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Dilemmas in university management: The Case of Copenhagen Business School

Nanna Mik-Meyer

The role of management in universities has become a more complex assignment over the last decades because of changes of legislation, economy, student intake, introduction of new performance indicators for research quality/relevance and output, etc. (de Boer and Goedegebuure 2009). According to Pulkkinen and colleagues (2019), Nordic universities are going through a "rationalization" with the "introduction of a more formal structure in terms of a stronger emphasis on quality assurance, evaluation, accountability measures and incentive systems" (Pulkkinen et al. 2019, p. 4). The EU's modernisation agenda from 2006 and 2011 and the Bologna process of making the policies of higher education more similar have had strong effects on Nordic universities (Pulkkinen et al. 2019, p. 5). Some scholars argue that Denmark is an "extreme case" as the reforms of the higher educational system have gone further than in most of the other European countries (Degn and Sørensen 2015). Accordingly, the role of university management and deanship has changed, giving deans "substantial managerial powers" (de Boer, Ender, and Leisyte 2007, p. 39). Today, the power of top management is linked to a more hierarchical organisational structure, where deans and the central executive board have frequent meetings, predefining the main direction for the university, before engaging the remaining faculty. Thus, although de Boer and colleagues' (2007) Dutch study finds that while professors retain their traditional professional autonomy – including a significant voice in the decision making regarding primary processes, and the deans do value their opinions – the new organisational structure of universities allocates the formal power to

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the top management. Despite the fact that the strategic and managerial elements of the job as deans and university managers are reinforced, these control structures exist vis-à-vis the key ambition of universities to be in the top tier of the international rankings to secure freedom of research for the scholars, etc. (de Boer and Goedegebuure 2009).

Another keyword used when discussing the changing role of universities today is the term "massification" (Kivinen, Hedman, and Kaipainen 2007; Trow and Burrage 2010). A "mass university" or "massification" are concepts that are used to emphasise the current transformation of elitist universities to mass institutions with a large student intake. As with any other development, it is not only bad that more students find their way to universities, as this development is also an example of young people being able to choose which education they would like. However, this growing number of students significantly affects the management of universities. Finally, a last factor to mention is the alteration of the leadership structure on Danish universities sanctioned by the change of the Danish University Act in 2003. The reform of 2003 shifted the leadership structure from an electoral system, where employees democratically elected their managers to a recruitment system with open job postings, etc. The reform also meant that the board of directors was composed of a majority vote of external partners, that is, without personal experience with working at a university.

I will discuss all these key factors below, as they are central for the comprehension of the managerial dilemmas and challenges in a Nordic university as Copenhagen Business School, where I occupy the role as Vice Dean of Research, side by side with my job as professor of organizations and identities at Department of Organization.

The complexity of the Danish university environment

The legal framework

In the first section of the first paragraph of the Danish University Law, it states three key goals of universities, namely to conduct research and research-based teaching at the highest possible level and to secure freedom of research for its scholars:

> "The University has the task of conducting research and providing research-based education up to the highest international level within its disciplines. … The University has freedom of research. The university must protect the

> freedom of research of the university and the individual and the ethics of science" (The University Law §§ 1-2).

This first part of the University Act reflects the perception of a classical university primarily striving for research excellence and freedom of research. I think it is fair to say that this aim of excellence and freedom of research is a main identity mark for most active scholars. However, the Danish University Law also establishes another key goal, namely, to promote growth and welfare:

> "The university shall cooperate with the surrounding community … [and its] research and education must help promote growth, welfare and development in the [Danish] community. As a central knowledge- and culture-bearing institution, the university must exchange knowledge and skills with the surrounding community and encourage its employees to participate in the public debate" (The University Law § 2).

Consequently, another important goal for Danish universities is to contribute to the promotion of growth and welfare in the surrounding community and to secure knowledge exchange with the Danish society. Therefore, the classical university prioritisation of excellence and freedom of research is placed next to a new agenda, included in the University Act in 2003, of promoting growth and welfare the Danish society.

First dilemma: How can a managerial structure support the two-sided objective of excellence and research freedom (which implies a long time-span and basic research) and of securing an economic growth and better welfare of the Danish society (which implies a short time-span and applied research)?

