2014).

Unlike other jurisdictions, such as Australia and the UK in the 1990s, or more recently China, the Netherlands and Finland (Goedegebuure et al. 1993; Chen 2002; De Boer et al. 2007; Aarrevaara et al. 2009), which have undergone significant system level restructuring, Ireland's HE system has been relatively stable or conservative, depending upon one's perspective. Beginning in the late 1990s, a new culture emerged leading to a series of collaborations and alliances within and across the binary divide, in ways previously inconceivable. The *National Strategy for Higher Education to 2030* (DoES 2011) marked a major turning point, heralding an era of strategic merger and alliance building and terminating the *status quo ante* with respect to a system comprising numerous stand-alone institutions. The context for these changes and their development are set out below.

6.3 1996–2011: Collaboration via Incentivisation

6.3.1 Research Collaboration

Prior to 1998, government investment in university-based research was almost non-existent and there was no coherent national policy or strategy for research and innovation. The EU Framework Programme for Research and Technological Development, first introduced in 1984, plus other European initiatives were critical research funding sources, hitherto absent. The capacity and capability of researchers to collaborate with European counterparts became an established necessity at this time. Coincident with economic growth in the 1990s, the Government sought to build critical mass in the public research base from fragmented activity across the sector. The Programme for Research in Third Level Institutions (PRTLTI), initiated in 1998, emphasized the 3Cs: consolidation, coherence and concentration. Over €1.2 bn in exchequer and private funding was provided over five cycles between 1999 and 2008. PRTLTI was a game-changer not least because research collaboration was a pre-condition for funding; not universally welcomed, HEIs quickly became adept at collaboration to be successful.

PRTLTI transformed the level and nature of collaboration. Because the criteria were assessed and evaluation conducted at the institutional level, it forced the “corporate” HEI (not the principal investigator) to consider its research strengths and strategically partner with others to maximise outcomes. Critically and unusually, no restrictions were placed on collaboration between types of HEIs; in other words, collaboration was encouraged across the binary. Over the years, the degree of sophistication in institutional-level planning intensified. HEIs developed their own internal review and approval processes in response to the first-stage assessment by the Higher Education Authority (HEA), which managed the programme. The OECD commented positively on the extent of cultural change required, and especially the way it emphasised “the advantages that can spring from collaboration between research groups in different institutions (and sectors)” (OECD 2004). An

independent impact assessment similarly praised “significant increases in interdisciplinary research, in inter-institutional research collaborations and in joint research ventures between institutions” (HEA 2004). Eddy (2010) also describes the success of the HEA in increasing research efforts and collaboration among tertiary sites in a scant 10 years of funding. The HEA leveraged change through its requirements for funding, namely the requirement to collaborate with other institutions of higher education so as not to duplicate services.

This collaborative impetus subsequently became a feature of other national programmes, most notably those of Science Foundation Ireland (SFI), established 2000 to fund research in biotechnology, information and communications technology (and more latterly, sustainable energy and energy-efficient technologies).

6.3.2 *Strategic Collaboration*

Despite the above successes and Ireland’s small size and geographic proximity of its institutions, the HE system still operated in a fragmented way. This was reinforced by governance differences between the university and IoT sectors: universities under the HEA and IoTs under the Department of Education and Skills (Clancy 2008). The OECD (2004) identified this challenge:

Irish HEIs need to recognise that they are relatively small and that the undoubted strength of the system will only be fully realised through institutional collaboration whether in research, postgraduate programmes, first degree work or lifelong learning. We believe that collaboration should be incentivised in funding mechanisms in order to break down the sectoral and other barriers that undoubtedly exist. Such collaboration, particularly in relation to widening access and to lifelong learning generally needs to be extended to the further education colleges in order to ensure that ladders of opportunity reach down as far as possible into local communities.

The HEA Strategic Innovation Fund (SIF), the first Cycle of which was launched in 2006, made inter-institutional collaboration a pre-requisite. Both the universities and the IoTs used SIF funding as the basis for a suite of strategic, sector-specific and cross-sectoral collaborative projects between 2006 and 2012 ranging in scale and scope and covering, inter alia: labour market-relevant projects, internationalisation, innovation in teaching and learning, graduate education and research, costing/performance indicators and widening access.

