Asserting Institutional Autonomy and Addressing Accountability:  
*The Changing University Governance in Hong Kong*  
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**Introduction**

Governments in Asia have exerted serious efforts and concentrated resources in helping a few universities improve their ranking in global university leagues. These efforts have resulted in the gradual growth of Asian universities and their steady high ranks in various university league tables. At present, universities are being encouraged to collaborate with the industry or business sector and engage with the community in promoting innovation, knowledge transfer, and entrepreneurship. In view of intensifying competition for global university rankings, the government of Hong Kong Special Administrative Region (HKSAR), has started a critical review of university governance through the University Grants Committee (UGC) in order to enhance the global competitiveness of publicly funded universities in Hong Kong since 2014. An independent task force led by Sir Howard Newby, the former Vice Chancellor of the University of Liverpool in the United Kingdom, completed a comprehensive review in 2015. This chapter highlights the major challenges faced by higher education (HE, hereafter) in Hong Kong, particularly in examining major governance strategies adopted by universities to enhance their performance.

This chapter discusses changes in the major governance strategies adopted in the university sector. Such changes will facilitate balance between the call for accountability and the assertion of institutional autonomy or academic freedom of universities in Hong Kong. The first part of this chapter discusses the major trends in HE reforms in Asia, followed by an examination of major challenges faced by the HE sector in Hong Kong. The second part of the chapter focuses on how the UGC reviewed university governance and proposed a new accountability framework to drive the performance of public universities. The final part of the chapter critically reflects upon
the changing university governance model in Hong Kong, especially when universities are forced to address accountability drive and assertion of institutional autonomy.

**Major Trends of HE Reforms in the Asia-Pacific Region**

In order to address the influences of globalization and the rapid changes generated by the changing manpower needs of the knowledge-based economy, higher education worldwide experiences significant reforms and transformations. Central to such changes are the massification, privatization, marketization and transnationalization of higher education. A wealth of literature has clearly documented rapid HE transformations and changes taken place not only in the North but also in the South (Kosmützky & Putty, 2016; Forrest and Altbach, 2011; Marginson, 2016; Schwarzman et al., 2016). HE institutions in the Asia-Pacific region are not immune from this overwhelming trend. The governments in this region endeavored to reform their HE systems to improve their national competitiveness and secure a good position in the world market. The major features of these reforms are the massification and privatization of HE to generate additional resources for development, search for world-class university status, and internationalization of student learning through engagements in transnational HE (Mok, 2017a; Mok & Han, 2017; Lo, 2016; Collins et al., 2016; Oh et al., 2016). The side effects of the rapid massification of HE cannot be neglected despite the fact that these reform measures have enhanced HE development in Asia Pacific. International and comparative research demonstrated the negative consequences of rush to expand HE. These negative consequences include increasing inequality in tertiary education, quest for global rankings that resulted in the stratification of HE institutions (HEIs), underemployment or unemployment of graduate students, decreasing quality of teaching and research, and deprivation of cultural identity (Lo, 2014; Mok, 2016a, Mok et al., 2016; Mok & Jiang, 2017; Liu, Green, & Pensiero, 2016; Yonezawa et al., 2017).

This chapter establishes broad social and economic backgrounds to examine the major challenges that confront HE in Hong Kong. This chapter particularly refers to the study conducted by Sir Howard Newby on the effect of the most recent review of
university governance on university management. Given the potential problem arising from the standardization of performance measurements, this chapter highlights the importance of role differentiation in the development of HE development. This approach was adopted to ensure that the development of HE should fit the diversified needs of students.

**Rapid Expansion and Quality Monitoring of HE**

In order to catch up with their counterparts in Europe and North America, the Asia-Pacific region experienced an expansion trend in higher education enrolments (Hawkins, et al., 2014). According to Calderon (2012), HE enrollment in Asia increased by over 50% in the last decade. To cater for economic needs and compete with other nations, governments in the Asia-Pacific region strived to provide increased university education opportunities to their citizens. Evidence from South Korea, Japan, Taiwan, Hong Kong, and mainland China showed that both the developed and developing countries in this region expanded their HE provision from a few elite universities to a large cohort of HEIs (Figure 1 and 2).

