

Transformation of the Finnish Higher Education and Research System

New Challenges for Research

The global economy is increasingly dependent on new knowledge, and the processes of creating new knowledge have become increasingly complex. The national systems of research and higher education are undergoing major reforms in all OECD countries, and the institutions of higher education are forced to look for new social roles, as well as, models for research and education. Universities have become challenged by more vocational and professional types of institutions both in applied research and education. Industrial companies have increased their investments in research and development. Governments are assessing the roles and responsibilities of universities and sectoral research institutes to improve the effectiveness of research. The national research funding systems are also undergoing extensive transformation. As the national investments in research have increased, the growth has mainly taken place in the form of targeted research funding programmes. The setting of goals for research is taking place more often outside the academic community. Applied, multidisciplinary educational programmes have been established as a response to new kinds of demands for expertise in the labour markets, and internationalisation of universities has extended to all institutional functions.

Higher education research policy has become one of the core national policies. The reorganisation of the research system is linked to the establishment of the national and regional innovation systems. Economic growth is not the only motive for the development of a new role for universities. Also, social problems, like environmental change, have become so complex that higher education and research are urgently needed to solve these. New policies, national coordinating structures and the emerging markets for knowledge are linking universities, other higher education institutions and research institutes with concrete ties to other sectors of society.

What is happening in all industrialised countries is true also in Finland. The policy environment, as well as, the operational environment for collaboration with stakeholders have changed dramatically within the last decades. The ideal model of a university dealing with pure knowledge in academic ivory towers does not exist any more. Universities are increasingly essential parts of the national innovation system having special roles as powerhouses of the production of new knowledge for the use of industries and society in general. The purpose of this thematic issue is to present academic research on the main aspects of the ongoing transformation of the Finnish higher education and research system and the new challenges of universities. Several of these articles open new research areas in Finnish Administrative Science by conceptualising and providing empirical results on the changing research and higher education systems.

The new University Act strengthening the financial autonomy of Finnish universities and reforming the institutional governance model is currently in Parliament. In her article, *New autonomy for Finnish universities – A consideration of autonomy through six fundamental questions* Vuokko Kohtamäki discusses the phenomenon of autonomy of universities by addressing some core questions of autonomy. The

questions are constructed and derived from the reviewed international higher education literature, and they are further used to reflect newspaper discussions on the ongoing autonomy reform in Finland.

The Finnish higher education and research policies have been tightly integrated to the national innovation policy, and comprehensive coordination structures have been established. Antti Pelkonen's article *Developing a broad-based innovation policy in Finland – Societal opportunities confronting administrative and political challenges* analyses the research and innovation policy transformation in Finland and pays attention to the changes in the goal-setting of the policy, in particular by looking at how and to what degree other goals than economic growth and competitiveness have been integrated into the policy framework. In addition, the article identifies three key administrative and political challenges related to the emerging framework of a broad-based innovation policy.

Anu Puusa contributes to the research on organizational identity in a Finnish polytechnic institution in her article *The meaning and implications of a fragmented organizational identity is*. The analysis reveals that in this case organization and organizational identity are fragmented. There is a gap between management and personnel in terms of interpretations concerning the defining characteristics of organizational identity. Differing conceptions and interpretations can be, at least in part, argued to appear as a result of differing interpretations concerning the organization change process.

The traditional academic values are challenged by entrepreneurial ones as the integration of universities to the national innovation system proceeds and the competition on funding is increasing. Kirsi Lähdesmäki and Ari Salminen open the Finnish discussion on ethical organisations in their article *Ethics – does it play a role in the Finnish university reform?* The current university reform in Finland provides more autonomy in management and finance for the universities. The main ethical challenge for a "new" university is: how to maintain the public reputation of an impartial and trustworthy institution, and how to clarify ethical regulations and to keep up good management practices and to carry on promoting ethical development work.

The pressure to improve efficiency and quality of research, have directed the attention to the issue of leadership in research. The article *Leadership in research – transformational leadership and commitment to concepts in knowledge creation* by Turo Virtanen analyses the nature of commitment to concepts as part of the effect of transformational leadership on research work within a group. The conclusion is that leadership is an integral part of knowledge creation, not just of knowledge sharing and exploitation. Effective leadership results in the mixture of epistemic and social commitments that makes a group a collective knower, not just a sum of individual knowers. The analysis of conceptual commitments contributes to understanding of the rejectionist/believer debate of social epistemology in a new light.

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