The economic framework

In Denmark, universities are public and the majority of their total funding stems from public funding (Universities Denmark 2018). Approximately 40% of the total funding from the government is allocated as basic funding. Besides that, the public funding of the universities is based on a number of performance criteria within education and research. For comparison, the allocation of public funding in the UK – the first country to adopt a research performance-based funding system – is based on the Research Assessment Exercise (RAE). This measurement system focuses on producing what is characterised as “quality profiles”, that is, to publish in high-ranking journals, measured against their impact. The Danish model has a strong emphasis on quantifiable output measures: number of students passing their exams (including PhD students), number of scientific articles, and growth of external funding. In contrast, the UK model incentivises publications rated as world leading or world class research outlets, and does not reward additional funding for profiles below that level (Jonkers and Zacharewicz 2016).

The total share of the Danish GDP allocated to research nationally has been gradually decreasing since 2013, resulting in a decrease from 0.88 percent in 2009 to 0.75 percent in 2018. However, when including EU funding and funding from the Danish National Research Foundation, the share of GDP allocated to public funding has remained at the set goal of 1 percent of GDP (Universities Denmark 2018). While the public funding has remained stable, external private funding of Danish universities has seen an approximately threefold increase between 2007 and 2017 (Universities Denmark 2018), whereas CBS has seen an increase in private external funding of approx. 35 percent during the same period (CBS annual report 2008, 2018).

Second dilemma: When the public, non-restrained funding has gone down and the private (and public) strategic funding has gone up, the balance between securing freedom of research/basic research may tip towards the second goal of the University Act: to promote growth and welfare for the Danish society. A key question is consequently: How can a managerial structure support the University Act’s goal of freedom of research and excellence when the funding environment is gradually replaced by actors who have a strategic and applied approach to research that may challenge freedom of research and the goal of excellence?

Massification: From an elite institution to a mass institution

In line with the development in other European and Nordic countries, Danish universities have increased their student intake and developed into what some scholars term “mass universities” or “massification” (Barry, Chandler, and Clark 2001; de Boer and Goedegebuure 2009; Kivinen et al. 2007). This development is partly a response to the then-government of 2007 launching the “globalisation pool”, that is, allocating DKK 43 billion to increase the public funds for research to 1 percent in 2010, and the effort to increase the number of students graduating with a higher education to 50 percent in 2015. In Denmark, between 2008 and 2018, there has been an increase in the intake of both bachelor and master students of respectively 55 percent and 70 percent, although this tendency has been in spite of a significant decrease of students within the humanities, especially on the bachelor level (Universities Denmark 2018). At CBS, the tendency is less substantial. During the same period, there has been an increase of approx. 10 percent on the bachelor intake and approx. 30 percent on the master intake (CBS annual reports 2008, 2018).

Third dilemma: How can a perception of excellence and the goal of delivering the highest level of research and research-based education be sustained when a key performance indicator for Danish universities primarily is whether students graduate on time?

Leadership structure

As in other European countries, Danish universities have experienced significant changes in relation to the formal aspect of management. With the passing of the Danish University Law of 2003, the leadership structure of Danish universities was significantly altered. The research output of the Danish universities' was low and the democratic setup where employees chose their leaders was not optimal, due to very low turnout at elections and accusations of nepotism, etc. Consequently, the Danish universities were transformed into self-governing institutions under the supervision of a board of directors, where the majority of the appointed members has to be external to the university (Ministry of Higher Education and Science 2003). This board of directors appoints the president of the university, who then, in turn, hires the deans, who hires the vice deans and heads of departments, etc. (Ministry of Higher Education and Science 2003). The previous democracy-based election system, where faculty elected their managers, ended with this reform. Similar to the other areas discussed here, the point is that there are flaws with the existing system, and there were flaws with the previous system.

Fourth dilemma: How can the internal management system (president, deans, and heads of departments) secure freedom of research and the historically acclaimed autonomy of universities, when an external board of directors sets the direction for the university's output?