![Graph of HE expansion](image)

Figure 1 Expansion of HE Worldwide, in East Asia, and in the Pacific Region (Indicated by Gross Enrollment Rate) (1999–2014)

*Source: United Nations Educational, Scientific, and Cultural Organization (UNESCO)*
Special Measures that Drive World-class Status

Enhanced national competitiveness and hierarchical positioning entails growth in educated labor force and increased prestige of domestic universities in global university league tables at the country and international levels (Deem et al., 2008). Universities in East Asia are increasingly under pressures to compete internationally. The growing interest in university league tables has become the norm not only in the United Kingdom and Canada, but also in Hong Kong, Singapore, Malaysia, Thailand, Vietnam, Taiwan, and mainland China (Altbach, 2010; Chan, 2015; Liu & Cheng, 2005; Mok & Hawkins, 2010; Mok, 2016b). According to Altbach (2015), scholars have not yet reached a consensus on the definition of “world-class university,” but “everyone wants a world-class university. Scholars believe in the importance of world-class universities. However, despite the wide use of world-class university, scholars are yet to define this concept. A Google search of this term produces thousands of references. Moreover, many institutions from modest academic universities in central Canada to a new college
in the Persian Gulf call themselves “world class”. In this age of academic hype, universities in different countries claim this exalted status but often with little justification” (p. 5) while the notion of “world-class university” has become an everyday language in many Asian universities (Deem et al., 2008). Table 1 presents the different schemes launched by selected Asian governments in pulling national/public resources to enable a few universities to compete favorably in global university league tables. Central to these schemes is to concentrate funding and help a few universities (especially the public ones) to climb the ladder of university leagues.

Table 1 Different Schemes in Promoting World-class Universities

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Project</th>
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<tbody>
<tr>
<td>Hong Kong</td>
<td>Comprehensive Education Reviews; Role Differentiation Exercise; Positioning Hong Kong as International Key Player in HE; University Merging and Deep Collaboration; Research Assessment Exercises; Teaching and Learning Quality Process Reviews; Management Reviews and University Governance Review</td>
</tr>
<tr>
<td>Taiwan</td>
<td>Programme for Promoting Academic Excellence of Universities; Five Year – 50 billion Excellence Initiative; Development Plan for World-class Universities and Research Centers for Excellence</td>
</tr>
<tr>
<td>China</td>
<td>“211 Project” and “985 Scheme”</td>
</tr>
<tr>
<td>Japan</td>
<td>Flagship Universities Project; “Global 30” Scheme; Competitive Funding Allocation Method (the 21st Century Centers of Excellence; the Global Centers of Excellence; the World Premier International Research Centre Initiative)</td>
</tr>
<tr>
<td>Singapore</td>
<td>“World-Class Universities” Programme</td>
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Source: Cheng et al., 2014; Mok, 2005

The recent benchmarking exercises of international universities indicate that government efforts to improve the global profiles of domestic universities have been well rewarded. According to the Times Higher Education University Rankings (2015–2016), nine out of the top 10 universities in Asia ranked among the Top 100 universities worldwide with five listed as Top 50 in the world. These universities include National University of Singapore (26), Peking University (42), University of Tokyo (43),
University of Hong Kong (44), and Tsinghua University (47). Table 2 presents further details of the performance of Asian universities in global university leagues. The ranking tables developed by QS and Times HE illustrate the relatively advantageous positions of Asian universities from 2010 to 2015. Similarly, the Shanghai Jiaotong Academic Ranking shows the rise of Asian universities during the last couple of years (Figure 3).

