



HEA Forward-Look Forum

Higher Education as a Driver of Sustainable Social, Cultural and Economic Development

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Briefing Paper

Context

The multidimensional nature of many of the social, economic and civic challenges means that they require multidisciplinary approaches, and higher education institutions are uniquely well placed to lead, develop and apply these, in partnership with others (Department of Education and Skills, *National Strategy for Higher Education to 2030*, 2011, 74).

Around the world and over the centuries, higher education institutions have played a formidable role in social, cultural and economic development. They provide breadth of educational and student experiences to Ph.D. level, participate in outreach initiatives, and are the key factor in the production of new knowledge, and the basis of innovation and entrepreneurship. They support national development; to some they are the engine of the economy, to others the “anchor tenant” for their region. For our knowledge-based economies, they are the source of human capital, ensuring graduates are able to succeed in the labour-market, fuel and sustain personal ambition, and underpin democratic civil society. They act as the global gateway attracting highly-skilled talent and investment, and underpin competitiveness. Sustained by networks and social interaction, higher education plays a pivotal role in the innovation ecosystem actively co-producing knowledge and engaging with a diverse range of stakeholders through collaborations and partnerships, and knowledge and technology-transfer. Higher education institutions play a significant role in the community, city and nation. As a group, they sit within vastly different national contexts, underpinned by different value systems, meeting the needs of demographically, ethnically and culturally diverse populations, and responding to complex and challenging political-economic environments.

Over recent years, higher education has experienced unprecedented changes in response to globalisation and increasing competition, technology and the development of cross-border education, the rapid rise of private for-profit institutions, and the global economic recession and declining public budgets at the same time as escalating demand by students and the labour-market. While these challenges are very considerable, higher education has continued



to make a very significant contribution. The OECD estimates that on average, 50% of GDP growth is related to labour income growth at tertiary level. Hence, the higher education attainment rate is positively associated with higher labour productivity. Even during the recent recession, while GDP shrank by 4% across the OECD, labour income growth among tertiary graduates grew by 0.4% (OECD, 2012, Indicator A10, 38–39).

In Ireland, higher education has contributed to the country’s economic recovery and to enhancing its reputation abroad. Enrolment has continued to expand at a time of declining staff numbers, and now over 50% of 25–34 year olds and 42% of 35–44 year olds hold a higher education qualification; 58,000 students graduate annually, of which 1,000 hold a doctorate and 75% of employers report satisfaction with graduate skills. Lagging behind a decade ago, Ireland is now in the top 1% in 18 research fields, spanning natural sciences, social sciences and the humanities. And, it ranked third in Europe in the 2013 *Indicator of Innovation Output* and above average in the EU Innovation Scorecard.

While these achievements are very significant, there is evidence that public support is shifting in its view of higher education as a “public good”. Higher education leaders and policymakers face increasing challenges and questions. Three areas are noted below:

- The demand that higher education is the engine of economic growth and the provider of human capital is occurring at the same time that prices are escalating and public budgets are declining. The transformation from elite to mass higher education systems requires provision for a more diverse student cohort but there are on-going concerns not only about access and preparation for college but about the *student experience* while in college and the quality of graduates. Whether funded from public or private sources, fundamental questions are being asked about sustainability and affordability: who pays, who should pay, and when is enough enough?
- Quality and excellence are now key factors shaping the reputation and status as rankings place higher education within a wider comparative and international framework. The value-proposition is to the fore as students (and their parents) ask about educational programmes, the learning experience and outcomes, and career opportunities. The public is also raising fundamental questions about value-for-money and return-on-public investment, but also about impact and benefit. These developments are part of a wider international trend for greater public disclosure especially where public money is concerned. To what extent has higher education been guilty of the L’Oreal response—because we’re worth it?
- Economic development in recent decades has been characterised by the intensification of knowledge-production, development, and innovation. Inevitably, investment has been prioritized towards initiatives that facilitate economic growth and stimulate job-creation. To what extent does this focus on relevance and employability undermine a more holistic role of higher education “in fostering a spirit



of inquiry and a strong sense of the value of learning among students” (DES, 2011, 9)? Does the focus on STEM neglect the importance of the arts, humanities and social science in addressing societal challenges?

Higher education has shown remarkable resilience in meeting recent challenges, but the challenges of the future are of a different order. The ‘value-added’ in the foreseeable future will result from delivering high-quality education to students from a broader array of social and economic circumstances, at all stages of life, and in being effective and responsive in a more complex and competitive global economy. At the same time, it is unlikely that higher education will succeed in “gaining a substantial increase in public funds without first demonstrating genuine initiative and progress in meeting public needs for higher education” (Wegner, 2008, 9).

