



**THE UNIVERSITIES PROJECT OF THE SALZBURG SEMINAR
VISITING ADVISORS REPORT**

**TOMSK STATE UNIVERSITY
TOMSK, RUSSIA**

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Tomsk State University (hereinafter referred to as TSU) is a Russian Federal Higher Educational Institution founded in 1878. It consists of twenty two academic departments (Mechanics and Mathematics, Physics, Radiophysics, Technical Physics, Applied Mathematics and Cybernetics, Computer Science, Chemistry, Geology and Geography, Biology and Soil Science, International Department of Agriculture and Ecology, Economics, Graduate School of Business, International Management, Institute of Law, Philosophy, Psychology and Sociology, Cultural Studies, Institute of Law in Novosibirsk, History and International Relations, Philology, Foreign Languages, and Military Training) as well as four research institutions (Siberian Physical Technical Institute, Institute of Applied Mathematics and Mechanics, Institute of Biology and Biophysics, and the Herbarium) with over 1,000 faculty and staff. It has the biggest university library in the Asian part of Russia with over four million volumes, the unique Siberian Botanical Gardens, and ten museums. Its academic choir and fin-swimming team are well known across Russia and abroad.

TSU is situated in the city of Tomsk with a population of approximately 500,000 and in the Tomsk oblast (region), which has a population of 1.5 million people. The city and the region trace their origins to the beginning of the 17th Century (1604) and have a rich history of valuing culture and education. TSU is the oldest university in the beyond-the-Urals domain and it enjoys its stature as one of the most prestigious universities in Russia.

Regarded as vital to its location, TSU enjoys very close ties with both the city and regional governments. The University's leaders are fully committed to collaborative partnerships with the economic and social interests of the Tomsk region as well as to engaging internationally in the world's global economy and society. TSU is participating in the project "Development of Fundamental Science and Elite Higher Education on the Basis of Integrating TSU and Academic Institutions," and also in the national program "The State Support to Integration of Higher Education and Fundamental Science within the Period of 1997 – 2000." In addition, TSU promotes the activity of the Council on "Environmental Protection" of the Russian Federation's Ministry of Higher Education.

TSU is a forward-looking university striving with confidence to strengthen its position by participating actively in international academic programs and various INTAS (International Technical Association) and TACIS-Tempus programs. In 1998, TSU was involved in thirty international projects (with funding of over three million U.S. dollars). In 1999, TSU received grants for "Setting up a European Union Information Relay at Tomsk State University" and "Establishing and Running the Human Rights Library Center at TSU" from the Council of Europe. TSU cooperates with Ohio State University, Michigan State University, and California State University in the U.S., as well as with the Universities of British Columbia and Calgary in Canada. In addition, it is engaged in long-term cooperation with foundations and universities in the U.S.A., U.K., France, Germany, Japan, and China.

Our team was impressed by the hospitality extended to us by the Rector and his team. TSU administration and staff were very good hosts. We were offered excellent accommodation, meals, cultural programs, and computer facilities. Staff members did their best to make our visit as pleasant and productive as possible. All representatives who participated were fully engaged in the discussions and stressed the importance of this visit by Salzburg Seminar "experts" for the University's advancement.

The "shape" of our mission involved seminar-type discussions, focused largely on the two main topics identified by the University – managerial efficiency and financial administration. For this purpose, rather than splitting our team into two groups, we stayed together throughout these sessions. This concentrated focus on a pair of limited but important practical issues in university leadership enabled us to devote our efforts to the in-depth analysis of topics deemed by our hosts as most significant to their institutional development at this time.

Consequently, we report below our observations and recommendations according to the two major subjects of our deliberations. Further, during our visit we developed some views on a few additional topics about which we comment in the third main section of this report.

MANAGERIAL EFFICIENCY

We were impressed with the commitment demonstrated by TSU leaders to managing the University in the most efficient manner possible, and they raised many significant questions with us toward this end. The perceptiveness of these questions, the wisdom of raising them, and the progress already made in response convince us that the University is determined to search out the best ways of managing itself and to take full advantage of lessons learned elsewhere. In this section, we devote our attention to the three elements of this subject that appeared to be of most immediate concern to our colleagues in Tomsk—the motivational development of teaching faculty, the contractual stipulation of performance expectations, and the organizational arrangement of administrative positions.

Faculty Renewal

With the heavy teaching load of most faculty members and the aging of the professoriate, TSU managers are understandably concerned with finding means to attract academically enthusiastic and well qualified young scholars to faculty positions in the University and with stimulating teaching staff to engage in research as an essential adjunct to their instructional duties. Conversely, there is also a problem of involving staff from the research institutes in the University's teaching enterprise. A related concern, although it wasn't raised directly by our hosts, is the desirability of continually improving and updating the pedagogical approaches employed in the classroom.