Table 2 Increased Ranking of Asian Universities in the Top 100 University League of QS and Times (2010–2015)

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<tr>
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<th>2010</th>
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<tr>
<td>QS</td>
<td>NA</td>
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<td>Times</td>
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<td>9</td>
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Figure 3 Increasing Number of Asian Universities in Shanghai Jiaotong Academic Ranking

For example, the capability of the eight public-funded universities in Hong Kong was demonstrated by their advantageous positions in world university ranking exercises (Table 3). In academic year 2015–2016, two out of the eight public-funded universities in Hong Kong were included in the Top 200 Academic Ranking of World Universities of Shanghai Jiaotong University, five out of eight in the QS ranking, and three out of eight in Times ranking table. The overall satisfactory performance of Hong Kong ensured the leading regional status universities in Hong Kong.

Table 3 World Ranking of Selected Hong Kong Universities (2015–2016)

<table>
<thead>
<tr>
<th>Academic Ranking of World Universities (Top 400)</th>
<th>QS (Top 200)</th>
<th>Times (Top 250)</th>
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<tbody>
<tr>
<td>The Chinese University of Hong Kong (151–200)</td>
<td>The Hong Kong University of Science and Technology (28)</td>
<td>The University of Hong Kong (44)</td>
</tr>
<tr>
<td>The University of Hong Kong (151-200)</td>
<td>The University of Hong Kong (30)</td>
<td>The Hong Kong University of Science and Technology (59)</td>
</tr>
<tr>
<td>The City University of Hong Kong (201–300)</td>
<td>The Chinese University of Hong Kong (51)</td>
<td>The Chinese University of Hong Kong (138)</td>
</tr>
<tr>
<td>The Hong Kong University of Science and Technology (201–300)</td>
<td>The City University of Hong Kong (57)</td>
<td>The City University of Hong Kong (201–250)</td>
</tr>
<tr>
<td>The Hong Kong Polytechnic University (301–400)</td>
<td>The Hong Kong Polytechnic University (116)</td>
<td>The Hong Kong Polytechnic University (201–250)</td>
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These findings show the steady increase of Asian universities in global university leagues. As a relatively small economy in Asia Pacific, Hong Kong celebrates the success stories of the growing number of Asian universities in the global map. However, Hong Kong is also becoming increasingly concerned about the intensified regional and global competition among universities in terms of rankings. This competition also includes HE investments in research and knowledge transfer-related activities. Hence, the UGC started reviewing university governance and exerted serious efforts to scale a new height of the university sector of Hong Kong to address the increasingly competitive regional and global environment in asserting the global HE leadership. To strengthen the links between universities and the industry and bring them together to enhance research capacity, innovation, and entrepreneurship, HKSAR established the new Innovation and Technology Bureau in 2015. This new bureau is responsible for innovation, technology transfer, and entrepreneurship. This bureau was established to encourage universities and industries to work together in projects related to knowledge transfer.

Call for “Collaborative Governance” in Enhancing Global Competitiveness

Given the urgency of enhancing innovation and technology/knowledge transfer in Hong Kong, the HKSAR identified problems that universities and the industry need to address synergistically to commercialize research. Figure 4 highlights education investments in GDP across selected Asian countries/regions. Hong Kong's investment in education in terms of GDP is lower than those of other Asian countries/economies. However, Hong Kong's education expenditure has repeatedly secured a lion-share of public finance. Figure 5 suggests that Hong Kong allocated a relatively small amount of funding to research and knowledge transfer-related endeavors compared with other Asian countries/economies. However, the HKSAR has started investing and actively promoting innovation, technology transfer, and entrepreneurship in the last two years.
Figure 4 Expenditure on Education based on % of GDP (from Government Sources in Educational Institutions) (2014)


Note: The figure for Korea is from 2014; for Singapore is from 2013

Figure 5 Research and Development Expenditure (as % of GDP)


The highly competitive environment compelled HKSAR to become proactive in promoting collaboration between universities and the industry through innovation and
technology transfer and supporting knowledge transfer and entrepreneurship activities across the university, industry, business, and the community (Mok, 2013). The UGC allocated additional funding to the eight publicly funded universities in Hong Kong for knowledge transfer-related activities; this funding emphasizes on the impact of research, technology/knowledge transfer, and translational research (UGC, 2009–2016) to driving collaboration in the university sector, industry, and the community. The author, who is a UGC member, was invited to join a dialogue with senior government officials, including the Chief Executive, Secretary for Education, and Secretary for Innovation and Technology of HKSAR in January 2017. The discussion was focused in promoting the collaboration among universities, the industry, business, and community in terms of knowledge transfer-related endeavors.