Today’s *Inaugural HEA Forward-Look Forum* will explore how higher education, working collectively as a system and with stakeholders, can strengthen its role in driving social, cultural and economic development, and how it can better demonstrate and communicate these achievements to build a broad public consensus. The aim is to share understandings and experiences between Ireland and the State University of New York (SUNY), and to raise thought-provoking questions about the role and contribution of higher education.

SUNY has used the recent economic recession as an opportunity to champion economic recovery in New York while simultaneously leading the national conversation on the role higher education plays in economic development. Through a series of strategic choices, SUNY has positioned itself as a thought leader on higher education and economic development while securing additional funding and favourable policy for the SUNY system.

Are there mutual learnings we can draw from this? How can the full potential of higher education be harnessed to shape future social and economic development in the context of debates about its purpose?

Session 1: Higher Education’s Role in Addressing Socio-economic Challenges

It is not the purpose [...] to point fingers or surmise how we came to find ourselves clinging to the edge of a crumbling economy. Rather, it is our entirely constructive aim to offer a means of pulling ourselves up and moving forward. [...]The State University of New York is designating itself as a thought leader on this front, driving the national conversation about higher education’s role in revitalizing the country’s economy (Nancy Zimpher, Chancellor, SUNY quoted in Lane and Johnstone, 2012, x).

Higher education and the application of knowledge are widely acknowledged as being the basis of sustainable social, cultural and economic development. Yet many countries are



experiencing on-going challenges as they continue on the road to sustainable economic recovery. Studies repeatedly show that higher education has a vital role to play enriching and strengthening the economy and local communities, and underpinning the civic, cultural, and social cornerstones of society, while leveraging their growing global capacity. There is a large international literature concerning the contributions of higher education to collective productivity, health outcomes, social literacy, knowledge culture, building local economies and communities, democracy and civic responsibility and tolerance.

The on-going fiscal environment and public scrutiny requires a renewed understanding and examination of higher education's role as a key player in this dynamic eco-system across four broad domains (Badat, 2009; Lane, 2012, 14–16):

- Teaching and learning, and cultivation of highly educated people;
- Development and innovation needs for growth and sustainability;
- Regional revitalisation and democratic citizenship;
- Research, scholarship and engagement with the social, cultural and economic life of society.

This session will encourage participants to share experiences between Ireland and SUNY about the experiences to date and future thinking.

Discussion Points:

1. In what way does higher education lead or contribute to social and economic development at the local, regional and national level? How satisfactorily does higher education fulfil this role?
2. How can higher education leverage all its assets for the benefit of society and the economy? How do we preserve the civic and social role of higher education while promoting its economic impact?
3. How can we enhance the responsiveness of higher education institutions to emerging socio-economic challenges?
4. What partnerships should higher education be pursuing with industry, business and civil society?
5. How can higher education build more effective local engagement so as to enable positive international interactions? How can higher education help to minimize tensions and maximize the synergies between national and global demands and interests?



6. To achieve system coherence and economic impact, what is the most effective balance between national strategy, institutional autonomy and enterprise involvement?

Session 2: Measuring and Demonstrating Higher Education's Impact

Not everyone within the higher education sector itself is convinced that valuation of higher education activity is a worthwhile task—some consider it to be “giving in to the bean counters”; others believe that measuring value generation will tend to be focussed only on the aspects of higher education that are more easily “counted”. [...] However, despite sectoral unease about “valuation” being potentially linked to funding allocation, it simply cannot be ignored that issues of funding and resource allocation are at the very heart of the drive to seek ways to evaluate the contribution of universities to society (Kelly and McNicoll, 2011, 4).

There is increasing interest across the European Union, the United States and worldwide about the contribution and impact that higher education and research are having on society and the economy. The rise of and obsession with worldwide ranking is testament to this interest.

This debate has focused on demonstrating the value, impact and benefit of higher education and on specific efforts to measure and articulate this contribution—a movement that has been characterized as the growing “impact agenda.” However, assessing higher education activity across teaching, research and engagement is a complex process. Theoretical, definitional and methodological challenges of measuring impact make it difficult to accurately evaluate contributions and can result in over-simplifications or unnecessarily complex characterisations. Institutional and national contexts defy simple comparisons, and no single set of indicators can meet all these requirements. All indicators have advantages and disadvantages, and there are limitations to all assessment exercises. Likewise, the range of people and organizations requiring information is growing, and different groups have specific but also overlapping requirements.