In their efforts to address these needs for faculty renewal, Tomsk managers expressed frustration that they cannot assess the current level of commitment to TSU on the part of its teaching staff because faculty members are no longer required by federal law to disclose their concurrent (and often necessary) obligations to other employers. We agree that it is important for a university, if it is to invest in the professional development of its employees, to have confidence that these employees' principal professional commitment is to the university and that they understand the importance accorded to this assurance. While the law no longer requires such disclosure, there is no legal prohibition against the University's encouraging it. Thus, to foster the basis of mutual employee-employer dedication that is necessary to the nurturing of faculty renewal in a university, we suggested during our visit that consideration be given to the possibility that TSU contracts with teaching staff contain a statement about working for other employers. Such a statement would say that while it is recognized that the Rector cannot require staff to report and gain approbation for such concurrent engagements, it would be in the University's best interests if this were done, for the purposes of personnel development and institutional planning, and that employees are thus encouraged to make such disclosures, which will be viewed favorably by academic managers in allocating those benefits at their disposal like paid release time, travel grants, technical equipment, etc. Given the high sensitivity of this matter with faculty members, we do not recommend this idea for immediate implementation but rather for careful exploration at this time.

A second area of concern related to faculty renewal that was raised with us is the difficulty of employing new scholars whose academic expertise is fresh and energy high and who, from the beginning, will demonstrate a commitment to research. One obstacle to this is the lack of available positions resulting from the absence of mandatory retirement provisions in Russian law. This problem has been largely overcome in our own institutions by various forms of early retirement programs whereby severance allowances are made available to faculty members who agree to retire early, in an amount sufficient to provide an income “bridge” until such time as they qualify for full pensions. The cost of these allowances is recovered, typically over a period of three years or so, from the savings realized through salary reductions from those of senior staff who leave to those of young recruits who join. Recognizing that—because teaching salaries are set and paid by the federal government—such an arrangement cannot be introduced unilaterally by a Russian university, we recommend that TSU leaders engage with colleagues from other universities in advocating that the federal government introduce a delayed-cost-recovery early retirement incentive plan for teaching staff, and that the acceptance of applications to retire under this scheme be at the discretion of the institutions’ Rectors (to ensure that it doesn’t lead to crippling faculty reductions in particular academic areas). We further appreciate, however, that the success of such early retirement programs depends on the availability of adequate post-retirement pensions.

To enhance the research commitment of new recruits, it is important that their initial duties be assigned in such a way that they are able to devote time to launching this function while, at the same time, preparing their initial teaching presentations. A common way of achieving this in our universities is to reduce the normal faculty teaching load (say, by one-third or even one-half) during the first year or two of employment to provide time for the preparation of initial research grant applications. Similarly, it is desirable to offer some flexibility in workloads for more established professors to enable the continued research productivity of those who are good at it; for example, the teaching loads of excellent researchers can be reduced while increasing those of faculty members who do not wish to do research or do not do it well; and researchers can be permitted to use salary funds from their research grants for “buying back” time from their normal teaching load for devotion to research purposes, instead of using them only for supplementing their own basic salaries.

Overall, an important aspect of stimulating the research interests and productivity of faculty members is to reduce the extensive demands placed upon their time by teaching responsibilities. Although the amount of time a Russian teacher devotes to classroom instruction is high by western standards, the student-faculty ratio in Russia is below international norms; this suggests that there is considerable room for reducing the time required for teaching through curricular revisions in academic programs. Other, more methodological means can help as well—such as by changes in teaching styles (e.g., less professorial lecturing and more student participation), applications of computer-based instructional approaches, and adaptations of distance education technologies to on-campus settings. In general, then, we recommend that TSU explore all possible means of reducing the excessive

time demands on faculty members currently made by the teaching function, to the detriment of their research productivity.

Employment Contracts

The senior management at TSU made clear to us its intention of developing or elaborating the University's employment contracts with academic and administrative staff as a means to enhance performance in desirable directions. We concur with this view in the sense that it is a sound practice of human resource management to clarify in writing an employer's expectations regarding employees' performance—what they are responsible for doing, to whom they are responsible for doing it, the results intended from doing it, and the indicators by which success in achieving these results will be assessed. However, it is important not to rely too heavily on such contracts as influencers of specific behaviors. They should be used to identify occupational goals and expectations, not to dictate individual tasks and styles. The latter are far more effectively influenced by frequent interaction with sensitive supervisors and supportive peers than by documented lists of "things to do." Moreover, especially in a university (where innovative thinking and creative response are fundamental to the distinctive nature and needs of the institution), as much room as possible must be left for the expression of an individual's own initiative, expertise and discretion as he or she determines how best to act in particular (often unpredictable) circumstances. Consequently, we recommend that TSU managers, in their commendable efforts to improve the performance of various staff groups, place greater emphasis on fostering enlightened supervisory practices than on specifying contracted behavioral expectations.