Performance-based management

Although Danish universities have fewer years of experience with performance measurement systems to measure quality and relevance of research compared to UK universities, CBS has worked with performance indicators for more than a decade. Parallel to other Danish universities, CBS has developed performance indicators that form the basis for awarding bonuses, promotion and hiring. Since 2017, CBS has worked with the REEAD model. REEAD is an acronym for **R**esearch, **E**ducation, **E**xternal funding, **A**cademic citizenship and **D**issemination. Similar to other international universities, CBS, overall, weighs a scholar's publication record (**R**esearch) and ability to attract funding (**E**xternal funding) strongly when awarding bonuses, hiring and promoting individual researchers. Although the other EAD criteria in REEAD counts as well, the current focus is strongly on the performance on research and funding. The weighing of the individual criterion is constantly debated at CBS, as there are different opinions on how transparent key processes of promoting, hiring and awarding bonuses are in practice.

Nevertheless, the most revolutionary change concerning the measurement of a scholar's research performance is the 2012 decision to measure scholars' research output against the journal list of Academic Journal Guide (AJG, former ABS). The AJG journal guide ranks a selection of journals from 4* (top) to 1 (bottom) – a total of five categories. The introduction of this performance indicator was a decision made by the then-management of CBS, a majority of the Academic Council (which includes representatives of the staff) and the board of directors. They agreed that this journal ranking system was a better instrument to measure quality of publications than the officially used Danish (and Norwegian) **B**ibliometric **R**esearch **I**ndicator (BFI) system that includes all publication outlets and sorts journals into two categories; the top journals include 20 percent of all journals within a field and the bottom comprises of the remaining 80 percent. This decision to measure research performance against the AJG list in 2012 led to quick changes in the researchers' choice of journals. From 2012 to 2019 the increase of AJG listed articles rose by approx. 80 percent (CBS annual reports 2012, 2019) and there was an increase in top-publications (AJG 4* and 4 articles) from 2015 to 2019 of approx. 30 percent (CBS annual reports 2015, 2019).

Additionally, as stated previously, CBS has increased its external funding (public and private) steadily from an average of xx per year from 2006-2012 to an average of xx per year from 2013-2019 (CBS annual reports from 2008 and 2018). The strengthened focus on AJG-defined quality of research and the individual researcher's ability to attract external funding are two key parameters when deciding on promoting, hiring and rewarding bonuses.

Fifth dilemma: How can management use transparent and objective criteria for bonuses, promotion and hiring such as quantifiable measurement instruments like the AJG rankings of journals, h-index and amount of funding without downplaying – or setting aside – other contextual factors that influence performance? Furthermore, how can a managerial system based on these indicators avoid what research terms perverse effects of a quantifiable systems?

The history and culture of Universities and their departments

A final contextual factor, which is important to bring attention to when outlining the complexity of dilemmas that affect management, is a university's history and culture (Borum and Hansen 2000). Some universities are old and large with an "ivory-tower" mentality, others are younger and their *raison d'être* is to solve a particular problem; some are technical universities, aspiring to solve technical issues, others are business schools or IT universities, and so on. For instance, CBS was originally a business college, and the transformation into a university meant major changes for the faculty. An international research agenda was introduced, recruitment of researchers from abroad was intensified, adjustments of the educational programs were conducted, etc. Additionally, CBS chose a broad perception of "business", hiring employees from very different disciplines, for instance scholars educated in economics, finance, philosophy, law, political science, sociology etc. This complexity of disciplines has of course led to bumps in the road, but also created a culture of awareness that there is no one model that can fit all departments (or scholars) (Borum and Hansen 2000) as different disciplines have different perceptions of research quality, research relevance, where to publish, etc. Consequently, complex factors such as a university's history and culture cannot be reduced to one or two central dilemmas. However, the history and culture of an organisation, such as a university, are key areas to be attentive to, when (new) managerial structures are put in place by management, if those structures should have the intended effect. The goal of management is to help academics "balancing" the various tasks in a university career (Lindgreen and Di Benedetto 2020).

Discussion

So far, I have identified a number of dilemmas that affect Danish universities anno 2020. However, not all of the dilemmas fall directly within the responsibility of the job assignments of the dean of research. Some of the presented dilemmas are contextual factors that affect a number of areas in higher education, but not as directly as other dilemmas presented on research management.

For instance, the third dilemma listed above relates to the educational system and hence belongs primarily to the job description of the dean of education. This dilemma centres around the conflict between modern universities that have to balance a larger student intake and at the same time deliver teaching and research-based education on the highest international level, as stated in the Danish legislation. In other words, how to combine massification with the goal of excellence.