Despite these challenges, good-quality, internationally comparable information is essential to underpin strategic leadership and decision-making at national and institutional levels, and for continuing public support. When identifying outcomes, higher education often turns to its economic assets which are easier to quantify than other intangible benefits that higher education generates. The economic contribution of higher education is compelling, but there are equally persuasive social, civic, and cultural contributions that are central components of higher education's value (DeClou, 2014).



This session will explore experiences and views from Ireland and SUNY about appropriate ways to assess and demonstrate the value and contribution of higher education to the social, cultural and economic wealth of a country.

Discussion Points:

1. How should we measure the contribution and impact of higher education on social, cultural and economic development? Besides economic benefits, what are higher education's most compelling and convincing contributions to society?
2. To paraphrase Einstein, which indicators are meaningful as opposed to easily measured? Can we measure higher education's contribution to society beyond the academy, and are there alternatives to institutional rankings which are based solely around academic prestige?
3. Who benefits from higher education? How is, or should this, be measured?
4. To what extent do different stakeholders have different perceptions of higher education value and benefit? How do we avoid stakeholders "silo-dealing" with single functions of the HEI (teaching, research and engagement) thereby creating competing demands?
5. How do we balance immediate concerns of relevance and employability with long-term benefits of cultivation of an educated citizenship? In what way should higher education put its civic role into the accountability agenda in addition to or as a counter-foil to the utilitarian agenda?
6. The "engaged university" is integral to the community and supports the co-creation of knowledge through reciprocal knowledge-exchange. Given that the relationship between the higher education institution and wider society is synergistic, should we evaluate the performance of higher education in context or the overall performance of a region or community?

Session 3: Enhancing Public and Political Support through Engagement

High levels of support exist for public investment in universities. [...] It is likely that the strong support for the funding of universities relates to the widely-held view among the British public that education is important. [...] The general public are more likely to associate higher education with advances in science and technology than with developing the arts. [...] It therefore remains important to communicate to the general public the links between science and technology and higher education, and the arts and higher education (HEFCE, 2010, 26).



At the core of the impact agenda is the imperative to demonstrate the value of higher education. Long-term sustainability of public higher education depends on an on-going belief that higher education institutions are relevant and critical to the regions and communities they inhabit. A U.K. study shows the public broadly perceives higher education positively, but they are often indifferent or uninformed of its many functions and valuable contributions and “susceptible to external influences such as the media” (HEFCE, 2010, 26). U.S. studies also suggest the public sees higher education as too self-serving rather than concerned with giving students a quality education (Immerwahr and Johnson, 2010; Lumina 2013). In Ireland, as elsewhere, there has been a war-of-words about the quality of graduates.

These opinions reflect a wider public and policy debate around the level or whether to maintain public subsidies for higher education. This in turn reflects fundamental questioning of the public mission of higher education, especially in the context of the private benefits that students and business derive, and the marketisation of higher education internationally. This increased emphasis on the *economic* and market function of higher education rather than its *social* function are the subject of various metrics.

Efforts to measure or capture higher education’s merit might appropriately be coupled with a strategy for communicating the “public good” in a way that informs and fuels public support. As higher education institutions look increasingly beyond academic and campus silos and become involved in the life of their communities and regions, does this open up ways to refresh our consideration of higher education as a public good or does increased connectivity with industry and business undermine higher education’s role? Can engagement activities serve to further embed institutions in the heart of communities and help build public and political support for higher education, as a way of securing higher education’s long-term sustainability?

This session will draw on experiences in Ireland and SUNY to explore ways of building a robust engagement strategy that can enhance public and political support for sustainable public higher education.

Discussion Points:

1. Who are the key stakeholders of higher education? What do they each want from higher education? How can we develop a shared vision and maximise support for higher education as a “public good”?
2. What is, or should be, ‘public’ about higher education? What are the consequences of the *growing relationship* between publicly funded higher education and the private and corporate sectors?



3. How do we balance the need for higher education research to be socially ‘useful’ without curtailing curiosity and serendipity?
4. How do we generate public and political support for a sustainable higher education sector against a backdrop of unprecedented fiscal challenges? For all the discomfiture about the dominance of economic indicators, has higher education sufficiently articulated its economic contribution and impact?
5. To what extent has higher education communicated sufficiently about its value, contribution and activities to the broader public? How well does the general public understand what higher education does?
6. To what extent can higher education’s engagement with, and visibility within, the communities in which they reside help build public and political support beyond the individual institution? What needs to be done by the higher education system to propagate this message?

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