Scenarios of quality assurance of stakeholder relationships in Finnish higher education institutions

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Abstract

Although the role and significance of the external stakeholders of higher education institutions has grown in recent years, quality assurance of stakeholder relationships remains a new phenomenon in the management practices of higher education institutions and in higher education research. Based on interviews and expert panel data, this article analyses the internal and external stakeholders’ perceptions of scenarios of the quality assurance of stakeholder relationships in Finnish higher education institutions. It especially focuses on exploring how institutions can balance internal and external stakeholders’ perspectives with regard to quality assurance. The results show that an essential challenge for Finnish higher education institutions is to develop flexible quality assurance practices capable of balancing the academic goals of the institutions and the needs of the external stakeholders. This also requires seeking balance between the centralised coordination and the differentiated practices of disciplines and academic units inside institutions.

Keywords: higher education, stakeholders, stakeholder relationships, quality assurance

Introduction

The role of external stakeholders and stakeholder relationships in higher education institutions have recently been brought to the fore in several ways. First, the policies of the European Union and national governments have targeted improvements in the efficiency and responsiveness of higher education institutions by stimulating and encouraging them to establish closer ties to society and industry (Maassen, 2000; van Vught, 2008). The direct regulative role of the state has diminished and higher education institutions have become more autonomous in developing their specific profiles, cooperation strategies and stakeholder relationships in many European countries (Jongbloed et al., 2008; van Vught, 2008). Second, the significance of market-driven external funding has increased and higher education institutions have become accountable to a wider range of stakeholders. Each stakeholder has funding and research priorities and other interests; thus, institutions must respond to those priorities and maintain a cooperative relationship. This has led higher education institutions to examine whether close cooperation with external stakeholders may make them too vulnerable and dependent on the short-term needs of markets, business and industry. This scenario has previously been discussed as being a threat to high quality teaching and research (Benneworth & Jongbloed, 2010; Harvey & Green, 1993; Jongbloed et al., 2008).

Along with the higher education institutions in Europe, Finnish universities and universities of applied sciences have acquired more institutional and financial autonomy while also placing greater emphasis on their societal role. The legislative reforms enacted over the past six years have further strengthened the capacity of Finnish higher education institutions to operate in an open environment and to interact and establish relationships with external stakeholders (Polytechnics Act, 2014; Universities Act, 2009). In addition, as in many other European countries (Westerheijden, 2014), external stakeholders have
been increasingly involved in institutional decision-making on the boards of Finnish higher education institutions.

Each Finnish institution is responsible for maintaining and assuring the quality of its processes and activities. Moreover, the Universities Act (2009) and the Polytechnics Act (2014) oblige institutions to evaluate their activities and performance and to participate in regular, external evaluations of their internal quality assurance systems. These evaluations are conducted by the Finnish Education Evaluation Centre (FINEEC) (formerly The Finnish Higher Education Evaluation Council (FINHEEC)) as quality audits, which focus on the internal quality assurance of higher education institutions (Decree on the Higher Education Evaluation Council, 2009). In the course of its duties, the FINEEC audits the quality management related to the institutions’ societal impact and regional development work (FINHEEC, 2012; FINEEC, 2015), which have proven to be challenging for Finnish institutions (Talvinen, 2012).

Partly because of the long-standing tradition of strong state governance, Finnish institutions have not developed any tradition of systematically incorporating external stakeholder relationships into their internal quality assurance processes. This is in line with recent developments in Nordic and European countries that have encountered similar challenges (Musial, 2010; Rosa and Texeira, 2014). This makes the Finnish experiences of the quality assurance of higher education institutions’ stakeholder relationships and interaction topical for both Nordic countries and the wider international audience.

Previous research on the quality assurance of higher education institutions’ stakeholder relationships is scarce. The basic idea of stakeholder management (balancing the interests of institutions and their external stakeholders) is one of the most relevant challenges that higher education management currently face (Benneworth & Jongbloed, 2010; Clark 1998; Freeman et al., 2010). Most previous studies on this topic have focused on examining the ‘stakes’, the involvement and influence of external stakeholders in governance and the quality management and quality assurance of higher education institutions (Burrows, 1999; Rosa and Texeira, 2014; Westerheijden, 2014). There is a lack of research on how institutions can manage and deal with their stakeholder relationships as well as research that examines the quality assurance of those relationships (Alves et al., 2010; Benneworth & Jongbloed, 2010; Jongbloed et al., 2008; Musial, 2010).