The fourth dilemma I have presented relates to the leadership structure and is as such a structural condition that affects all areas of Danish universities – research, education, knowledge-transfer, etc. This dilemma centres the potential conflict residing in the fact that the University Act of 2003 fundamentally changed the leadership system in Denmark from an internal election-based recruitment system to a recruitment system where an external board sets the direction as they hire the president/rector, who hires the deans, who hire the heads of departments, etc.

However, the other presented dilemmas link directly to the managerial structure of research and hence my job. I have sorted the three remaining dilemmas into two discussions. The first discussion illustrates the dilemma of research excellence and research freedom versus delivering growth and wealth to society, as this dilemma affects the funding strategy of an individual researcher, a department and even on university level. Accordingly, strategic and applied funding is growing, even though many researchers prefer funding for basic research without strings attached. The second discussion centres around the dilemma of basing more and more management decisions on quantifiable performance measurement systems (such as AJG, h-index, etc.), even though considerable research on the topic has documented possible “perversion of scholarship” that these systems also produce (Willmott 2011, title).

Research freedom versus growth to society – funding strategies

There is a strengthened focus on external funding in Nordic universities (Pinheiro et al. 2019). Similar to other Nordic countries, Danish public universities’ financial situation is tight. In addition to this, funding from Horizon 2020 (soon to be Horizon Europe) to an individual Danish university is a success for the receiving university, but simultaneously has a negative effect on the other national universities’ basic funding. Each time a Danish university receives funds from EU, the same amount is subtracted from the governmental basic funding to be divided to all universities. However, private foundations are setting aside a larger and larger amount of money for supporting research that they determine is strategically relevant and likely to produce results that are applicable in practice. As research have documented long ago, funding from the industry – an important sector for CBS – first and foremost leads to applied research (Gulbrandsen and Smeby 2005). A common reservation among scholars is whether the growing amount of funding from industry will lead to more applied research at the expense of basic research. In the last years, private research has amounted to two percent of GPD. In 2017, Danish universities received a total of DKK 5.5 billion from national private foundations (DKK 2.9 billion), from international (primarily EU) foundations

(2.1 billion) and private firms (0.5 billion). Public funding amounted to one percent of GPD. In other words, the private foundations play a significant role in the funding scheme in Denmark (the Danish Agency for Science and Higher Education, 2016). Consequently, researchers are encouraged to apply for strategic funding even though they may prefer funding for basic research without strategic elements. In Denmark, the rise of private founding is much larger than the rise of public funding.

One way to translate the 2003 emphasis on growth and welfare in the Danish University Act is that management should strengthen the ties between their universities and external stakeholders. The objective of management is to support the development of a more “goal-oriented” organisation, strategically working on solving the problems of society (Pulkkinen et al. 2019, p. 12). The key issue here is the focus shift from basing decisions on funding and strategy in “internal university dynamics” to base key decisions of strategy and funding in the wishes of external stakeholders (who have the majority vote in the board of directors) (Pulkkinen et al. 2019, p. 14). For instance, the current political and societal focus on a green, sustainable agenda rubs off on what topics politicians and other key actors in society – including public and private foundations – find relevant. From an economic point of view, it is evident that university management will find ways to encourage their researchers to get a share of the strategic funds set aside for – in this case – a sustainability agenda. However, seen from a researcher perspective, it is equally evident that strategic funding come at a price, if your research does not align with the strategic interest of society and foundations. Strategic funding may challenge the perception of universities as institutions of autonomy that conduct basic research based in the researchers’ free choice of scientific approach – at least in those situations where a particular agenda of politicians/foundations differ from the researcher’s/a department’s research agenda.

The CBS approach to funding

At the time of writing, the strategy at CBS is to encourage as many scholars as possible to apply for funding, if their heads of department agree that a particular funding instrument is a good solution for them and the department. CBS prioritises particular instruments, both in relation to funding for basic and strategic research. An incentive structure is put in place so that the individual scholar and his/her department receive bonuses when attracting funding. However, writing an application takes time away from research. Similarly, leading a research project with many (international) partners may also take (too much) time away from research. For researchers, time is a scarce resource, which is why not all researchers at all times wish to apply for funding. For this reason, the head of department and the department's funding coordinator help the researcher determine if a particular funding possibility is the right choice for the individual researcher, considering their current career trajectory. Researchers without tenure are in a different position than tenured researchers, etc. Comparable to other universities in Denmark, CBS has a research support unit that does all of the administrative work related to applications (budget, contract, filling out the administrative parts of the application, etc.). The goal is to outsource as much of the administrative work to this unit as possible, so that this part of the application work does not hinder scholars from applying.