Additional funding schemes were introduced since the establishment of the Innovation and Technology Bureau in November 2015 to engage the universities in collaborating with the industry/business to commercialize research products. Given the increase of aging population in Hong Kong, the Bureau of Innovation and Entrepreneurship rolled out new funding scheme to engage universities and the community to conduct research and knowledge transfer projects in addressing “aging and health care.” Other forms of funding schemes are introduced to promote mid-stream research that led to the commercialization of research products (Legislative Council Panel, 2016). This development clearly indicates the emergence of a new governance model that calls for collaboration among the government, business sector, and civil society to co-produce and coordinate service delivery. Engaging multiple stakeholders in collaborative governance decreases the dominant role of the state in decision making; thus, non-state actors, such as the market and civil society, will perform a significant role in shaping policy agenda and policy implementation, particularly when “collaborative governance” requires active participation of non-state stakeholders (Ansell & Gash, 2007). The growing popularity of “collaborative governance” will result in a new regulatory state characterized by “governance without the government” in public management (Peters & Pierre, 1998; Rhodes, 1996).
Quantity Increase and Performance Drives for Quality Enhancement

According to Trow’s model, the HE system of Hong Kong has entered the universal stage given the participation of private education/self-financing programs thereby creating learning opportunities after two decades of expansion (Trow, 1973). In academic year 2014–2015, over 320,000 full-time and part-time students enrolled in post-secondary courses offered by UGC-funded and self-financing institutions; these courses include those that lead to overseas qualifications and jointly operated with non-local institutions (EDB, 2015). A total of 97,583 full-time and part-time students studied in UGC-funded institutions in 2014–2015, wherein 6,076 were sub-degree students, 80,914 were undergraduate students, 3,475 were postgraduate students, and 7,118 were research postgraduate students (UGC, 2015). The number of enrolled students in the self-financing sector in 2013–2014 reached 82,578, which include undergraduate, sub-degree, higher diploma, and top-up degree levels (iPASS, 2015). The gross enrollment rate of tertiary education in Hong Kong increased from 31% in 2003 to 67% in 2013 (World Bank, 2015). The eight UGC-funded HEIs maintained high-quality academic performance during this expansion period. The success of HE in Hong Kong can be attributed to the performance-driven quality assurance culture in the city-state (Mok, 2005; 2016b).

The HKSAR positions itself as a regional HE hub with emphasis on research performance, which is reflected by the research-led funding formula employed by the government in distributing grant (Mok & Cheung, 2011). Since the 1990s, HE in Hong Kong has utilized different forms of performance reviews, including teaching and learning quality and process review (TLQPR), research assessment exercise (RAE), management review (MR), and academic quality audits run by the Quality Assurance Council (QAC); the most recent university governance review was led by Sir Howard Newby (Mok & Chan, 2016). Universities in Hong Kong, particularly publicly funded universities under the UGC, have embedded a strong culture of quality enhancement through participation in these performance review exercises not only for teaching and learning, but also for review and management (Mok & Han, 2016). These review exercises emphasize that quality enhancement and performance have continually
shaped not only university management but also individual academics in internalizing a culture of performance; this development revealed the “corporate governance” model commonly adopted by public universities in Hong Kong, which hold universities accountable to the public. The silent features of “corporate governance” applied in university management are closely related to the adoption of market principles and practices; these features are embedded with competition, performance management, and stringent evaluations of efficiency, economy, and effectiveness when delivering education services (Mok, 2016a; Mok & Chan, 2016).

