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Selecting the Optimum Management Model for a Branch University Campus

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ABSTRACT

Under a university parent/branch campus structure, branch campus management models can be divided into five categories. These categories are primarily based around the level of autonomy that the head of campus has over business decision making and the business cycle, the line management arrangements of academic staff, and the localised control of research. Two low or no autonomy models (the study centre and the administrative model) and three high autonomy models (the matrix, faculty¹ and federal campus models) are examined.

The selection of an appropriate model to optimise the outcomes of the branch campus is influenced by whether the campus is specialised or comprehensive in nature, geographical factors, university brand aspirations, the level of community engagement required, and the campus's commercial environment. The

overriding considerations are, however, the management culture and practices of the university, which determine what authorities will be delegated. Unfortunately, this last consideration can often lead to sub-optimal outcomes stemming from a common obsession to centralise decision making and the maintenance of existing power structures, rather than what is required for a campus to thrive.

1. INTRODUCTION

In 2004 I was fortunate enough to have been employed by the University of Southern Queensland (USQ) in Australia to raise a branch² campus in the new city of Springfield, located in the socio-economically depressed area of Ipswich, approximately 33km southwest of Brisbane. The campus was in a greenfield site approximately an hour and a half drive from the parent campus in Toowoomba. This distance proved to be an important factor in how I was to shape the campus management model, but of most significance was the experiences of the then Vice-Chancellor (President), who had previously headed a branch campus and knew only too well the frustrations that stem from over-centralisation of decision making by a parent campus.

The philosophy I employed to create the USQ Springfield Campus management model was

¹ In Australia, the term faculty relates to an academic division, and while their structure and grouping of

² In Australia, the common terminology for a branch campus is a satellite campus.

based on ensuring that there were high levels of localised accountability, autonomy and empowerment; and that all those elements of the university that contributed to the success of the campus were able to be held accountable to the head of campus for their actions and performance. This model treated the campus as a discrete business unit but used extensive matrix management arrangements for the academic and non-administrative support staff.³

While I had been permitted to create a campus management model from first principles, as I gained the opportunity to engage with fellow heads of branch campuses, it became very clear that this high autonomy model was a rarity, and that in the majority of cases there was very little localised empowerment, primarily stemming from a tendency to exercise high levels of decision centralisation by parent campuses.

As a consequence of this observation, I decided to undertake a doctoral thesis on the selection of optimum management models for Branch campuses, based both on my own experience and that of as many other heads of campus as I could include in the study. This paper is a synopsis of that study which was completed in 2014, combined with the benefit of further discussions, observations, refinements, and reflections.

2. KEY BRANCH CAMPUS AUTONOMIES

Surprisingly, despite the greater number of branch campuses than parent campuses in Australia, I was unable to find any previous research into their management models or even

a basic taxonomy. This further reinforced to me an underlying theme within Australian universities that branch campuses are best seen but not heard.

I concluded that the first step would be to develop this missing taxonomy and the underlying basis for the classification of the models. This latter requirement turned out to be very simple, as when talking to any head of campus about how their campus operated, discussions quickly revolved around the degree of decision-making autonomy and associated authorities that they did or didn't hold.

Not surprisingly, the key autonomies revolved around the control of the operation of the campus, its business cycle and the student experience. Specifically these autonomies included but were not limited to the following:

- the campus academic program portfolio;
- marketing of the campus and its programs;
- program delivery, including control over quality and modes of teaching delivery;
- the authority and ability to review and remediate teaching standards;
- the line management of administrative staff and ability to locally resolve student administrative issues; and
- the control over localised community engagement and campus-based academic partnerships.

While this may sound very commercially focussed, it actually was the mechanism by which the student and staff experience could be optimised, and how collegial decision making could be instituted at a campus level. Two other key autonomies were the degree of influence over research, and the line management over academic staff, and these two along with control of the business cycle, whilst not necessarily being more important than the others identified, became the defining attributes for the various

³ A copy of the management model can be found at <http://www.guc.edu.au/wp-content/uploads/2015/02/business-unit-management-model-usq-2006-2012.pdf>

management models identified.

3. BRANCH CAMPUS MANAGEMENT MODELS

Australian universities tend to employ highly centralised management, operating through a parent/branch (satellite) structure where the business operations, activities and authorities of their branch campuses are determined by the parent campus. This is opposed to a federated university structure where all campuses are of an equal status and the authorities vested in the campuses cannot be unilaterally altered. The federated structure is more common in the US where campuses were established via land grants specifically to service their regions, a function which can easily be compromised under the centralised parent/branch structure. From a community's perspective, a campus of a federated university is the ideal model, as the campus has the authority and resources to engage with and contribute to its local community, as would be the case for any parent campus and its community.