The timing of SIF was unfortunate, being coincident with the financial crisis and reviews questioned value-for-money (C&AG 2010; Davies 2010). Nonetheless, a number of significant strategic alliances outlived the scheme, most notably the Dublin Region Higher Education Alliance (DRHEA) and the *National Academy for the Integration of Research, Teaching and Learning* (NAIRTL), both of which formed the basis of the new National Forum for the Enhancement of Teaching and Learning (IUA 2005). SIF’s major impact was in the way it promoted and encouraged a broader form of engagement and collaboration, including cross-sectoral partnerships. The programme was discontinued in 2012, but not before €92 m was distributed.

6.4 2012: Collaboration via Steering

6.4.1 *National Strategy for Higher Education to 2030 and Its Implementation*

Despite the 2004 OECD review, the political impetus and appetite was lacking at the time to implement its key recommendations. HE leaders consistently and publicly called for a coherent strategy to address fundamental issues such as massification and sustainability, as the system sought to address changing demographic, social and economic realities. In February 2009, the Minister for Education and Science appointed a Strategy Group to develop the new national strategy; it embarked on a process of analysis and planning, and consultation with HEIs and other stakeholders. Published in January 2011, the *National Strategy for Higher Education to 2030*, (commonly called the Hunt report after its chairperson, economist Colin Hunt) (DoES 2011) identified myriad challenges. In addition to recommendations urging reform and innovation in teaching and research, internationalization and engagement, the report recommended changes to the overall structure and organization of the system. This was a radical and controversial point of departure, in which the state sought to transition higher education from a non-directed organization of individual institutions to one where:

The system needs to evolve within a clear framework that is aimed at developing a coherent set of higher education institutions, each of significant strength, scale and capacity and with complementary and diverse missions that together meet individual, enterprise and societal needs (DoES 2011).

The case for greater system-level coherence and coordination was based on the necessity to meet future demand and ensure quality provision at a time of accelerating global competition and reducing state resources. The Hunt Report heralded the end of bottom-up collaboration, facilitated and incentivized by funding, and the start of government-led steering to ensure that the “system” of HEIs could better meet future demands of society and the economy. In this regard, it focused on three significant structural policy developments:

1. Reform of the IoT sector through amalgamations;
2. Consolidation and absorption of smaller institutions into the university sector; and
3. Establishment of regional clusters of collaborating institutions within geographical area.

Table 6.1 sets out the timeline of policy development and implementation from 2009 to the present, including key milestone events and policy documents, as they pertain to the restructuring aspects of the unfolding Irish higher education strategy. The rest of this section discusses the timeline, and the major themes of mergers and clustering.

Table 6.1 Timeline of Irish higher education policy development and implementation, 2009–2014

Date	Policy development	System implications: mergers and collaborations
February 2009	Minister for Education and Science launches process to develop a national strategy for higher education and appoints Strategy Group	Task framed as assessing higher education's fitness-for-purpose, developing a vision and national policy objectives "having particular regard to the difficult budgetary and economic climate that is in prospect in the medium term" (DoES 2011)
May 2009–Dec 2010	Higher Education Strategy Group issues open call for submissions from stakeholders and interested parties; ongoing strategy development	
January 2011	National Strategy for Higher Education to 2030 published	System-level restructuring and reform: Consolidation of IoTs; process for establishing technological universities following mergers; and clustering of HEIs within regions
October 2011	HEA invites consultation on document entitled "Regional Clusters, Consolidation Leading to Mergers, Strategic Dialogue"	Regional: Emphasis on formal regional collaboration of HEIs; mergers appear directed at rationalization of IoT sector
Feb–Aug 2012	HEA publishes "Towards a future higher education landscape" including criteria for technological universities; HEIs make submissions on their future position within HE landscape; submissions received in Summer 2012. International Expert Panel produce advice on "A Proposed Reconfiguration of the Irish System of Higher Education"	System–Level. Bottom-up (from HEIs) and top-down (international experts and national policy advisors) inputs into the development of HE system results in widely differing perspectives on an "ideal" system
April–July 2012	"Report of the International Review Panel on the Structure of Initial Teacher Education Provision in Ireland" (Review conducted on behalf of the Department of Education and Skills)	Thematic. Recommendation that fragmented teacher education provision be consolidated and integrated into university sector
Sept 2012–Feb 2013	"Review of the Provision of Creative Arts and Media Programmes in Dublin" (Review conducted by HEA-appointed international panel)	Thematic. Explore model for integrating smaller specialist colleges and IoTs specialising in creative arts and media. Report proposes vertical and horizontal integration to ensure synergies and fill gaps in provision
April–May 2013	HEA sends "Report to Minister for Education and Skills on system reconfiguration, inter-institutional collaboration and system governance"; Minister responds, endorsing the recommendations	System-level. Advise to the Minister on specific configurations for mergers, clusters and other forms of strategic alliances, as part of system-level reconfiguration