The UGC is an advisory body formed by the HKSAR to oversee the strategic directions and macro-policies that govern HE development in Hong Kong. The UGC conducted another review of university governance in 2015 to establish a new accountability framework and drive the performance of universities in the city-state. The following part discusses the international standing of Hong Kong in various university leagues, followed by an examination of new governance strategies to scale new heights of universities in the city-state.

*Newby Report: Managing Performance and Enhancing Accountability*

Since the UGC and the Government are strong believers in competition driving excellence, competition among institutions for a proportion of funded places is therefore embedded in the UGC’s overall approach as the process of competing for places requires all publicly funded universities to take a critical look at their activities, especially aligning their special role within the higher education sector in Hong Kong as well as in addressing community needs through the Academic Development Plan exercise in deliberating funded places. In addition, the public universities in the city-state have accustomed to the strong quality assurance and enhancement culture through the regular reviews of their teaching and learning, research and knowledge transfer activities through Quality Assurance Council’s institutional audits and Research Assessment Exercises. Therefore, a strong quality culture has been well established in public universities in Hong Kong. With a strong intention to further scale a new height of Hong Kong universities, the Newby Review attempts to engage university councils
and senior managements to seriously consider performance enhancement and public accountability. The UGC and the Education Bureau of the HKSAR were publicly scrutinized for their monitoring of the performance of universities funded by taxation. They invited Sir Howard Newby to conduct a comprehensive review of university governance in Hong Kong by referring to other major university systems in the United Kingdom, Australia, Singapore, and the United States. Before the review report was released, Sir Howard Newby conducted several rounds of dialogues with key leaders of universities, including key council officers and senior management. He also met students and faculty representatives. University stakeholders were also consulted. Six recommendations were published after the issuance of the Newby report to enhance the effectiveness of governing councils. The Newby report also highlights the importance of developing the principle of the generic voluntary code of practice, which specified the role and responsibilities of council members. The Newby report urges the eight publicly funded universities in Hong Kong to review their governance structure; such a review will enhance the performance of universities in Hong Kong, develop clear strategic plans, review and refine their human resource management, finance and sustainability, and establish a system for managing risks (UGC, 2016). The details of the recommendations include the following.

Recommendation 1
Consideration should be given by institutions and the government to training processes and the continuing professional development of council members to discharge their duties in an informed manner. Candidates should identified based on a skill template, in which each institution should draft and keep under review. Induction should be conducted by the UGC on sector-wide issues and by the institutions on individual organization.

Recommendation 2
The UGC should create a mechanism for exploration that draws upon international good practice. A written accountability framework should be established. Under this framework, the vice-chancellor/president and the council should prepare an annual report to ensure balance between the fiduciary responsibilities of council members and institutional autonomy and public accountability.

Recommendation 3
The council has a vital role in strategic planning, which is a process that clearly displays institutional priorities and forms the basis of assessing the institutional performance of the council. To discharge this role, each university should prepare a set of key performance indicators, which are timely and relevant and which allows the council to assess the progress toward the priorities agreed in the strategic plan.

**Recommendation 4**
Risk management oversight is an irreducible responsibility of the council. Under this responsibility, the council should be satisfied that major institutional risks, both financial and reputational, are clearly identified and effectively managed. Therefore, each council member should prepare a risk register that is reviewed at least annually and, ideally, frequently.

**Recommendation 5**
Each council should publish a delegation scheme that displays the sub-structure of its committees. Under this mechanism, the council should be satisfied that the related managerial oversight of university activities is being effectively handled, including appropriate delegation and reporting mechanisms.

**Recommendation 6**
The UGC should conduct a review of university governance on a regular basis, ideally every five years (revised and adapted from UGC, 2016).