My research identified five parent/branch campus management models based around the degrees of autonomy held at a campus level with a focus on business operations, line management of academic staff and control of research. The management models in order of increasing autonomy are the study centre, the administrative model, the matrix model, the faculty model and the federal campus. It is important to note that there are variations 'on the theme' within each of these models, but every campus studied could clearly be allocated to a model based on the autonomies listed above.

3.1. *Study Centre*

The study centre model is a teaching only

facility which provides a means of engaging and providing support to remote students. It may consist of occasional use classrooms or permanent facilities. As a campus it has no autonomy, and there are no permanent academic staff. Usually there is no formal local head of campus, although there has been at least one attempt in Australia to incorporate one⁴ to provide a focus for facilities management purposes, community and student engagement, and localised marketing. In actuality, most study centres usually come under the purview of the head of the closest formal campus or the distance learning section of a university. This model is often employed in regional areas where a full-time campus cannot be justified. It should be noted that just because a particular campus is called a centre, this does not necessarily mean that its management model fits the definition of a study centre, and if there are permanent academic staff it is likely to fit the administrative model described at section 3.2.

Closely aligned to the concept of a study centre, is the growing movement in regional Australia to establish Community Owned Tertiary Education Centres (COTECs) with permanent community employed campus heads. These COTECs facilitate the operations of multiple universities under a study centre model, but restricted to only running programs agreed to by the community. The critical characteristic of these campuses is that they hold universities to account for their teaching and have removed universities for failing to meet community expectations. In actuality, they operate under a unique high autonomy model.⁵

⁴ The University of New England Parramatta campus is an example of this.

⁵ The original universities centre was established in Geraldton. Details can be found at <http://www.guc.edu.au/about/history/>

3.2. *Administrative Model*

The administrative model is the most prevalent in Australia, accounting for over 95% of campuses. The head of campus has no line management over academic staff or research activities, and in extreme cases, also has no executive control over the campus administrative staff.⁶ Although there are significant variations in the application of the administrative model, the head of campus is often perceived as the ‘manager’ of the campus with very limited leadership functions. The parent campus, often via the academic faculties, makes the key decisions and exercises the leadership functions, and the head of the branch campus usually has little or no authority for its business operations, although he or she may have some authority to engage with the local community. There is only limited control over funds, and any business risks are borne by the parent campus or faculties, hence why they control business decisions. There is only limited scope for campus-specific marketing, and the head of campus may hold a relatively low position in the university hierarchy. Despite its prevalence, this model often results in sub-optimal performance as staff tend to be disempowered and centralised decision making often fails to take into account the context for the branch campus’s students and community. The administrative model is classed as a low autonomy model.

There can be significant variations in the authorities the heads of campus have under the administrative model, and I identified two sub-categories, being strong and weak. The latter is where the head of campus is merely a figurehead, and the former is where the head of campus has a true campus leadership role, with significant say on the business outcomes and directions for the campus.

⁶ At one campus examined, only three staff came under the line management of the head of campus.

The administrative model is best used where a branch campus is within the catchment area of the parent campus, as it avoids an institution wasting resources competing with itself, or where the campus offers a specialist discipline within a greater faculty. Unfortunately the administrative model tends to be the default option regardless of campus location or function.

3.3. *Matrix Model*

Under the matrix model the campus is treated as an autonomous business unit with responsibility for its program portfolio, teaching delivery, marketing, evaluation, and operations. The head of the branch campus has no direct line management of academic staff, but has control over their activities and the quality of teaching under a matrix management arrangement, utilising senior faculty representatives responsive to the head of campus, Service Level Agreements (SLAs)⁷ and budgetary control. The senior faculty representatives based at the campus are part of the campus management team and work closely and collegially with the head of camps. Support services are managed locally in order to provide a highly responsive service to students and staff.

The matrix model is best suited, and may only be possible, where academic staff can be shared between campuses to gain the most efficient and effective use of their efforts, as was the case for the USQ Springfield campus. The maximum feasible travel time is suggested to be no more than one and a half hours between the parent and branch campus.

⁷ Essentially a very brief form of contract outlining the agreed core elements and standards of what is to be provided by the faculties, including courses, programs, delivery modes, teaching personnel, and support to community engagement, marketing and campus initiatives.