Additionally, the funding coordinator at each department, typically a senior scholar with experience with evaluating research proposals, help with the content of the application. The goal is to raise the quality of the applications so that most applications eventually are funded – and time is not wasted. At CBS, we also have a system in place for sharing successful applications, tailored courses on dos and don'ts in the application work, as well as regular email-based information about funding possibilities targeting the profiles of the 11 different departments. As an active researcher myself, it has been imperative to me to set up a system of support that from a researcher's perspective is seen as helpful and beneficiary – although this system and the accompanying routines may challenge an administrative procedure for organising the work. If there are different views on how to organise the work, then I am inclined to favour a researcher's point of view, since without their engagement there will be no work to support, nor any funding for CBS.

In most cases, the researcher and university are thrilled when an application is successful. However, sometimes funding comes at a high prize for both the individual scholar and the university. In those cases, it is usually because the researchers have to spend too much time on reporting to the foundation, or too much time on coordination activities and other kinds of administrative work, during the funding period. In the worst cases, a scholar's strong research CV can after a "successful" funding period have turned into a weaker research CV, as s/he did not have sufficient time to write and publish high quality papers. In relation to the economy of the university, funding is not always equally good. Funding without overhead to cover (part of) the administrative costs accompanying a research project is an expenditure for the university. Those projects have to fit perfectly with the research strategy of the department, as the coverage of administrative expenses is money that the university could have spent on research or education. In that sense, not all money is equally attractive for the university. Even though the current transformation of universities, in accordance with global standards, has been slower at publicly funded universities, such as the

Danish universities, public universities are also to a lesser and lesser degree funded unconditionally by the government (Paradeise and Thoenig 2013, p. 214). For this reason, managers and faculty have to respond to this new funding reality, which is why CBS has strengthened its focus on funding.

Performance-based measurement systems

When introducing new performance indicators the goal is to change the behaviour. Often, an introduction of a new measurement system will lead to the intended results. However, as with any performance measurement indicator, there is a risk of effects that were unintended (Dahler-Larsen 2014). For this reason, Butler (2007) argues for a "balanced" approach when introducing quantifiable measurement tools. The goal of a balanced approach is for management to develop an awareness of how local contextual factors affect a new tool. This will allow management to take the unintended consequences of any performance instrument into account. For instance, if an incentive system is based on the sheer number of publications, then researchers may end up changing their publication strategy and publish more articles in lower ranking journals, with the effect of losing impact. In a highly cited Australian study (2003a, 2003b), Butler found that a new performance-based funding system introduced by the Australian government led to a decrease of research impact (number of citations) of the Australian scholars, as they began to publish in lower ranking journals. Similarly, a study of the effect of a performance-based research funding in Norway found that it led to a large increase in publication output (Bloch and Schneider 2016), but had no effect on the Norwegian citation impact (Aagaard, Bloch, and Schneider 2015). Although the Australian study's findings have been challenged by van den Besselaar and colleagues (2017), there is no doubt that strong incentive systems may have unintended effects, if they are not adjusted to the particular research environment in which they are introduced. As Dahler-Larsen (2014, p. 969) states: "The idea that performance indicators in public management have unintended consequences is almost as old as performance measurement itself".

Therefore, when management decides to implement the same quantifiable measurement tool in very different research environments and target different disciplines, they will see that the same performance indicator will have different effects – this will be the rule rather than the exception (Aagaard et al. 2015; Hammarfelt and De Rijcke 2015; Paradeise and Thoenig 2013). The next job for the management is then to make sure that all effects – the intended as well as the unintended – harmonise with the problem that the management aimed at solving or the result that the management wanted to achieve.