The UGC has seriously considered the leadership of university councils based on the six recommendations. The development of good governance under council leadership with clear performance culture is essential for these recommendations, which hold the publicly accountable. The Newby report highlights the importance of finance and reputation risks to protect the reputation of the university sector in Hong Kong. The report urges universities to develop risk registers and identify methods appropriate for managing the risks being identified. Such proposals can be understood as responses to the rise of student activists who question conventional university management and governance; student activism resulted in movements that fight for democratic and university governance in Hong Kong society since the umbrella movement occurred a few years ago in the city-state (Kuhn, 2016; Ortmann, 2015).

After the publication of the Newby report, the UGC formed a task force to follow up the implementation of university governance reform in Hong Kong. At present, the UGC is debating on the details of accountability framework or the “Hong Kong
compact.” The UGC is attempting to offer an overarching framework to manage the performance of universities. Major sector-wide performance indicators have been conceptualized in teaching and learning, research, knowledge-transfer, internationalization, finance management, and university governance. The proposed accountability framework is expected to integrate these key aspects of performance by promoting synergy across review measures, such as the quality of the student experience of learning and teaching; quality of research performance and of research postgraduate experience; knowledge transfer and wider engagement; enhanced internationalization; and financial health and institutional sustainability. A few major sector-wide performance indicators will be adopted for inter-university comparisons. However, the list of key performance indicators (KPIs)/performance measures (PMs) are not yet finalized. Thus, individual universities exercise their autonomy in developing other KPIs that reflect their unique missions, visions, or roles. The proposed accountability framework will hold council chairmen and university presidents accountable by negotiating KPIs that are consistent with the strategic development plans of individual institutions. The guiding principles of the funding framework adopted by the UGC can be succinctly summarized as how an institution’s strategy as articulated in its strategic plan in advancing its mission, vision and role, with particular reference to:

- its competiveness in Hong Kong and internationally;
- collaboration within and outside the UGC sector;
- capacity-building in key areas such as internationalization and knowledge transfer;
- the development of the self-financed sector; and
- its use of the outcomes of key exercises such as QAC audits and the Research Assessment Exercise 2014 to influence its longer-term strategy.

When this chapter is written, we understand that university heads and council chairmen are expected to meet the Task Force Convenor Sir Newby in February 2017 as what the UGC calls a “process of strategic dialogue” to further deliberate the details of the proposed accountability framework, followed up with formal agreement
signed between the UGC and the universities. Once the agreements were signed between the UGC and the respective university councils, the universities should ensure that they will deliver what they have promised on the KPIs and strategic directions. When the proposed accountability framework was implemented, the universities in Hong Kong would presumably work hard to earn their reputation, as well as funding support based on performance. The performance reviews of universities are subject to international evaluations and cross-sector comparisons. However, the UGC is sensitive to the different roles of universities. After signing the performance agreements with the UGC, the universities are expected to demonstrate a strong evidence of performance following the “fit-for-purpose” reviews with a strong performance-driven orientation (UGC, 2016).

**Discussion: Protecting Institutional Autonomy and Asserting Accountability**

The discussions on university governance suggest that the high institutional autonomy enjoyed by HEIs is the most distinctive feature of university governance in Hong Kong. The eight UGC-funded HEIs in Hong Kong are self-accrediting institutions under the corresponding ordinance. Under the governance mechanism at the institutional level, the Chief Executive acts as the chancellor who plays a ceremonial role, whereas the president serves as the administrator of the university under the supervision of the council. The council is the governing body led by an external member and consists of the president and vice-presidents as ex-officio members, the staff and student members of the university, lay members from the community who are in charge of the administration of the university, and the appointment of the senior staff. The senate comprises representatives from faculties. The academic departments represent the principal academic authority of the university, wherein the president is the chairperson who supervises academic activities and grants awards. Some committees were created to oversee specific areas of academic affairs under the senate. Some institutions establish a court to advice the council; the court is always composed of lay members (Lo, 2015). This governance structure was inherited from the British administration with a heavy weight attached to “academic freedom” to enhance the “institutional
autonomy” for managing and governing universities in the city-state.