The matrix model places the accountability for campus business outcomes firmly with the head of campus. This has implications for funding and risk management. Responsibility for teaching quality rests with the faculties, however, the head of campus uses the SLA to define the requirements, and can withhold payment to faculties if these are not met. In this model, the head of campus must have an appropriate level of funding and authority to be able to make key decisions about the program portfolio and the comprehensive campus student experience. In return for this, the campus carries the commercial risks that would normally be borne by faculties and removes the ability for them to unilaterally withdraw campus programs, a problem common in the administrative model.

The matrix model is designed to be empower the campus to effectively respond to its market, maximise the student experience, and contribute to its community; while minimising university operating costs through the efficient sharing of resources. There is however, little or no control over research, which is retained by the faculties who are still the employers of academic staff. The matrix model is classed as a high autonomy model.

3.4. Faculty Model

As with the matrix model, the faculty model operates like an autonomous business unit, but in this case the head of campus line manages academic staff, as in the case of a faculty, although research is still controlled by the university's discipline-based faculties. The responsibility for teaching quality rests solely with the campus, leading to the capacity to respond rapidly to issues as they arise. This avoids having to go through faculties at the parent campus (as is the case for the study centre, administrative and matrix models), a process which can take months or even fail to result in resolution. The head of campus also

controls the administrative staff and possibly the support operations, such as student services.

The faculty model overcomes the key weakness of the matrix model, being the ability for recalcitrant staff to use distant heads of school or deans to muddy the waters over performance and teaching issues, albeit it is now the head of campus's responsibility to resolve. The use of the faculty model is rare in Australia, and the examples that have existed usually succumb to university politics, despite being very successful. The faculty model is classed as a high autonomy model.

3.5. Federal Campus

An even rarer model is the Federal Campus, which has full control of business operations, academic programs and research. Like the faculty model, academic staff are line managed at a campus level. There is still commercial accountability to the vice-chancellor, and the local operation must be consistent with the corporate brand. A federal campus can exist within a university which is not federated, the key difference is that in this case the levels of autonomy of the campus can be unilaterally rescinded by the parent organisation.

4. WHAT IS OPTIMUM?

With the five campus management models classified, my next task was to determine what conditions would lead to choosing a particular model to drive optimum outcomes for a university. The problem I quickly identified was defining what optimum actually is, as there are many stakeholders in the operations of branch campuses, each driven by issues such as organisational and personal outcomes, power, position, budgets, status, and loyalties. Many of these drivers may not align with those of the notional 'corporate good' and may not even take into account what is best for the branch campus.

In addition, there are the interests of the branch campus staff, its students, and its local community which may differ significantly from those of the institution. The net result can be quite dysfunctional management arrangements designed to ensure that the branch campus does not upset the proverbial ‘apple cart’ or that it tries to cater for everyone, but where it fails to adequately meet the needs of anyone. This may seem unfathomable to someone outside of the university sector, however discussions with a broad range of branch campus staff throughout Australia and the US indicates it can be the norm rather than the exception.

For the purpose of my research and analysis however, I chose a more traditional concept for the optimisation of campus management model, being the conduct of an efficient and effective operation, which is commercially viable and consistent with the university’s organisational goals. I utilised the definitions of Robbins, Bergman, Stagg and Coulter (2009, pp. 10-11) for efficiency (“getting the most output from the least amount of inputs”) and effectiveness (“doing those activities that will help the organisation reach its goals”). In hindsight, I would have modified the term ‘commercially viable’ to include the word sustainable, as subsequent observations have identified campus operations which are commercially viable in the short term, due to a monopoly position, but involve poor treatment of students and their local community, which would not be sustainable if competition was to be introduced.

With a concept for what is optimum, a taxonomy of different campus management models, and an appreciation that there was no singular best model that could be used in all situations, I now sought to identify what factors would influence the choice of an optimum model for a given campus.

5. KEY FACTORS INFLUENCING MANAGEMENT MODEL SELECTION

After analysing my own experiences and those of other heads of branch campuses, I determined that there were a number of key factors that needed to be considered when designing a campus management model. These factors are discussed below in the order in which they should be considered.

5.1. *Management Culture and Practices*

Branch campuses cannot choose their own management models, as by their nature, with the exception of a federal campus created under government legislation, the autonomy they possess must be devolved from the corporate structure of the university. As a consequence, the range of allowable management models open to a campus will firstly be constrained by what is considered acceptable within management culture and practices that exist in the university. Unfortunately, this consideration often immediately puts constraints on the achievement of the optimum model, but it is critical as it defines what is allowable.