Researchers that critically investigate unintended (problematic) effects of management decisions and tools will often review the journal guides etc. by which journals are ranked. For instance, one study found that a strong focus on publishing in high ranking journals can have unintended effects, given that these journals are centred around particular research or the use of specific methodologies, etc. that may come at the expense of doing innovative research (Willmott 2011, p. 432). In the extreme case, a particular type of research may be abandoned in order to conform to the formal criteria of the high ranking journal (de Rijcke et al. 2016, p. 163). According to Willmott's (2011) study, an unfortunate reinforcing effect may occur: articles published in high ranking journals will automatically be more likely to be cited, thus leading to more and more scholars wanting to publish in these journals, and, as a result, the effect is reinforced (Willmott 2011, p. 437). For instance, the AJG journal list may "dominate and define the focus and trajectory of a field of research, with detrimental consequences for the development of scholarship" (Mingers and Willmott 2013). In this critical literature, a key point is that not all disciplines can be measured against the same indicators (Hammarfelt et al. 2016; Hammarfelt and De Rijcke 2015), which is why one set of performance indicators most likely will not produce the desired effect in all disciplinary milieus. In these milieus, the indicators may result in a practice and production that neither management nor scholars wish.

Although global standards, such as systems by which you can rank universities, journals and individual scholars, affect criteria for promotion and hiring etc., the local setting – the culture and history of the individual university and department – still matters (Aagaard 2015; Hammarfelt and De Rijcke 2015; Paradeise and Thoenig 2013). Paradeise and Thoenig's (2013) study shows that global standards have not led to a homogeneity of culture at individual universities and departments, although it may be the same standards of quality (AJG, for instance) that are used (Paradeise and Thoenig 2013: 215; Willmott 2011). There is, in other words, no straightforward connection between the ways global standards are transformed into local practices as any performance measurement system allows for "local solutions, also associated with intraorganizational dynamics and organizational characteristics" (Bleiklie, Enders, and Lepori 2015, p. 892). Bleklie and colleagues (2015) suggest the concept of "penetrated hierarchies" to emphasise that intra-organisational control systems (such as performance indicators) are dependent on various external factors. These external factors – for instance, a national funding system, nationally and historically based perceptions of research quality, etc. – outline the overall frame that is mediated by the actors in the specific organisational context. So, the control and measurement systems work differently in different countries and university environments (Auranen and Nieminen 2010, p. 831). For instance, a very competitive research environment that has a strong focus on research funding may not necessarily perform better than a less competitive funding environment (Auranen and Nieminen 2010, p. 831). Too much focus on funding may in fact be "dysfunctional" as scholars may be competing with their colleagues for the same funds, thus the focus will not result in more funding, but only in more time used on securing research funding (Auranen and Nieminen 2010, p. 831). The same logic can be used if the targeted journals at the department or university level are too few, so scholars end up competing with one another in an unproductive way that does not lead to higher quality of research.

CBS approach to performance measurement

There is no doubt that the strong incentive system at CBS affects the behaviour of the researchers. Scholars are attentive to performance measurement systems (Ingwersen and Larsen 2014) such as journal lists, amount of funding (and from where), number of articles published, and other factors that can easily be measured by their head of department. However, it would be wrong to argue that other criteria, such as academic citizenship, do not matter, or that the researchers do not continue to publish books and in outlets outside, for instance, of the AJG list, which is the list used at CBS. This is what makes management complex. CBS's REEAD model can be perceived as an attempt to make management decisions concerning hiring and promoting a more transparent process. The goal of this model is to ensure that the criteria by which researchers are measured are transparent, so that the individual scholar will not be taken by surprise if their career trajectory does not develop as they had anticipated. REEAD ensures a wholesome focus on the researcher, that is, their accomplishments in research, education, external funding, dissemination and academic citizenship. The management is aware that a well-functioning managerial system must be able to award its scholars according to a number of criteria – including criteria that are not quantifiable. For instance criteria such as if you are a good colleague, take your share of departmental assignments (head of study program, assessment work, etc.), develop your teaching skills, engage with the public, and so forth.