The HKSAR does not directly interfere with university governance regardless of whether they are public or private. The HKSAR assumes that the success of the HE in Hong Kong depends on whether the universities enjoy “academic freedom” and “institutional autonomy” in directing their developments. However, the HKSAR government is serious about quality given the institutional autonomy in running their programs. Hence, various forms of external reviews, especially formed by international panels, have been coordinated by the UGC to guarantee external monitoring. However, institutions are given autonomy to engage in self-reflective and self-evaluative processes for upholding academic standards to the highest level. The foregoing discussions highlighted the special role of the UGC in the overall governance of universities in Hong Kong. Unlike its Asian counterparts, the role of the Ministry of Education is decisive; university presidents and faculty members frequently complain that academic freedom and institutional autonomy are being undermined (Chan & Mok, 2015). Hong Kong universities enjoy a considerable level of academic freedom and institutional autonomy, which are its core value and are detrimental to creativity, research innovation, scholarship, and in positioning Hong Kong as a strong contender in this highly competitive world.

However, providing institutions with flexibility to manage their own business does not mean that the government has entirely given them free hands to the institutions. Instead, the call for accountability and pressure for performance show the adoption of “decentralized centralization” as a major governance strategy to drive institutional excellence. Thus, corporatization and incorporation measures are introduced to improve performance (Shin & Harman, 2009). The analysis of university governance in Hong Kong includes three models, namely, corporate, state, and profession; these models were proposed by a research team on the academic profession (Shin & Harman, 2009); Hong Kong adopts a “corporate model” in its university governance. The quest for a world-class status strengthened the power of the senior management of universities, especially when “management authority is becoming increasingly centralized within the institutional governance to achieve an enhanced performance and
efficiency,” whereas “the tradition of shared governance is declining” (Shin & Harman, 2009, p.8). However, the quest for a world-class status has become a highly sensitive issue that shapes the relationship between universities and the government. This issue entails striking between institutional autonomy of protecting academic freedom to promote innovation and creativity in scholarship and the accountability for quality assurance that does not directly interfere with university management. The interactions between the two sectors will result in different forms of tensions that will require both sides to hold dialogues to maintain the position of Hong Kong universities in a highly competitive world.

**Conclusion**

This study highlighted the importance of performance improvement and self-enhancement in university governance in Hong Kong. Sir Howard Newby's review of university governance suggested the introduction of a strong performance-led regulatory regime in Hong Kong universities. The call to deepen collaboration among universities, the industry, business, and community will facilitate the emergence of a “collaborative governance.” Thus, an increased number of non-university stakeholders will become involved in future research and academic-related activities. Universities in Hong Kong will adopt international benchmarking and stringent performance evaluations when running their institutions to address the intensified competition for global leadership. University governance in Hong Kong will offer market ideas and practices in transforming universities under the “corporate model” of governance by positively responding to the accountability framework. “Collaborative governance” will emerge when the provision of HE becomes increasingly diversified with multiple non-state stakeholders.

Universities in Hong Kong will encounter potential tensions driven by two related models of governance, namely, “market governance,” which stresses the importance of performance, and “collaborative governance,” which emphasizes on the importance of “public participation.” Striking balance between these two governance models require wisdom from university leaders in Hong Kong who can address the contentious
relationship between professional knowledge and appropriate skills. The drive for performance management will inevitably lead to the potential risk of over-standardization of performance indicators for addressing public accountability. Given the diverse missions, visions, histories, and aspirations of the eight publicly funded universities in the city-state, the UGC must be highly sensitive in adopting “standardization risk.” Such an approach could become counter-productive in developing a diverse but dynamic HE system in Hong Kong. The success of the HE in Hong Kong depends on the maintenance of a delicate balance between the call for performance and accountability. Such a success also depends on the necessity of embracing diversity in the HE provision by respecting unique but different roles that fit university development (Mok, 2016b; 2017b).

Note: Part of the materials, especially the discussion related to the major development trends of higher education in Asia Pacific and university rankings are revised and adapted from the author’s recent working paper for the Centre for Global Higher Education, UCL Institute of Education.

References