The organisation’s management culture and practices can be broken down into a number of elements, but based upon my research, the elements that had the most recognisable influence were the propensity of a university towards centralisation or decentralisation, and its budget mechanisms.

5.1.1. *Centralisation and Decentralisation*

The terms ‘centralisation’ and ‘decentralisation’ are well established concepts in the organisational management literature. Fulop, Hayward and Lilley (2004, p. 130) define a centralised organisation as one which “maintains tight control of authority at or near the top of the organisation,” and they propose that “those which delegate decision making

closer to where the work is performed are said to be decentralized.”

Centralisation of non-operational decisions at the parent campus, such as policy development or university strategy, is assumed to be normal business practice and is not inconsistent with decentralisation. Galbraith and Kates (2008, pp. 149-151) identify the structure of an organisation as consisting of the corporate centre and operating or business units, and, regardless of the degree of decentralisation, list the critical functions of the centre as business performance improvement, shared services and compliance. Importantly, a degree of centralisation is almost always required, and having centralised or university-wide departments and faculties that provide services to a branch campus can ensure greater efficiencies, discipline expertise, and standardisation. This corporate centre is evident in both high and low autonomy management models. The key issue is whether these departments and faculties are responsive and accountable to the head of a branch campus for the services they provide. If this is the case, this is characteristic of a decentralised model, even though the head of campus may not have line management control over these services. If there is no accountability, this suggests a centralised model applies.

There are arguments for and against decentralisation. Henry Mintzberg (1979, p. 182) lists reasons for centralisation as focussing all decisions with one individual, the need for coordination, and the lust for power, if the latter can be justified as a valid reason. Hornegren, Datar and Foster (2003) identify the arguments against decentralisation as being suboptimal decision making due to a lack of harmony between the goals of the company, subunit and decision makers; subunit managers wasting their attention on internal competition; dispersed information; and duplicated activities.

There are equally strong arguments for decentralising and Mintzberg provides three key reasons as to why an organisation should decentralise. These are that all decisions cannot be understood at one centre, in one brain; it allows organisations to respond quickly to local conditions; and it is a stimulus for motivation. In the words of Mintzberg “creative and intelligent people require considerable room to manoeuvre” (1979, p. 183). It would be hoped that universities attract these sorts of people and over-centralisation will possibly stifle initiative with a consequent reduction in job-satisfaction and retention.

Galbraith and Kates (2008) also include the need to preserve justifiable differences as a reason for decentralisation. For all the expertise and superior products it may possess, the expanding company will not know the local market and tastes as well as the established local competitor does. It is these local differences that can be critical to commercial success (2008, p. 157).

There is a further reason for decentralising, and this relates to maximising student satisfaction. Prescott and Edelshain state that decentralisation “assumes that greater decision-making flexibility through local autonomy permits a higher degree of local sensitivity” (2005, p. 625), and they observe that in business, sales and distribution, which is akin to the operations of branch campuses, the importance of “closeness to the market and local responsiveness dominate. Galbraith and Kates state that one of the disadvantages with centralisation is that managers with a top-down view “may become disconnected from the needs of constituents and lose touch with real customers” (2008, p. 159), a common cry from branch campus staff operating under centralised structures.

The issue of centralised decision making having the potential to adversely affect business

outcomes at branch campuses is not confined to Australian universities. Charles Bird, who has had 35 years of experience in US branch campuses, provides the following advice to the US vice-chancellor equivalents:

It is absolutely poor leadership to say that you want to see enrolment grow at your branch campuses (or in your online programs) and then allow decisions that require the knowledge of the local community and branch students to be made at the main campus. The main campus does not know best when it comes to recruiting and serving branch campus audiences that, by definition, are different from the audience on your main campus (2014, p. 70).

In summary, whether a university's management culture is centralist or decentralist is a major determining factor in what management model a branch campus can have. This is because autonomy is devolved from the centre, and high autonomy models cannot exist in a centralist university if authority is not devolved. As a consequence, if a university's management culture is centralist in nature, a branch campus should only expect to operate in an administrative model, despite that this may not be achieving the concept of optimisation of outcomes. The challenge is to win the argument for the university to decentralise, something which is rarely achieved, particularly when campus heads are deliberately excluded from the discussion, as is so often the case.

5.1.2. Budget Processes

Budgets are often said to drive behaviour, as they restrict certain actions and incentivise others. A budget mechanism can have unintended outcomes as individuals 'game' it, but if it is well thought out, it can also drive desired outcomes. For this reason, the budget mechanism for funding campuses must fit the

management model adopted or it may actually work to counteract it.