(continued)

Table 6.1 (continued)

Date	Policy development	System implications: mergers and collaborations
Feb 2014	Department of Education and Skills publishes “General Scheme for Legislation on Technological Universities”	Legislative provisions for technological universities, including specifics on merger amongst Dublin IoTs, and more general merger provisions for other IoTs considering re-designation

6.4.2 *Implementation of the National Strategy for Higher Education*

Between 2011 and the present, there have been a series of specific policy developments and implementation associated with the restructuring aspects of the strategy. To the seasoned observer, the fact that specific recommendations were coherently and comprehensively introduced into policy instruments and modalities was a marked departure from previous fragmented approaches to policy implementation. Following consultations, the HEA embarked on extensive, system-wide re-structuring of the system, known as the “*landscape process*”. Between February 2012 and February 2013, institutional and stakeholder submissions, along with views of international experts the latter through a report entitled “*A Proposed Reconfiguration of the Irish System of Higher Education*” (HEA 2012a), were sought. The result was the HEA-drafted “*Report to Minister for Education and Skills on system reconfiguration, inter-institutional collaboration and system governance*” (HEA 2013).

In addition to the landscape process, views were sought on mergers and regional clusters through a consultation document entitled “*Regional Clusters, Consolidation Leading to Mergers, Strategic Dialogue*” (HEA 2011) and international reviews were conducted on teacher education: “*Report of the International Review Panel on the Structure of Initial Teacher Education Provision in Ireland*” (HEA 2012d) and the creative arts: “*Review of the Provision of Creative Arts and Media Programmes in Dublin*” (HEA 2012c). Interwoven between these different developments, work was undertaken by the HEA to develop criteria for the re-designation of consortia of IoTs, following merger, as technological universities. Draft criteria were prepared by Simon Marginson in February 2011 (Marginson 2011), and in February 2012, as part of a document entitled “*Toward a Future Higher Education Landscape*”, the HEA published the process and criteria for designation as a technological university (HEA 2012d).

Thus, different aspects of the system, as well as the system in its entirety were examined, with clear steerage from the centre, mandated by the Minister for Education and Skills. The three abovementioned policy developments are explored in the sections below. In addition, the system of higher education, proposed by the international experts group, is reflected upon.

6.4.3 *Restructuring the Institute of Technology Sector: A “Carrot and Stick” Approach*

The Hunt Report broke new ground when it proposed using merger as a system-level tool to address problems of fragmentation and institutional size to create HEIs of sufficient scale and capacity to meet future national and globally competitive demands. However, the report also endorsed the binary system, saying “formal mergers between institutes of technology and universities should not in general be considered: this would be more likely to dilute the diversity of the system” (DoES 2011), in contrast to either Australia in the 1980 and 1990s (Harman 1986; Meek 1991; Gamage 1993) or the UK in the 1990s (Rowley 1997). There was passing reference to the potential for mergers within the university sector; the door was merely left open, should such developments occur where it would advance and improve quality provision. Instead, critical mass could “be created or enhanced through institutional cooperation and collaboration”. Strategic alliances between Trinity College Dublin (TCD) and University College Dublin (UCD), the two most research-intensive and globalised universities, and between NUI Galway and University of Limerick, two regional universities on the west coast, were cited as having the potential to further deepen existing collaborations.