With reference to particular managerial cohorts, we can offer a couple of comments about proposed contract elements that were discussed with us. Concerning Vice-Rectors, consideration is being given to supplementing the traditional two-part salary structure (basic teaching pay plus stipend for administrative duties) with a third component—one-time bonuses awarded in appreciation of exceptionally meritorious performance during a particular period (normally a year). This is a relatively common practice in western countries, especially in private-sector enterprises (i.e., profit-making businesses), but it has had mixed results when applied to universities and many institutional leaders have concluded that its intended positive results (stimulation of superior performance in desirable directions) are too often outweighed by its actual negative effects (dysfunctional interpersonal jealousies, perceived secrecy and unfairness, high administrative and psychological costs, and other outcomes that have the impact of deadening rather than enlivening the workplace. With respect to Deans, consideration is being given to stimulating interest in raising extra-budget revenues (especially through expanding paid education opportunities—i.e., tuition fees) by means of stipulating this as a contractually mandated task. Desirable as an entrepreneurial orientation on the part of Deans may be, we do not have much confidence in employment contracts as the best means to promote it. It is appropriate for contracts to mention the acquisition of extra-budget revenues as an area of responsibility for Deans, but such specification won't

make it happen where there is no inclination or little opportunity to do it, and it neglects the fact that some individuals and some situations are much more compatible with entrepreneurialism than are others. So we recommend that the proposed provisions in employment contracts of university managers for performance bonuses and for entrepreneurial mandates be further considered to ensure that they will produce the desired results rather than generating consequences that are inadequate or contradictory to them. We comment further on these subjects in the next main section of this report.

We feel compelled to raise one further matter concerning the performance expectations for Deans. As with universities in Canada and the U.S., Deans at TSU are typically chosen from the ranks of successful teaching faculty. Their identification with academe is further strengthened by the fact that in Russia Deans are elected (for relatively short terms of office) by, and thus feel strongly accountable to, their respective academic councils (whereas in our countries they are appointed, often for longer terms, by senior officers [typically on the recommendation of collegial selection committees]). A major implication of this is that Russian Deans (and some more senior university officers) tend to think of themselves primarily as professors and only secondarily (and temporarily) as administrators—a perspective that is reflected in the fact that most of them spend more time teaching and researching than managing. Such an orientation likely made sense in earlier times when a Dean's "decision space" was highly restricted, but it is detrimental in today's conditions that require strong, dedicated and skillful management on the part of university administrators. Accordingly, we recommend that employment contracts with Deans make it clear that, in choosing to assume their positions, they accept an obligation to give precedence in their work (and time) to administrative rather than academic responsibilities for the duration of their Deanships.

Organizational Structure

Finally on this subject of managerial efficiency, we were specifically asked for our views on the most effective basis for division of labor among the Vice-Rectors at TSU. Our understanding is that a "functional" arrangement is currently in place whereby the Senior Vice-Rector has a vast scope of university-wide responsibilities and each other Vice-Rector is in charge of a particular university-wide function (e.g., research services, economic relations, academic affairs, etc.)—thereby requiring that the crucially important front-line managers (Deans) report to different Vice-Rectors for different functions, even though these functions may (or should) be integrated at the level of individual academic units for which the Deans are responsible. Because this arrangement places an extremely heavy burden of coordination upon the Senior Vice-Rector and because it confuses the accountability line for Deans, our opinion was sought on whether it would be better to shift to a "structural" division of responsibilities among Vice-Rectors such that Deans would be grouped into small cohorts, each of which would report to a single Vice-Rector who would oversee all areas of functional operation concerning those Deans. The Vice-Rectors, in turn, would report to the Senior Vice-Rector.

We can certainly understand why this question was raised because we believe that the discomfort with the current system is well founded. Nevertheless, based on our own experiences and observations in other universities, we believe that on balance the advantages of TSU's present organizational structure exceed its disadvantages. The functions for which Vice-Rectors are currently responsible are complex and require a high level of specialized expertise to manage effectively—and increasingly so as globalization and the knowledge economy accelerate; no single Vice-Rector can master the intricacies of *all* of them to the degree that he or she can be of much help to Deans in *any* particular area. However, while Deans should be able to go to certain Vice-Rectors for specific expertise we agree that it is desirable for the former to be administratively accountable to only one superior officer—and this should be the Senior Vice-Rector; the advantage of this arrangement is that it not only clarifies the accountability line for Deans and retains the specialized expertise of Vice-Rectors but it also ensures a responsible capacity for coordinating their various endeavors on a university-wide basis, a feature that is essential both for managerial efficiency and for institutional effectiveness. Thus, we recommend that the current “functional” arrangement for division of labor among the Vice-Rectors be retained but that a clear accountability relationship be established between the Deans and the Senior Vice-Rector—and that the latter's present portfolio of responsibilities be carefully reviewed to identify as many as possible of them that can be delegated to the other Vice-Rectors or decentralized to Deans or other administrative officers.

FINANCIAL ADMINISTRATION

It appears to us that TSU has been relatively successful in strengthening its financial situation. We were impressed with the steps taken and with the level of sophistication demonstrated in this regard by TSU leadership. Clearly, the right questions are being asked concerning financial administration and we were pleased to discuss three primary issues that were raised directly with us: setting tuition levels, raising and allocating extra-budget revenues, and establishing salaries for faculty and administrators. All three are important challenges for TSU now and for the foreseeable future, and we discuss each of them in this section.

Setting Tuition Levels

TSU has come to rely increasingly on revenue from student fees. Our discussion of this subject focused on five aspects of setting tuition levels: the philosophical basis underlying TSU's tuition strategy, the possibility of providing financial assistance to students who pay tuition, the empirical analysis which supports tuition policy, variation of tuition levels by program, and tuition at TSU relative to that at other universities.