A key budget issue is whether the faculties are business units within a university. This situation is often the case, and is quite appropriate in single campus universities, but I would contend that business units need to be affiliated with an identified market, and in multi-campus universities these markets are linked to and serviced by physical and virtual campuses, and this is where business decision making and budgetary control should be managed.

If faculties are business units at the parent campus, their behaviour is understandably driven by a desire to maximise surpluses, as it is often seen as a measure of the competency of the dean, plus it provides funds to allow new initiatives, research, and improved facilities. These are generally seen to be positive outcomes for a university, but, depending on how the branch campus budget models are established, the result can be detrimental to branch campuses as the incentive can be to strip vital resources from the branch campuses or skimp on quality. A common example of this, which can occur under campus administrative management models, is where students at the branch campus receive a pared down or second rate teaching experience compared to the students on the parent campus, often characterised by televised lectures or students being forced to undertake distance courses, despite class sizes that would justify an on-campus offering. The remoteness of the branch campus students and staff appears to make this more palatable than imposing cost saving measures on the students at the parent campus.⁸

⁸ This occurred frequently at the USQ Wide Bay Campus through televised lectures or providing core courses by distance education as the only study mode option. There were many other examples I encountered where this was the case.

From my research, the greatest frustration for heads of campus in the administrative model is that the very organisation responsible for ensuring academic quality, the faculty, can be incentivised to provide the bare minimum at a branch campus, and the head of campus has no budgetary mechanism or authority to prevent this occurring. Having mechanisms to deal with this problem is one of the fundamental reasons for instituting the matrix, faculty and federal campus management models,⁹ and is critical for guaranteeing an equitable student academic experience at the branch campuses.

In addition to the ability to prevent a compromised academic experience that is often associated with the administrative model, an essential aspect of the matrix, faculty and federal campus models is the ability to manage and distribute student tuition revenue amongst the portfolio of programs on campus. This removes the ability for faculties to unilaterally withdraw underperforming programs, which may still be of benefit to branch campuses, and ensures that business decisions are made in the best interests of the branch campus.

In summary, university budget mechanisms as they apply to campuses must be structured in a way to allow a chosen branch campus management model to operate as intended. If this does not occur, the campus may not have the ability to exercise the autonomies it requires to optimise its commercial outcomes.

5.2. *Comprehensive or Specialist Campus*

Branch campuses can be broadly categorised as

⁹ The service level agreement in the matrix model dictates teaching modes while the direct line management of academic staff in the faculty and federal campus models removes the ability of external parties from determining optimum teaching modes.

comprehensive or specialist. A specialist campus is one where the programs being offered are limited to those of one faculty or specialist discipline, and the majority of students are often not recruited from the surrounding community.¹⁰ For a specialist campus, community engagement focuses simply on being a good neighbour, and possibly on research interactions if the location of the campus allows these opportunities. Marketing, strategic planning and program management are invariably controlled by the parent faculty.

From my research, it is apparent that in cases where the branch campus and faculty hierarchy are not collocated, it is not in the interest of the parent faculty to allow the head of campus of a specialist campus to have too much autonomy. Engagement with the immediate community by the head of campus will provide very little return from the effort invested, and the scope for entrepreneurship at a local level is restricted. These specialist campuses are best suited to the administrative model.

Unlike a specialist campus, a comprehensive branch campus seeks to offer a range of programs across a variety of disciplines and faculties, determined by market demand from surrounding areas. The complete range of university programs offered at the parent campus does not have to be offered at the branch campus, and there is also scope for programs unique to the campus. As opportunities present, a comprehensive campus would normally seek to meet the local market demand for new programs. As a comprehensive campus recruits its students from its surrounding market, it is beneficial to the university that the head of branch campus has the ability to strongly and authoritatively engage with their local community and counter the actions of any competition.

¹⁰ The University of Queensland Gatton Campus, which focuses on veterinary science, is an example.

A key aspect of a comprehensive campus is that, given there are multiple faculties represented, they and the campus are all dependent upon each other to maintain their brand within the local market. This brand primarily relates to the university represented by the campus, and not individual faculties; thus, from a head of campus's perspective, unilateral actions by faculties have the potential to be commercially damaging for the whole campus. The consequence of this is that the management models utilised for comprehensive branch campuses should provide the head of campus with the necessary authority and leadership status to ensure that all actions are coordinated and taken in the context of the campus's best interests. This suggests that as a general rule, the matrix, faculty or federal models would best suit a comprehensive branch campus.