In contrast, the report strongly recommended restructuring the IoT sector, stating that “the development and evolution of institutes of technology into a smaller number of stronger amalgamated institutes should be promoted in order to advance system capacity and performance”. The objective was to enhance capacity and performance, and overcome fragmentation and was accompanied by the “carrot” of re-designation of merged IoTs as technological universities:

When, over time, the amalgamated institutes of technology demonstrate significant progress against stated performance criteria, some could potentially be re-designated as technological universities. (DoES 2011)

But the “stick” was set out in unambiguous language:

The envisaged changes to the funding model for higher education will create a stronger link between student numbers and funding allocations, and this will have implications for all institutes and particularly for the smaller ones. (DoES 2011)

The issue of university designation has been contentious over the last decades, with Dublin Institute of Technology (DIT), Waterford Institute of Technology (WIT) and Cork Institute of Technology (CIT) unsuccessfully seeking designation under the 1997 Universities Act. Hunt, however, opened the door if – and only if – IoTs merged to form a unitary institution, and met strict criteria set out by the HEA in “*Towards a future higher education landscape*” (HEA 2012d).

The policy discourse on merger in the IoT sector, evident in the Hunt Report and subsequent documents, merits mention. On the one hand, consolidation envisaged the possibility for certain IoT consortia to advance and be re-designated as technological universities; on the other, the argument was to maintain the distinctiveness ascribed to the binary system. Any loss of the traditional IoT mission would be

deemed “detrimental” for Irish higher education and society. The carefully constructed and weighed language evinces the struggle at the heart of this debate about the future shape of the Irish HE system – unitary or binary or something else – as a system of diverse institutions, and the need to balance competing and competitive interests between the IoTs and the universities.

Finally, footnotes in reports are rarely the focus of much interest; however, attention should be drawn to footnote 141 in the Hunt Report, which became the topic of much discussion and speculation at the time:

There was not complete unanimity within the (expert) group on this issue. The counter-view expressed was that it would not solve the issue of further mission drift and could result in a third tier of institutions (DoES 2011).

This signalled an ongoing tension between traditionalists and modernizers but also a tension between idealists and political pragmatists; the latter recognized the HE landscape had changed considerably in response to economic demands and massification, and the inability of the current configuration to respond to all those requirements.

6.4.4 *Consolidation of Disciplines*

Although disciplinary or subject-specific consolidation was not a dominant theme, the subsequent implementation phase included consolidation of teacher education and creative arts provision. Reviews also recommended rationalisation to remove duplication and improve quality.

The “*Report of the International Review Panel on the Structure of Initial Teacher Education Provision in Ireland*” (HEA 2012b) concluded that significant consolidation across the existing 22 providers, including incorporation of colleges of education with university partners (Hyland 2012), was highly desirable. Existing and long standing arrangements were already in place for many of teacher education institutions, whereby their programmes/degrees were awarded through partnership with a local university. Further formalisation of such arrangements was the next logical development. Teacher education has been a politically and religiously contested area, and a number of institutions have remained fiercely independent. The upcoming period will prove interesting in terms of how they respond to growing pressure for merger into larger university structures.

The “*Review of the Provision of Creative Arts and Media Programmes in Dublin*” (HEA 2012c) also identified the need for consolidation but stated that “it is vital that implementation strategies, partnerships and mergers do not reduce the rich diversity of programme provision in the creative arts to bland uniformity” (HEA 2012c). Instead, it recommended a more heterogeneous form of collaboration and alliance building, focused on ensuring access, transfer and progression for students across creative arts institutions and better consolidation at postgraduate

level; in the case of the creative arts, and in contrast to moves to consolidate elsewhere across the HE system, small was not necessarily seen as bad.

The recent discourse on restructuring has been dominated by a focus on rationalisation of disciplinary provision. A review of nursing provision is already underway, in line with wider restructuring efforts across Irish health services. A review of apprenticeships provision has been conducted and one in engineering is mooted.

6.4.5 A New Regionalism?

The Hunt Report also introduced new concepts, such as, regionalism and clusters. Porter (1998) promulgated economic clusters as the basis for competitive advantage by creating a critical mass “in one place of linked industries and institutions – from suppliers to universities to government agencies – that enjoy unusual competitive success in a particular field.” Clusters have the ability to “maximise collective capacity beyond individual capability” (Hazelkorn 2010) because innovation is rarely “the result of efforts within a single firm” (OECD 2006, 124). Nordic countries, and the EU have emphasized the role that HEIs can play in regional policy with reference to opportunities for enhanced programme provision, greater efficiency, better access, transfer and progression routes, and improved interaction with enterprise (Charles 2006; Hudson 2006; Konu and Pekkarinen 2008; Goddard and Kempton 2011).