TSU's current philosophical stance is one of revenue maximization—that is, the goal is to raise as much money as possible from tuition. We would note that, as a public institution, TSU must also be concerned with the ability of

students to pay. Currently TSU considers this, but mostly if not entirely from the perspective of its own revenue prospects rather than that of students who might be denied a TSU education for financial reasons. There is a fine line to be drawn here. Access to higher education, in the western view, is primarily the responsibility of the state and not that of any particular institution. Nonetheless, in view of its moral obligation, we recommend that TSU keep students' welfare in mind when setting tuition levels, especially at the present time when the state lacks resources and the funding model for Russian higher education is evolving.

We would also note that in the U.S. and Canada, tuition policy is often linked to the availability of student financial aid. We understand that TSU would face formidable barriers if it attempted to provide such aid. Nevertheless, it would be a socially responsible undertaking, and we therefore recommend that TSU seek ways to introduce a financial aid program for especially needy but academically able students, even if only on a small scale. For example, it might be possible to provide employment for students at the University on the basis of their financial situation. We further recommend that TSU become an advocate on the national level for changing the Russian system to accommodate a strategy of student financial aid. Otherwise, the privatization of public institutions—which is now occurring in Russia as an increasing percentage of revenue comes from non-state sources—will likely lead to socially unacceptable consequences.

We would like to compliment TSU staff for the excellent market research that they have conducted on the likely impact of charging various tuition levels, and on the use of this information in setting student fees. This is an exemplary instance of data-based management. TSU will need to continue this type of research indefinitely because economic conditions will change along with the nature of competition for students within the Tomsk region and beyond. Indeed, the numerous issues involved in recruiting and admitting students along with setting and allocating tuition—several of which are noted in this and the following subsection—are complex and interdependent, and their importance to the University's future leads us to believe that a dedicated capacity to examine and administer them would be justified and valuable. Accordingly, we recommend that a special unit responsible for enrollment management be established under the direct supervision of the Senior Vice-Rector. This unit would continually gather, monitor, and evaluate pertinent information and would generate appropriate recommendations for initiatives or changes in relevant policy and practice.

Tuition at TSU currently varies by program of study. We wish to assure TSU leaders that this practice is followed to some extent in many Canadian and American universities. There are three primary reasons for this practice. First, the cost of programs may differ, sometimes considerably, and it is reasonable for student charges to relate to program costs. Second, students graduating from some programs can be expected to earn, on average, more than graduates from other programs, and it is justifiable to connect the level of student payments to future earning prospects. Third, student demand for some programs is higher than for others; thus, the market will bear higher

prices for some programs. At the present time, this third rationale appears to be the primary one used by TSU. Consequently, we recommend that the TSU rationale for setting differential tuition levels take account not only of student demands but also of program costs and earning prospects.

TSU is a highly regarded institution, certainly the most highly regarded in its region. Accordingly, it would be justified in charging the highest tuition in the region. In the U.S. in particular, high tuition is often taken as a sign of high quality. Accordingly, we recommend that TSU consider deliberately keeping its tuition relatively high not only to raise revenue but also to be consistent with, and to help maintain, its stature as a premier institution.

Raising and Allocating Extra-Budget Revenues

TSU has little choice but to focus attention on extra-budget revenues. We wish to comment on the following aspects of this necessity: the balance between formulaic approaches and planning approaches to the allocation of these revenues, certain risks involved in the search for additional revenues, a couple of suggestions for generating additional revenues, and financial control of independent operations.

We noted with some interest the 50-50 split of tuition revenues between the central administration and certain program leaders and the 25-75 split for others. While these allocations are not unreasonable, we would hope that they would not be viewed as sacrosanct, or non-negotiable. Formulaic approaches such as these are quite efficient managerially, in that the decision has to be made only once. We would argue, however, that allocation decisions should be made within the framework of a strategic plan for the University. Such a plan will almost certainly evolve with changing conditions. Therefore, we recommend that extra-budget revenue allocation strategies, such as that embodied in the 50-50 split, be adjustable based on the University's evolving strategic plan, as they may need to be changed from time to time. We do agree with the fundamental notion that Deans and their respective academic units must directly benefit from engaging in revenue-enhancing activities if they are to be expected to enthusiastically support such endeavors.

While we did not have an opportunity to discuss it during our sessions with TSU leaders, we would like to add a cautionary note regarding the search for additional revenue. As Americans are fond of saying, "it takes money to make money." TSU will find that it will require ever more resources to secure additional revenues if the long-term strategy is one of continuing to increase revenues rather than, for example, containing costs and learning to live within one's means. The law of diminishing returns almost always operates. Those same Americans worry about what happens after one has "picked the low-hanging fruit." TSU should worry too. For example, after tuition has been increased considerably, further increases may require additional investment in student recruitment activities. Similarly, an academic department that is successful in obtaining research grants will find it necessary to continue or even to increase the resources devoted to maintaining that revenue stream.

This effort could easily impinge on time devoted to teaching or meeting other student needs. This has certainly happened in the U.S., and faculty there are often criticized for it. Accordingly, we recommend that TSU, in its search for and dependence upon particular sources of extra-budget revenue, beware of unintended consequences including an unplanned and perhaps unwelcome distortion in the use of human and financial resources.

