Chapter 10
Role of University Rankings in the Context of Lack of Resources: National and Institutional Challenges

Magdalena Platis
University of Bucharest, Romania

ABSTRACT

In the contemporary context, educational sector faces many challenges which are reflected in specific institutional reactions. Rankings specific to higher education systems are a real phenomenon. Management teams at all levels understand differently the role of being active towards rankings – from a national support and institutional scope, to a lack of interest from both levels. Methodologies of different rankings are also different. In fact, participating in a ranking or another is something to be decided by the university management. The mission of this chapter is to reveal the role of rankings in the contemporary context of resource decreasing. Some answers will improve the decision-making process related to rankings, as well as to other institutional changes adopted in higher education institutions. The existence of rankings cannot be denied. Understanding the role of rankings is one of the most important premises for a correct strategic development of the higher education institutions.

INTRODUCTION: UNDERSTANDING THE CONTEMPORARY CONTEXT

Individuals, groups, and institutions have always lived in a more or less competitive context. Sometimes, competition contributes to clear improvements, but it can also lead to decline in specific results of economic activity. The impact of competition relates to two strongly connected principles that are integral to institutional development efforts: resource allocation and institutional strategy.

All over the world, institutions of higher education face the same global context in which mobility characterizes not only human resources, but also exchange of ideas, products, and the results of
fundamental or applied research. Mobility of students, scientists, and professors allows the transfer of knowledge among different cultures, countries, institutions, and generations.

Nowadays, any kind of development takes place faster than ever. Priorities modify strategies. Challenges confronting higher education require efficient actions in the short term, while the institution’s general context becomes less specific and more dynamic. Current issues and trends in higher education reflect the importance of self-development based on improving the institution’s self-understanding. In other words, continuous development reveals the efforts institutions must make to face competitive opportunities and threats in their specific national context.

The dynamism of these challenges exceeds institutional capacity to meet them. Resource allocation often accounts for the gap between the need for development and the possibility of implementing change. This implies that the contemporary context of scarcity is, in fact, a context of decreasing resources. Implementing an institutional strategy when resources are decreasing involves a specific decision-making process. Therefore, the features of the contemporary competitive context specific to higher education institutions include global influences, technology dynamism, continuous development, decreasing resources, and difficult decision-making. The process of designing institutional strategy requires consideration of these characteristics of the competitive context.

This context of scarcity consists of a set of external and internal influences involving insufficient resources of all kind: human, material, financial, and informational resources, needed to support more and more activities and objectives demanded by the pressure of competition. For higher education institutions, this context generates new challenges in terms of the decision-making process. The efficiency of change management can determine whether the path from facing the competition in the educational marketplace, to reaching the institution's proper position in that market, will be shorter or longer. In order to better connect their positioning strategy with development resources, universities must understand the contemporary role of rankings.

University rankings are part of the educational marketplace, and building an institutional strategy includes considering them to some extent. Ignoring them totally is not practical for achieving objectives related to the university’s mission. However, generally considering the institution’s entire activity from the perspective of university rankings is also not strategic.

In many cases, either national or institutional approaches connect rankings to quality standards. Including ranking among quality assurance standards solely to mitigate the absence of resources for properly developing such standards is institutionally destructive. However, not connecting rankings to quality at all is far from what the contemporary context requires. Understanding that quality is part of the ranking protocol, and that position in rankings reflects quality achieved, paying insufficient attention to rankings might make quality improvement difficult to manage.

**Types of Resources**

Therefore, the contemporary context requires directing the following types of resources to institutional development.

- **Human Resources:** Proper resources contribute to institutional development, mainly in the research domain. Rankings require continuous improvement, and many ranking methodologies consider research productivity and visibility to be an important indicator of institutional or subject performance.