When deciding on hiring and promoting at CBS all of the REEAD criteria are taken into consideration even though research and funding have somewhat more weight than the rest of the criteria. **R**esearch is measured according to the journal guide, AJG, but this instrument has to be supplemented by other information, so that publishing with prestigious publishing houses will count as well. Similarly, there may be journals with a high impact that are not listed on the AJG list, but are the best place to publish for a CBS scholar with an expertise that fall outside of the AJG list. **E**ducation concerns an assessment of how the researcher is doing in the broad field of teaching. For instance, is he or she teaching on all levels, supervising master and PhD students, developing new courses, engaging with electronic devises in teaching, receiving good evaluations from students, taking on demanding roles as a head of study program, and so forth. **E**xternal funding concerns the amount of funding, as well as an assessment of the prestige associated with the foundations, for instance ERC grants from EU, etc. External funding is also about team spirit and strengthening research environments. When senior researchers provide money for a post doc to junior talented researchers, it is not only the PI whose research profile will be strengthened, but also the talented, junior scholars, whom he or she takes on in the project. **A**cademic citizenship concerns the way in which the individual researcher helps colleagues in a more general sense. There are many assignments at a university that have to be done, and when deciding to promote and award bonuses it does matter which reputation the individual scholar has. In short, academic citizenship has to do with how your colleagues evaluate you as colleague. **D**issemination is also key in modern Danish universities. As stated in the Danish University Law universities must have a strong tie to key stakeholders and its researchers must disseminate their research to the public. The taxpayers pay for the universities, so an important strategy in universities is to disseminate the research in a way that makes it accessible for an outsider.

The individual scholar must score highly on most parameters and definitely have to do well in relation to research and external funding (a measurement that takes the position they are in into account). However, not all researchers perform to excellence on all criteria. For instance, international scholars may find the goal of disseminating their research to the Danish society more challenging than their ethnic Danish colleagues do. However, the management communicates all “letters” in the REEAD model to researchers and the model is reflected in the various documents related to hiring, promoting and the bonus system.

Conclusion

In this chapter, I have pointed to what I see as key challenges in university management anno 2020. In the more critical literature on performance measurement a central point is that it may lead to what Espeland and Sauder (2007) term “reactivity”; that performance indicators affect the researchers’ strategies that are underscoring the perception of research quality imbedded in the performance indicators. However, another key challenge is that research quality cannot be defined in an unambiguous way, as different disciplines have different understandings of what constitutes research quality. The “rigor-relevance” debate in business and management research points to this challenge. Is research quality a matter of academic rigor of method and approach, etc., or is research quality rather defined as research that is relevant to particular stakeholders? Aside from making a distinction between academic rigor and stakeholder relevance, which in my mind does not have to be the opposite and mutually excluding categories, this “rigor-relevance” debate have furthermore neglected that the two concepts are performed in particular contexts. What counts as respectively rigor and relevance depend on the context and must consequently be investigated with this in mind (Irwin 2019).

Three key contexts for a business school as CBS are the academic context, the political context and the business context. The expertise of a scholar, a department and a university is measured against international standards of excellence in research and research-based education. Danish universities are public and funded by the state, so naturally a political context is a key context for universities as well. CBS produces candidates to the business sector (and to a lesser extent to the public sector), which is why key stakeholders from especially the business sector represent the third context of relevance. In other words, the opinions of key actors from an international academic community, the political system and the business context are all legitimate contexts, and management decisions must be based in all three contexts when deciding on which goals to reach and which performance indicators to use to reach the goals.

However, in the critical debate about whether quantifiable indicators are suitable in a university context, the discussants often overlook that it is legitimate to ask a university to document how and why they are relevant to all three contexts: academically, politically and to the stakeholders that employ our graduates. It goes without saying that international academic standards – rigor if you like – is the base of a university. Without an aim of conducting research to the highest possible level, and delivering research-based education to the students, there is no university – neither from an academic point of view nor from a legal point of view. National key stakeholders, such as politicians and the organisations hiring the candidates, must of course have the right to ask for a development of a university that secures the right competences of its graduates, and research that can help solve the challenges of today’s society – large as well as smaller ones. As Irwin (2017) argues, it is legitimate for politicians to want to "ensure accountability for public funding"; to want tools that can help them "manage universities at a distance"; to want "external quality standard[s]", etc. (Irwin 2017, p. 68).