This warning notwithstanding, we offer two practical suggestions for generating additional tuition revenue. First, we learned from our discussions that TSU is short of teaching facilities. Some Deans are reluctant to recruit more students because they lack the necessary classroom space. We recommend that TSU consider addressing limitations of classroom space for additional students by using some of their tuition payments for leasing facilities in surrounding neighborhoods, an approach often used by U.S. universities faced with a similar problem. It may be possible for an academic program at TSU to do this by paying for it from its share of the tuition generated and still have enough to pay for teachers and other aspects of instructional support. It is important that any such lease payments be seen as a program cost, not a cost to be paid for by the University as a whole—at least so long as the program is receiving a significant share of the related tuition revenue.

Second, we recommend that TSU consider expanding its efforts to attract international students as a source of extra-budget revenue, with the necessary accompanying adjustments in curricula and facilities. Typically, such students pay relatively high rates of tuition, which could be profitable for the University. We note, however, that the University will need to invest in suitable living arrangements for such students and to construct a credit-based curriculum that articulates with those in western universities. The latter task could be addressed on a small, manageable scale by developing a credit-based summer program as an initial trial. Such a program could be financed as a separate operation paid for by tuition, and would provide participating faculty members with an opportunity to supplement their annual incomes.

TSU is finding it useful to establish academic units that operate quite independently with respect to finances. The program in international management is a good example. We recommend that, in developing the financial independence of academic units, the central administration proceed with care. An academic program that is expected to make its way in the marketplace will have a better chance of success if it can move quickly—if it has considerable budgetary flexibility. However, the University must retain financial oversight at least in the sense that revenues and expenditures are monitored centrally to ensure against the improper use of money. In addition, efforts of the relatively independent units should be part of, and consistent with, the overall strategy for the institution. It is important in establishing relatively independent units that the “decision space” granted to the directors of such programs be clearly delineated and regularly reviewed.

Establishing Salaries for Faculty and Administrators

The bulk of most universities' expenditures are allocated to salaries. How these salaries are determined is, therefore, a critical component of an institution's financial strategy. TSU is no exception, and its administrative leadership is well aware of this situation.

With respect to faculty, it is our observation that practices of salary determination differ widely around the world. At Canadian and American universities, there is a tendency to structure salaries in accord with the market as well as the productivity of individual faculty members. This is especially true at the most prestigious universities that compete for the most renowned faculty.

Of course, if salaries are based on market conditions and individual merit the result will likely be wide disparities among salaries. This is a common fact of life in high-end American universities. Disparities of two-to-one or more are common. To be sure, this is not an ideal situation; but most observers would agree that it is necessary if universities are to compete successfully in the marketplace. For faculty of the same rank and seniority at a typical research-oriented university in the U.S., perhaps seventy to eighty percent of the statistical variance in salaries would be explained by market conditions. Merit, or productivity, differentials would explain most of the remaining variance.

Merit differentials are usually small in any given year as a component of an annual salary increase, but they can become significant over time. In a research-oriented university, merit almost always (and perhaps unfortunately) is measured in terms of scholarship and research rather than teaching performance. The department chairperson and the Dean working together determine the salaries of faculty members.

In support of a market-driven approach to salaries, considerable effort is expended in Canada and the U.S. in gathering appropriate data on salaries. Attention is paid to faculty rank (assistant, associate, and full professors) as well as to discipline (areas of specialty). This is a national effort, almost always conducted by professional organizations within the higher education sector.

In the U.S., faculty may be allowed to supplement their salaries during the summer months. Many universities have summer sessions in which faculty can teach if they so choose and be paid extra for it. Other faculty may choose to engage in research projects during the summer for which they might also be paid, particularly in the scientific and technical fields. Faculty members in most arts and humanities areas usually do not have such opportunities for paid research during the summer.

There can be considerable competition for individual faculty in the U.S. and Canada. Many universities reserve funds for use in recruiting particularly promising individuals or in making counter-offers when other universities attempt to hire away some of their faculty "stars." This type of "bidding war"

can lead to very high salaries for certain individuals and a distorted pattern of salaries in a given department. Hardly anyone likes it, but virtually everyone does it.

With respect to the salaries of high-level administrators—Rectors (Presidents), Vice-Rectors (Vice-Presidents), and Deans—the situation in Canada and the U.S. is quite varied and complex but a few observations may be helpful. First, the size of the institution as measured by its budget is usually a good indicator of what high-level administrators at that institution will be paid: the larger the budget, the higher the salary.

Second, the President will typically earn the highest salary. There is usually only one exception to this rule and that has to do with medical education. Medical doctors in the U.S. are highly paid. A university with a medical school will likely find it necessary to pay the director of its medical programs (a Dean or Vice-President) more than the medical doctors earn, which can sometimes be more than the President is paid. The salary of the President is determined by the governing board of the university.

Third, the salaries of Vice-Presidents vary by area of responsibility and span of control. On average, they would be higher than the salaries of Deans but not greatly so; some Vice-Presidents could have lower salaries than some Deans. The salaries of Vice-Presidents are determined by the President. Many universities will have a senior Vice-President or Provost; generally, that individual will enjoy a higher salary than other Vice-Presidents, but less than the President.