5.3. *Geographic Factors*

A key determinant of the degree of autonomy a branch campus should have is the segregation of its market from those of its parent or other branch campuses. The greater the market segregation, the less chance there is of campuses of the one university competing for the same students, or undertaking activities that may compromise the commercial operations of the other. Segregation of markets can be achieved through three main methods: geographic separation, target market differentiation, and program differentiation, all of which will now be discussed.

5.3.1. *Geographic separation*

The concept of geographic separation relates primarily to the ease with which students can travel to different campuses to undertake the same academic program without having to relocate residences. In the Australian higher education market there is no ability for campus price differentiation at the undergraduate level,

and hence many students will choose the campus of any university that is easiest to reach.

If students can easily commute to either the parent or branch campus from their residence, then the campuses are essentially competing for the same students. There are two key factors here, though. The first is the relative size of this intersection, and whether it has a material impact, and the second relates to the mobility of students. It is conceivable that, although one campus may be geographically closer to a student, public transport or road networks may make it quicker or cheaper for a student to travel to the further campus. The socio-economic status (SES) of the target market could also have an effect, as low SES students are likely to be very price sensitive to the upfront costs of transport or the need to minimise travel time to maximise outside work opportunities.

In the case where a branch and parent campuses offer competing programs, the three possible market interactions are: complete independence of markets; overlapping markets; and subset markets, where the branch campus caters for a part of the parent campus market. These are shown diagrammatically below in Figure 1:

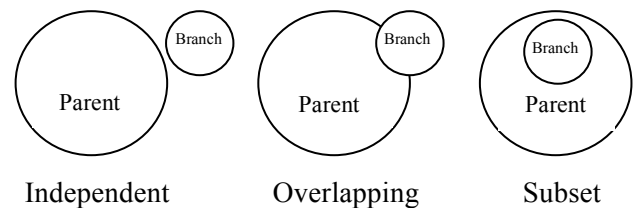


Figure 1: *Types of geographical market interactions between parent and branch campuses.*

In the case of independent markets, all management models are feasible, although I would hold that the administrative model is suboptimal for a comprehensive campus, as it can restrict the ability of the head of campus to effectively engage with the local community. In the case of the overlapping markets, there is an

argument to move towards less autonomy for the branch campus. This needs to be weighed up against the size of the non-overlapping market. Over-control by the parent campus, with a focus on the intersection, may ignore the non-overlapping market and destroy the ability of the branch campus to appeal to this segment. It could be argued that in this case the best thing to do is to gain agreement on which campus will target or interact with different parts of the market, and accept there will be some degree of market ‘cannibalisation’. Where the geographic market of the branch campus is predominantly a subset of the parent campus, then an administrative model or even the study centre model is most appropriate, except where there is significant program differentiation.

5.3.2. Different target markets

Even in situations where a branch campus’s market could be seen to be a geographical subset of the parent campus’s market, there can still be significant differentiation due to demographic variances. As an example, low SES students may be intimidated by large Ivy League university campuses and a branch campus may be established to alleviate this concern. The dilemma for a highly centralised and increasingly status conscious university is how to accommodate such a campus in the long term. There are multiple cases in Australia which satisfied this criterion, where branch campuses were established with a high level of autonomy and which proved to be very successful, only to have their autonomy wound back and the campus eventually disposed of, as the campuses and their student cohorts did not fit with the evolving corporate brand image. This is discussed further under the topic of brand aspiration.

5.3.3. Program differentiation

While geographical and discreet target markets are ways of separating parent and branch campus markets, if neither of these is present, a

way of avoiding competition between campuses is to ensure that programs do not compete. For this to occur, the parent campus would invariably have first call on its portfolio of offerings and the branch campus would be limited in what it can offer. This loss of control over program offerings tends to lead to the branch campus having much less business autonomy. In one perverse example in Australia, this strategy was employed under an administrative management model, and whenever the branch campus’s unique programs became successful, the faculties at the parent campus would forcibly repatriate them to the parent campus to gain the teaching revenue, leaving the branch campus with a portfolio of poor performing programs that eventually led to its demise.

5.3.4. Cross-campus staff sharing

Another geographical consideration for choosing a campus management model relates to the issue already discussed of being able to share academic staff between campuses. If this is feasible, the matrix model is an option.