However, we need a smart use of performance indicators. The goal is of course to avoid that performance indicators lead to "greater disaggregation; enhanced competition … a move towards more hands-on management; a concern for more explicit and measurable standards of performance; and attempts to control according to pre-set output measures" (Chandler et al. 2002). If we do not engage in a smart use of performance indicators, ranking systems risk creating "self-fulfilling prophecies", as Espeland and Sauder (2007) and Dahler-Larsen (2014) argue, because they are based on simplified information that does not reflect the complexity of the contexts that universities are based in. And as discussed in the chapter, indicators "constitute a reality that is put on stage so that it can be acted upon (Desrosiéres, 1998: 352)" (Dahler-Larsen 2014, p. 983). Indicators create a new reality and management must consequently continuously reflect on the new reality in order to check if it meets the expectations and how performance indicators must be adjusted in order to reach the goal of scholars as well as management.

When research quality is standardised and made quantifiable (in order to rank institutions and researchers), there is a risk of homogenisation in research that blocks novelty and intellectual diversity (Hicks 2012). This is of course not the managerial goal, even though it may be the unintended consequence of the management approach, if they are not constantly reflecting on the indicators. If academic international standards are dominating the political and business contexts, then the knowledge-transfer from university to society may suffer because topics of relevance to the national context are not key to an international academic environment, cf. the "rigor-relevance" debate (Hicks 2012). Hicks (2012, p. 259) refers to a study of Rafols and colleagues from 2011 that shows that a "narrow and idiosyncratic view of excellence" end up suppressing interdisciplinary research and hence perhaps a research agenda worth following seen from an applied point of view, pertaining to the national stakeholders. However, it is important to reach a workable "balance", as Butler (2007) argued, so that the historically acclaimed trust in universities is not substituted with an increased monitoring of the individual scholar (Barry et al. 2001).

In summation, when going over the literature, two opposite positions appear. Firstly, a position in favour of the old university (without performance indicators), and secondly, a position in favour of the new performance-based university. Since performance-indicators are an integral part of all universities today – national and international – I will limit the discussion of pros and cons of the current performance-based university.

The advantage of a performance-based university is that the criteria used for measuring the performance of the individual researcher are transparent. Consequently, the power of management is reduced, and the power of scholars is increased. Visible performance indicators make it clear to all – including the scholars – what it takes to be promoted or hired at a particular department, to be awarded a bonus, etc. In relation to gender, research shows how "the new managerialism" – quantifiable tools etc. – may have a gendered bias incorporated so that female scholars' performance is evaluated less than their male colleagues (Steinþórsdóttir et al. 2019). However, a key point in gender studies is also that when a performance measurement system is transparent, then an opaque (male dominated) culture is easier to combat. Performance indicators are one way of doing away with nepotism and the documented Huey, Dewie and Louie effect. In addition to this, research finds that performance-based systems lead to more production in all areas.

However, there are also disadvantages of the quantifiable performance indicators used today. They cannot stand alone, as management decisions must be context sensitive. There are many ways of gaming the system. For instance, groups of researchers that are joint authors on all their individual publications, research groups that decide to cite each other whether it is relevant or not, research managers that demand to be co-author on all of his/her junior scholars' work, and so on. Moreover, as shown in the cited literature, performance indicators favour particular disciplines. For instance, in relation to the AJG performance indicator, this tool favours articles over books and favours mono-disciplinary work over interdisciplinary work (when evaluating which journals are rated 4 or 4*). In spite of the intention, performance indicators may also suppress research agendas that are based on a scientific approach that falls outside the more classical approaches of top journals, and so forth.

The point is that university leadership is very complex, and many management decisions have effects – especially if they are implemented through a quantifiable measurement system. Echoing de Boer and Goedegebuure (2009, p. 359), university management is indeed a complex assignment. Consequently, it is imperative to avoid viewing performance indicators as tools that do not have unintended and constitutive effects (Dahler-Larsen 2014), as this would wrongly imply that a university's culture were an objective, stable environment and that the particular environments had no influence on how the indicators were picked up by staff and management. Indicators are a product of the environment and are shaped by the pre-existing culture, as well as how they are framed (Dahler-Larsen 2014, pp. 982-3; Irwin 2017). Therefore, management decisions will be picked up differently by the organisational members; some will be supportive others will be unsupportive, and this response must be the point of departure on how to continually revisit and adjust decisions, so that they support the goal that they were intended for.

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