Fourth, the salaries of Deans vary by field of study and, in the U.S. at least, by merit. Merit in this instance can mean many things, including the prestige of a person within his or her academic discipline. Most often, however, merit has to do with demonstrated managerial skill, with moving the college forward. The salaries of Deans are determined by their cognate Vice-Presidents, or in some cases by the President.

As indicated previously, we noted with interest the possibility that TSU may compensate its Vice-Rectors on a three-part basis: their state-provided teaching payment as members of the faculty, an additional portion from extra-budget funds, and a performance bonus also funded from extra-budget revenues. While we recognize the importance of incentives, we recommend that, with respect to establishing administrative salaries, good performance be taken as the standard expectation—bonuses, if any, should be reserved for truly exceptional achievement—and that policies be established in advance with respect to any additional salary provided beyond the basic payment. In particular, TSU would be well advised to state explicitly the duration of any additional salary. For example, what happens when a Dean completes his or her term of office and returns to a teaching position? Is any part of the administrative salary supplement retained? At some Canadian and American universities, a portion of it—say, 25%—is sometimes retained; at others, it all disappears; and at still others, it is all retained (although usually no further increases are awarded until the salaries of equivalently qualified teaching staff

“catch up” with that of the ex-Dean). We are not recommending any particular approach at TSU in this regard, but simply advising that policies be established prospectively for addressing what will likely become an increasingly complex situation.

Additional Observations

Tomsk State University is the oldest university in Siberia and has a long tradition of advanced science, high-level teaching, and many distinguished faculty members. During the Soviet period, however, the city of Tomsk became a “closed area” which meant that inhabitants could seldom leave and visitors were not permitted. This meant that TSU was almost completely isolated for many years. The city became “open” only in 1992, and since that time the University has struggled to regain its previously dominant position among Russian universities.

We believe it has made substantial progress in this respect, examples of which are: wide-ranging international cooperation; newly-founded departments like Management and Economics; information technology (IT) applications and distance education (TSU is the DE leader in Western Siberia); and creating such previously unheard of units as a Public Relations Office, etc. There are, however, several obstacles to further development of which the present under-financing from the federal budget is not the least. To deal with that deficiency, the TSU leadership has taken several impressive steps and some of them, under the general headings of managerial efficiency and financial administration, have been considered earlier in this report.

We have been met with extraordinary openness and hospitality, which seem to be characteristic features of the Russian nation. Topics under the above two headings were chosen wisely by our hosts and their examination absorbed most of our time, but during discussions, on-site visits, and in private conversations we have identified a few additional subjects which, while probably not requiring priority action at present by TSU leaders, nevertheless deserve consideration in this last main section of our report. They are outlined briefly below.

While we were impressed with much of the University’s architecture and grounds (particularly the botanical gardens, the rare books room, and the concert hall), there is need for some modernization of physical facilities in the main building and elsewhere. We did not see any student hostels or canteens, but some Tomsk colleagues indicated that they, too, have inadequacies. As we noted previously, such modernization is important for the welcoming of foreigners, especially students.

The timing of our visit was not the best: there were no students in session, faculty members were either on holidays or busy with enrollment procedures, and professional translators were in short supply. These limitations reduced the scope and depth of what we could achieve during our visit, including the amount of attention we could devote to the following subjects, which arose but could not be pursued.

The teaching function at the University constitutes a complex general challenge comprising many more specific ones. To start with, half of the present TSU staff consists of researchers in five scientific institutes, which belong to TSU but are used to operating independently in response to military needs. These faculty members were not accustomed to carrying teaching loads. Recently, however, financing from the federal Ministry of Defense came to an end and so there is an urgent need to incorporate those institutes fully under the University's aegis, but there are some frustrating legal obstacles to doing so.

Another legal constraint concerns the aforementioned problem of retirement (there is no obligatory retirement age and, since pensions are extremely low, older professors are unwilling to retire and they thus block the recruitment and development of a new generation of freshly trained faculty). Moreover, as we have indicated, there is a general over-commitment of the teaching staff to lecturing duties (fifteen-to-twenty hours per week is typical). Overloaded lecturers cannot combine teaching with research, as can be seen in the low number of applications for grants. Other barriers to the raising of academic standards include an inadequate use of IT in the teaching process, a lack of internal quality assessment, etc.

Given the complexity and centrality of such problems, we recommend that the University's leadership initiate a thorough strategic planning process commencing with a debate on the mission of TSU and including the analysis of strengths, weaknesses, opportunities, and threats attendant upon the reforms being pursued during this period of destabilizing transition throughout the Russian Federation. There are examples of universities from Central and Eastern Europe in which such a debate and properly defined mission helped to regain the feeling of identity among members of the staff and to restore internal order. Time constraints didn't allow us to pursue this proposal more profoundly.

Neither had we enough time to view the computer center, or to see evidence of a debate about IT applications at the University. We learned, however, that the Rector's Council certainly understands the meaning and value of IT and does its best to exploit it. Our team strongly endorses these efforts. In particular, we recommend that a new post be created, that of CIO (Chief Information Officer), whose incumbent would be responsible for the swift and uniform development of information technology within the units of TSU—including those concerned with distance education, given the vast scope and communication difficulties of the Siberian expanse. There are many good examples to draw upon in such endeavors.