Despite historic references to four provinces, regionalism is not a strong concept in Ireland and does not override much stronger social, cultural, sporting and political allegiance to county. Economic growth during the Celtic Tiger era (1995–2000) and the contrasting decline of the subsequent recession sharpened the divide between large urban centres, particularly Dublin, as sustainable hubs for economic growth, and the rest of country. A more balanced regional development policy had been attempted by a National Spatial Strategy but was widely criticized for lack of attention to implementation (Davoudi and Wishardt 2005). Irish students show a strong tendency to “shop locally” in accessing higher education; broadly speaking, the vast majority of students come from within a 50 km radius (AIRO 2012). The proposal to use regional clusters as the basis for the re-configuration of higher education is therefore interesting for a number of reasons. Ireland’s mode of government is centralized. Whilst regional authorities exist, they have only partial responsibility for aspects such as education and economic development, with limited tax-raising powers, they act primarily as executives of central government policy at local level (Callanan and Keogan 2003). Ireland’s economic regions, as described by the EU NUTs classification (the nomenclature of territorial units for statistics – a hierarchical system for dividing up the economic territory of the EU) (Becker et al. 2009) bear little connection to culturally and historically held sense of place at a regional level.

In this context, the Hunt Report heralded a new kind of collaboration, one motivated by the expectation that HEIs within a region should cluster to meet the needs of a wide range of students, communities and enterprises in their region. This will require joint programme planning, collaborative research and outreach initiatives, agreements on mutual recognition and progression, and joint strategies for advancing regional economic and social development (DoES 2011).

The HEA (2011) reinforced this message when it said: “Mergers might or might not happen but clusters must happen”. Accordingly, throughout the “landscape process”, HEIs were asked to consider cluster arrangements at regional level. The aim was:

to bring together higher education institutions in a region in such a way that the needs of the region can be identified and provided for in a coordinated way, in partnership with other education providers, and with business interest and the wider community (HEA 2013).

Potential clusters, inclusive of named HEIs aligned with specific groupings, were also identified (HEA 2013). Although HEI reaction has been somewhat muted, minds will no doubt be concentrated on the basis that active participation in a regional cluster is a condition of institutional funding into the future.

6.4.6 An Ideal Irish System? An International Perspective

It is a truism that a landscape looks differently depending upon whether it is viewed from the ground level or by taking a “helicopter” perspective. As part of the “landscape process”, the HEA sought the latter, inviting an international panel to:

Review the current configuration of the Irish higher education system and advise on an optimal configuration, having regard to the final output required from the overall Landscape process (HEA 2012a).

Having regard to international trends and competitive pressures, and taking account of the overall national strategy, the international report, “*A Proposed Reconfiguration of the Irish System of Higher Education*” (HEA 2012a), said:

Given the current level of fragmentation, the sub-optimal size of a number of institutions, the aspirations of others and the difficult and uncertain funding environment, with likely further reductions in public funding, the Panel concluded that rationalisation and consolidation strategies were the most likely to meet the multiple national and institutional aspirations, while maintaining quality and competitiveness.

The reconfiguration proposed in the report focused on three components, each radically different from those set out in the Hunt Report, viz:

1. creation of large comprehensive regional universities, including merger across the binary divide;
2. establishment of a National University of Technology with constituent institutes, formed by merger, would better serve the needs of a diversified HE system,

prevent “mission drift” and ensure the viability and overall direction of geographically spread HEIs; and

3. creation of one research intensive university through the merger of UCD and TCD.

Of all the recommendations, the latter drew the most opposition; parallels were made with the 1967 shock announcement to merge these two institutions (MacHale et al. 1967). Then, there was little political will, in the face of university opposition, to proceed; in 2012, the proposition was again greeted with dismay from the universities but also a terse response from the Minister of Education and Skills, and his Department. There was concern especially about the recommendation for mergers across the binary divide. Moreover, whatever about the merits of the recommendations, it was never intended that the international report would counter national policy, but rather reflect upon it. Ultimately, a less disruptive, modified binary model rather than wholesale reform into a unitary system was as much as could be countenanced at this point in Ireland’s development. Furthermore, up to this point, debate in higher education circles had been on technological universities; the issue of mergers had hardly been aired. It is probably not surprising that when mergers moved centre stage, and began to affect the universities, the report would also become much more contentious.