Shared staff can, however, create their own challenges, as some individuals can leverage the difficulty of accounting for their time between campuses to their own advantage. While this may occur with only a minority of staff, the impact on team morale can be significant. Staff on the branch campus can also appear to be given inequitable workloads when compared with those on the parent campus, which can lead to jealousy, resentment and friction. Whether this is reality or a perception, my personal opinion has changed over time to a position that, for all but the study centre model, academic staff should be line managed for those elements of their workload pertaining to the campus by senior faculty members located at the branch campus and who are formally responsive to the head of campus. This already occurs in the faculty and federal campus models, where the

academic staff are unequivocally line managed by the head of campus, but it is not the case for the administrative model.

My own experience with the matrix model has shown that, while this campus-based line management exists in theory, these localised faculty leaders are often undermined by heads of schools from their own faculties, often on the urging of staff who do not feel that they should be required to teach at multiple campuses, or as an exercise in 'showing who is boss'. Interestingly, this behaviour was never demonstrated by the faculty deans. It is therefore essential, that if shared staffing is to be used, this behaviour is anticipated and accountabilities put in place to ensure that it does not occur.

The other issue that arises is where dedicated staff located at the branch campus are seen by their faculties to have conflicting loyalties, particularly given that strong cross-faculty team affiliations can be created at branch campuses arising from the shared experiences of having to cater for a different cohort of students with far fewer staff and resources. There have been anecdotal situations where this localised teamwork is seen as a threat to parent units and deliberate actions have been undertaken to undermine or dismantle the team structure to the detriment of all involved.

5.4. The Commercial Environment

The next factor that will influence the choice of campus management model is the commercial environment it is exposed to. The significance of the commercial environment as a driver of structure, has long been recognised in the organisational literature.

5.4.1. Environmental Variables

Mintzberg states that "environmental variables can have a profound effect on structure, often overriding those of age, size and technical

system." (1979, p. 287) He classifies four characteristics of the environment, these being, "stability, complexity, market diversity and hostility" (pp. 268-269). A summary of these is as follows:

5.4.1.1. Market Stability

Environments can vary from being stable to dynamic. The term dynamic is related to unpredictability, not cyclical variability. Unpredictable changes in the economy, government policy, consumer demand, and competitor behaviour are factors that lead to a dynamic environment, and which a branch campus, particularly in a metropolitan area, may find itself subject to. The more unstable the environment, the greater the need for localised reactive and proactive decision making to rapidly adjust to it. This infers that the more dynamic the market a branch campus encounters, the greater the need for a high autonomy model.

5.4.1.2. Market Complexity

The environment can range from simple to complex, with complexity being a function of the level of sophisticated knowledge required on subjects such as products and customers. In the case of university campuses, particularly where they cater for different cohorts,¹¹ understanding and effectively engaging with their markets is

¹¹ The differences in campus cohorts witnessed in my research included branch campuses sometimes having students from markedly lower socio economic status, resulting in significantly different entrance standards, higher levels of financial stress, lack of quiet study areas in homes, and lack of internet connections. Other variations were different ethnic and gender makeups, high proportions of first in family students and refugees, and greater numbers of mature age students. These variations can often justify a tailoring of the student experience and levels of student support at a branch campus compared to the parent campus.

likely to entail a substantial degree of complexity. Mintzberg proposed that when designing organisations, “the more complex the environment, the more decentralised the structure” (1979, p. 273), hence, in the case of branch campuses, the need for higher autonomy management models.

5.4.1.3. Market Diversity

Markets can be homogenous or diversified, where diversification can be a result of the range of clients, or products and services. Where a university’s campuses cover a wide geographical area, including inner and outer metropolitan and regional locations, it is likely that its market will be diversified. Mintzberg proposed that “the more diversified the organisation’s markets, the greater the propensity to split it into market-based units” (1979, p. 278). Due to their geographical dispersion and subsequent need to cater for distinct markets, these market-based units within a multi-campus university are its branch campuses. Thus, the more diversified the market the greater the need for localised autonomy.

5.4.1.4. Market Hostility

The environment can range from munificent to hostile. A hostile environment can be one where every business action is subject to extreme competition. Mintzberg (1979, p. 281) justifies identifying hostility as separate from market stability, in that at the extremes of hostility there is drive for an organisation to temporarily centralize its structure. The prime reason for this is to allow it to respond in a quick and integrated manner. This concept of speed and integration through centralisation as a way of addressing extreme competition is, however, not universally accepted, and Galbraith and Kates propose that decentralisation fosters “the speed, creativity, and innovation needed to compete against nimble, highly adaptable competitors” (2008, p.

141). A key issue here would appear to be the degree of localisation of the market hostility, with more global changes possibly needing a centralised response, while local market volatility could best be handled through decentralisation.