We were impressed with the work of the University's Public Relations Office during a brief session devoted to its operations, and we hope it will receive further support from the Rector's Council. We provided its director with some contact information on sources of information about practices elsewhere in this increasingly important role.

Essential for further development are productive regional relationships, and in this respect Tomsk can be viewed as a model. The Governor of the Tomsk oblast has persuaded Gasprom to finance an expensive restoration of the main building on campus. There is a regional council of higher education chaired by the Governor and including the six Rectors of state universities in Tomsk and the two heads of Tomsk branches of the Academy of Sciences and the Academy of Medical Sciences. This council meets regularly with an aim to establish mutual understanding, close cooperation and everyday working contacts, and in that way to foster a “Tomsk scientific complex” (complete integration is, sensibly, not its aim at this time). There is a regionally-nurtured Technopark serving all universities and academic institutes in the area, which, in 1999, earned an equivalent of forty million U.S. dollars. The regional parliament is promoting legislation to compel each agricultural and industrial unit funded by the region to spend 1.5% of its budget on university research. All of these positive developments derive from a close relationship between TSU and the Tomsk Governor’s office, facilitated by the appointment of a regional official to membership on the Rector’s Council. Our session with regional government representatives provided convincing evidence that the University’s capacity to serve as a leading “engine” of social, economic, and cultural development throughout Tomsk and beyond is well recognized and encouraged—which, in turn, was heartening to us as an indication of TSU’s prospects for further progress.

Finally, we learned that there are some tensions among higher education institutions in Tomsk (related to competition for funds, enrollment policy, research prominence, etc.). Nevertheless, we strongly support the sensitive movement towards greater integration. Our only offering in this connection is to recommend that, at some stage in the development toward greater integration within the post-secondary sector of education in Tomsk, representatives of the region’s private universities (which now number about fifty) be included in the process.

To conclude this report, we recapitulate below our main recommendations:

- that TSU leaders engage with colleagues from other universities in advocating that the federal government introduce a delayed-cost-recovery early retirement incentive plan for teaching staff, and that the acceptance of applications to retire under this scheme be at the discretion of the institutions’ Rectors (to ensure that it doesn’t lead to crippling faculty reductions in particular academic areas);
- that TSU explore all possible means of reducing the excessive time demands on faculty members currently made by the teaching function, to the detriment of their research productivity;
- that TSU managers, in their commendable efforts to improve the performance of various staff groups, place greater emphasis on fostering enlightened supervisory practices than on specifying contracted behavioral expectations;

- that the proposed provisions in employment contracts of university managers for performance bonuses and for entrepreneurial mandates be further considered to ensure that they will produce the desired results rather than generating consequences that are inadequate or contradictory to them;
- that employment contracts with Deans make it clear that, in choosing to assume their positions, they accept an obligation to give precedence in their work (and time) to administrative rather than academic responsibilities for the duration of their Deanships;
- that the current “functional” arrangement for division of labor among the Vice-Rectors be retained but that a clear accountability relationship be established between the Deans and the Senior Vice-Rector—and that the latter’s present portfolio of responsibilities be carefully reviewed to identify as many as possible of them that can be delegated to the other Vice-Rectors or decentralized to Deans or other administrative officers;
- that TSU keep students’ welfare in mind when setting tuition levels, especially at the present time when the state lacks resources and the funding model for Russian higher education is evolving;
- that TSU seek ways to introduce a financial aid program for especially needy but academically able students, even if only on a small scale;
- that TSU become an advocate on the national level for changing the Russian system to accommodate a strategy of student financial aid;
- that a special unit responsible for enrollment management be established under the direct supervision of the Senior Vice-Rector;
- that the TSU rationale for setting differential tuition levels take account not only of student demands but also of program costs and earning prospects;
- that TSU consider deliberately keeping its tuition relatively high not only to raise revenue but also to be consistent with, and to help maintain, its stature as a premier institution;
- that extra-budget revenue allocation strategies, such as that embodied in the 50-50 split, be adjustable based on the University’s evolving strategic plan as they may need to be changed from time to time;
- that TSU, in its search for and dependence upon particular sources of extra-budget revenue, beware of unintended consequences including an unplanned and perhaps unwelcome distortion in the use of human and financial resources;

- that TSU consider addressing limitations of classroom space for additional students by using some of their tuition payments for leasing facilities in surrounding neighborhoods, an approach often used by U.S. universities faced with a similar problem;
- that TSU consider expanding its efforts to attract international students as a source of extra-budget revenue, with the necessary accompanying adjustments in curricula and facilities;
- that, in developing the financial independence of academic units, the central administration proceed with care;
- that, with respect to establishing administrative salaries, good performance be taken as the standard expectation—bonuses, if any, should be reserved for truly exceptional achievement—and that policies be established in advance with respect to any additional salary provided beyond the basic payment;
- that the University's leadership initiate a thorough strategic planning process commencing with a debate on the mission of TSU and including the analysis of strengths, weaknesses, opportunities, and threats attendant upon the reforms being pursued during this period of destabilizing transition throughout the Russian Federation;
- that a new post be created, that of CIO (Chief Information Officer), whose incumbent would be responsible for the swift and uniform development of information technology within the units of TSU—including those concerned with distance education, given the vast scope and communication difficulties of the Siberian expanse; and
- that, at some stage in the development toward greater integration within the post-secondary sector of education in Tomsk, representatives of the region's private universities (which now number about fifty) be included in the process.