6.5 Reconfiguring the Irish Higher Education System: A Look to the Future

Until recently, but similar to other countries (Ferlie et al. 2008), higher education policy had developed within an elite sub-system, generally undisturbed by forces from the outside. As an-island-off-an-island-off-a-continent, this isolationist position was relatively easy to maintain. The dramatic decline in the economy, set against the backdrop of mounting global competition affecting nations and HEIs, and interpreted through the vagaries of global rankings (Hazelkorn 2011), brought this cosy arrangement sharply to an end. Moreover, the Hunt Report, delivered at this historic juncture, signalled a move away from *laissez-faire*, light-touch regulation to a more systematized, directed and regulated approach, focused on measurable outcomes. In tandem with the structural reforms described herein, the HEA also initiated a “strategic dialogue” process with all publicly-funded HEIs; the aim was agreement about 3 year compacts with HEIs, based upon delivery of specific outputs and outcomes, aligned with national objectives. Thus, the broader economic circumstances provided the rationale for profound and speedy restructuring of higher education, set within a wider discourse of public sector reform, accountability and response to the economic imperative.

This policy shift has had a significant impact on the way higher education is viewed in terms of nation-building. During the previous decade, the higher education system had benefitted from relatively generous funding for research, strategic

endeavour and capital development; the rhetoric stressed “world-class” educational provision as core to Ireland’s competitiveness. Since 2008, the hubris on Ireland’s global status has quietly dropped away as Ireland entered an IMF-led bailout, to be replaced by an altogether more national discourse around public sector reform, efficiency and economic recovery. This discourse was most obvious in the manner of its interpretation, focus and implementation of various restructuring initiatives; such re-framing was also evident in Australia during its wave of mergers (Pick 2003). Hence, HEIs were encouraged to share “backroom” services, such as computing services, human resources, procurement, etc., the plethora of HE and further education quality agencies were merged to form Quality and Qualification Ireland (QQI), the two research funding councils merged to become the Irish Research Council (IRC), and the heretofore fragmented further/vocational education sector has been re-organised under a new Further Education and Training Authority, Solas. In this vein, higher education clusters and mergers were seen as addressing regional, disciplinary and sectoral rationalisation. The framing of the merger and clustering policy in response to the changing economic and global environment can be viewed in the light of identifiable and sometimes competing drivers, most notably the creation of a knowledge society, increasing emphasis on the economic imperative of higher education and, the challenge of sparse public funding and the necessity for public sector reform.

Mergers are notoriously difficult and disruptive, no-more-so in higher education. The Irish strategy walks a narrow tightrope between institutional autonomy and system governance (Hinfelaar 2012); likewise, the perceived loss to a region of an HEI, with which it identifies closely, can be a factor underpinning opposition to state-led or state-imposed merger. Nonetheless, the response to proposals for merger, most especially from the IoTs and smaller colleges, has been remarkably low-key. For the former, the ultimate prize of technological university status is critical – but will that strategic objective, which requires focused action over many years to meet the stretch targets, distract them from full participation in regional clusters? Regional clusters pose more far-reaching challenges. Moreover, they are being proposed in the context of a policy vacuum around the conceptualisation and infrastructure for regional economic development. In pushing for their implementation, the HEA is arguably helping to shape national policy beyond its normal bailiwick.

It is clear, then, in looking at the years since the Irish Government first attempted to facilitate and incentivize collaboration in the early 1990s that the higher education landscape has evolved from bottom-up collaboration to a complex tapestry of alliances, clusters and ultimately mergers within the sector. The policy imperative to develop a coherent system of higher education has its proponents and opponents, but it is clear that a more directed policy approach is in place for the next phase of development. As Ireland emerges from recession, having exited the IMF-led bailout in late 2013, and transitions through economic recovery to growth, the emerging system of higher education is being called upon to underpin the delivery of a knowledge economy in ways which challenge many traditional assumptions about higher education, and the autonomy and mission of institutions.

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