In summary, the less stable, more complex, more diverse and more hostile a branch campus’s market is, the greater the need for a higher autonomy management model with the head of campus empowered to make rapid and authoritative business decisions.

5.5. Brand Aspirations

What a University aspires to as a brand can have a significant influence on the degree of autonomy a branch campus is permitted. If, for instance, maximising international rankings is a key driver for corporate behaviour, a research-intensive posture will be adopted, as this is the prime determinant of rankings. To achieve maximum research effort, it is likely that there will be a high degree of central coordination and control. Research areas of interest to regional or outer metropolitan branch campuses are unlikely to feature highly in resource distribution decisions. The administrative, matrix and faculty management models all cater for research to be controlled by the parent campus.

Gaining the academically highest ranked students is an aspiration that usually accompanies a desire for high international standing. These students generally require less support and would theoretically be the most likely to become research academics, further increasing the possibility of an increased international ranking. This can become a source of conflict in multi-campus universities where branch campuses may have been established when international rankings were not an issue. Over time the institution may have succumbed to the temptation that organisational and

personal success is fundamentally reflected by ever improving rankings, and that the concept of social good, which is often historically the reason for the establishment of branch campuses, has now become an awkward relic. Branch campuses are often in outer metropolitan or regional areas, and if they are of a comprehensive nature, over time they can fall victim to their inability to attract enough students of the ever increasing entry standard desired by their city-based parent to keep the organisation climbing the rankings ladder. The solution to this dilemma is to change the branch campus from comprehensive to specialist in nature, or to allow different campus-specific named programs with lower academic entry standards. This latter option can lead to the establishment of a faculty model, and while they can then usually achieve improved commercial performance, this is done by catering for its market, which further alienates the campus from the changing brand aspirations of its parent. Ultimately though, based on the Australian experience, the campuses will be closed or disposed of, hopefully to a university that is aligned to the aspirations and abilities of the campus's students.

5.6. Community Engagement

A fundamental element of any relationship is trust, and, for branch campus personnel, there are few things worse than establishing agreements and understandings with its community, only to have them over-ridden later by the actions of their parent campus. This is not only demeaning for the individuals concerned, but it also creates confusion and uncertainty over any future engagement activities.

With the exception of campuses that do not rely on their immediate surrounding population to recruit students, such as specialist campuses and campuses focussing on international students, it is essential that a branch campus be able to manage its own community engagement without

the threat of it being undermined. This is particularly the case if it is in a competitive market, as communities can rapidly switch their loyalties if they feel that they are not dealing with their local campus. Communities, by their very nature, are parochial, and are likely to react negatively to dictates, or visits from 'engagement staff' from a parent campus situated in a remote locality.

Much of the relationship with the community involves the building of trust with potential and existing students, and providing assurances that they will receive a high quality academic experience. This includes teaching quality, mode of offer and program continuity. None of these can be guaranteed under an administrative model, due to the lack of control the head of campus has over academic delivery. This issue was one of the major concerns raised during the research interviews by heads of campus operating under administrative models. In particular, on-campus students being forced to undertake study in on-line or televised modes, was identified as the greatest cause for student dissatisfaction. This student dissatisfaction leaves those campuses operating under administrative models exposed to competitors who may be able to provide a student experience that better matches the expectations of the local community.

5.7. Summary of Key Influencing Factors

In summary the key factors that influence the choice of branch campus management models are geographic, whether a campus is specialist or comprehensive, university brand aspirations, its commercial environment, and the level of community engagement required. Ultimately though, it is the university's management cultures and practices that will determine what is even possible, which is unfortunate, at least from a branch campus's point of view, as often it is applied to deliberately sub-optimize its performance to maintain the established power

structures within the institution.

6. CONCLUSION

The choice of a branch campus management model should not be considered lightly. Importantly, the desired outcome for the campus should be clearly identified and the head of campus needs to be given autonomy and authority to achieve this and to be held accountable for the campus's performance. The key influencing factors identified in this paper need to be weighed, and importantly, the issues such as the control of business decision making, line management of academic and professional staff, and the control of research, must be thoughtfully considered. Any attempt to design or compromise a model simply to keep existing individuals happy and their power structures in place will invariably sub-optimize performance, which may work in the short to medium term, but will invariably lead to failure in the longer term.

Finally, in my research of branch campuses in Australia, invariably the performance of high autonomy models was markedly superior to their lower autonomy equivalents. Sadly, these models are exceptionally rare and tend to succumb to the belief that centralised decision making and the maintenance of power structures is in some way preferable to empowering campuses and communities and letting them thrive.

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