The remarkable opportunity we have enjoyed to learn about one of Russia's premier universities is something for which we are grateful, and we appreciate very much the cooperation we received from TSU managers throughout our visit. We hope that our comments and recommendations may be of some assistance as they extend their wise stewardship of this impressive and promising institution. And we recognize that some of our observations may not be useful due to our own inadequate understandings as outsiders of complicated internal and contextual realities. Indeed, we complete this mission convinced that we have gained at least as much as we have given, and we stand ready through the Salzburg Seminar to maintain our connection with the University, whose continued advancement we shall follow with great interest. We wish it well.

Visiting Advisors Team

Paul Brinkman USA

Dr. -Brinkman is Associate Vice President for Budget and Planning, University of Utah. In addition to his role as Associate Vice President, Dr. Brinkman is Adjunct Professor of Education and Director of Planning and Policy Studies, University of Utah. Dr. Brinkman consults with colleges and universities, national associations and private corporations on topics including administrative costs, cost allocation strategies, tuition policy, peer group comparisons, economic impact and needs assessment. He is the author or co-author of forty publications addressing topics such as budgeting, cost-benefit analysis and economics of higher education.

Roman Duda Poland

Dr. Duda is the former Rector of the University of Wroclaw, Poland. From 1989 to 1991 he was a member of the High Chamber of Parliament and in 1991 served as the Deputy Minister of Education. He taught at the Polish Academy of Sciences (PAN) for several years, the same institution from where he earned his Ph.S. in 1961. After returning to the University of Wroclaw in 1981, he served as chair of the Department of History and Methodology of Mathematics at the Institute of Mathematics. He completed his studies in mathematics at the University of Wroclaw in 1956.

Robin Farquhar Canada

Dr. Farquhar is Professor of Public Administration and the former President (1989 to 1996) of Carleton University, Canada. From 1981 to 1989, he served as the vice chancellor and president of the University of Winnipeg, Canada, and has chaired the Canadian Bureau for International Education. Dr. Farquhar is a former president of both the Canadian Society for the Study of Education and the Commonwealth Council for Educational Administration. Dr. Farquhar received a B.A. and an M.A. in English from the University of British Columbia and a Ph.D. in education administration from the University of Chicago. He is a member of the Universities Project Advisory Committee.

Helene Kamensky Russia

Dr. Kamensky is the Russian Program Coordinator of the Salzburg Seminar's Universities Project, based in Salzburg. In addition to her work with the Universities Project, she is a lecturer in philosophy and Russian studies at the Universities of Salzburg and Vienna. Previously, she was a research fellow at the Institute of Scientific Theory, Salzburg International Research Center. From 1985 through 1989 she was Dean of the Faculty of Foreign Languages, Novosibirsk State Pedagogical University, Novosibirsk, Russia. Prior to this appointment, she served the same institution as associate professor in the Department of Philosophy. She earned a Ph.D. from the Department of Logic and Epistemology at the Russian Academy of Sciences in 1984.

THE UNIVERSITIES PROJECT OF THE SALZBURG SEMINAR

Universities throughout the world are undergoing systemic changes in their governance, academic design, structure, and mission. The Salzburg Seminar's Universities Project focuses on higher education reform in Central and East Europe, Russia, and the Newly Independent States as universities in these regions redefine their relationships with governments and try to become more integrated into the global intellectual community.

The Universities Project is a multi-year series of conferences and symposia convening senior representatives of higher education from the designated regions with their counterparts from North America and West Europe. Discussion in the Project's programs focuses on the following themes:

- University Administration and Finance
- Academic Structure and Governance within the University
- Meeting Students' Needs, and the Role of Students in Institutional Affairs
- Technology in Higher Education
- The University and Civil Society

OBJECTIVES

Universities and other institutions of higher learning are seeking to reshape themselves in ways that will prepare them more fully for the twenty-first century. Even as these institutions are considering extensive systemic changes in their academic design, structure, and mission, all desire autonomy in governance and in their intellectual life. Accordingly, the Universities Project aims to promote the higher education reform process by inviting senior administrators to participate in conferences and symposia concerning issues of university management, administration, finance, and governance.

VISITING ADVISORS PROGRAM (VAP)

The Salzburg Seminar launched this enhanced aspect of the Universities Project in the autumn of 1998. Under this program, teams of university presidents and higher education experts visit universities in Central and East Europe and Russia at the host institutions' request to assist in the process of institutional self-assessment and change. By the end of 1999, thirteen VAP visits will have taken place, nine to universities in East and Central Europe, and four to Russian universities. A full schedule of visits is planned for 2000. The addition of the Visiting Advisors Program brings to the Universities Project an applied aspect and serves to enhance institutional and personal relationships begun in Salzburg.

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FOR MORE INFORMATION

For more information regarding the Salzburg Seminar's Visiting Advisors Program, the Universities Project, and Salzburg Seminar programs, please contact one of the Seminar's offices below.

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