Given the existing gaps in the literature, this article aims to provide new empirical perspectives and propose scenarios on the quality assurance of higher education institution stakeholder relationships. Stakeholder relationships refers institutions’ relationships to, and interactions with, stakeholders that are external to the higher education institution and the academic community. Because this phenomenon is still new, this article aims to sketch the scenarios of the quality assurance of higher education institution stakeholder relationships. It analyses how institutions can balance internal and external stakeholder perspectives with regard to the quality assurance of stakeholder relationships.
Higher education institutions and their stakeholders

According to Freeman’s (1984, p. 25) classic definition, stakeholder refers to ‘all those groups and individuals that can affect, or are affected by, the accomplishment of the organisational purpose’. Similar definitions have also been offered in the public and non-profit literature (Bryson, 2004). Although the concept of a ‘stake’ can be defined in different ways, it essentially refers to a claim of some sort (Näsi, 1995). A stakeholder may have a legal, moral or presumed claim on an organisation and it may be based on interest, contract, exchange, legal right, moral right, ownership or financial investment (Clarkson, 1995; Mitchell et al., 1997; Näsi, 1995). It can also refer to a stakeholder’s ability to influence the behaviour, direction, process or outcome of an organisation (Mitchell et al., 1997).

The types of stakes, influences and salience of stakeholders have recently been examined in studies on the stakeholder relationships of higher education institutions (Burrows, 1999; Benneworth & Jongbloed, 2010; Jongbloed et al., 2008; Mainardes et al., 2010; 2012). For instance, Burrows (1999) categorises the types of influence the stakeholders use to advance their stakes in an organisation (in an institutional context) as formal, economic and political. Formal influence relates to the contractual and regulatory relationships between an institution and its stakeholders. A stakeholder’s ability to contribute to or generate the required resources means that it has an economic influence, whereas political influence is related to a stakeholder’s ability to affect the decisions or behaviour of a higher education institution through its status or its ability to negotiate (Burrows, 1999).

In the context of higher education, stakeholders are typically differentiated as internal stakeholders and external stakeholders. Internal stakeholders, the members of an academic community, and often the students, have traditionally played a strong role in an institution’s decision-making processes and governance body as well as in giving meaning to the ‘quality’ of an institution’s activities (Burrows, 1999; Amaral & Magaelhaes, 2002; Iacovidou et al. 2009; Benneworth & Jongbloed, 2010). As the primary financier of public higher education institutions, the government has been the most important external stakeholder for many institutions. However, in the past several decades, the role of the government has diminished and the influence of markets and diversified external stakeholder groups has increased (Jongbloed et al., 2008; Benneworth & Jongbloed, 2010). The conception of external stakeholders has expanded to encompass varied higher education institution-external groups, such as a diverse set of funding bodies, businesses, industries and public sector organisations, that have different stakes in and influences on higher education institutions (Maassen, 2000; Amaral and Magaelhaes, 2002; Jongbloed et al., 2008; Musial, 2010).

Balancing internal and external stakeholder interests is one of the most topical challenges of higher education institutions and it also lies at the core of stakeholder management (Clark 1998; Jongbloed et al., 2008; Benneworth & Jongbloed, 2010; Freeman et al., 2010). This refers to ‘a process of assessing, weighting and addressing the claims of those who have a stake in the actions of the organisation’ (Reynolds et al., 2006, p. 286). It is related to organisational behaviour that resolves the conflicting needs and
requests of the stakeholders. In the higher education context, prior studies have investigated how universities balance internal and external pressures for change and stability in the university-government relationship (Maassen, 2002) as well as the extent to which a university research policy has established and developed the intersection of external versus internal expectations and values (Larsen, 2000). However, there is little research on balancing the interests of higher education institutions and their external stakeholders in the context of quality assurance. This perspective is relevant, especially in the current environment where institutions increasingly need to interact with and respond to the needs of different external stakeholder groups whose understanding of quality can conflict with the higher education institution’s concept of quality (Harvey and Green, 1993). Stakeholders could easily interpret quality as a value for money or a fitness for purpose, thereby expecting that the institution’s research, teaching or other services offer value for their financial investment and that a higher education institution produces graduates that are able to contribute to the stakeholders’ functions. In contrast, higher education institutions typically understand the concept of quality as excellence referring to achieving and exceeding high standards. Quality can also be understood as perfection or consistency meaning accuracy and consistency of activities and processes (Harvey & Green, 1993, Srikanthan & Dalrymple, 2003; Benneworth & Jongbloed, 2010).

Data and methods

This article contributes to the discussion presented above by analysing how higher education institutions can balance the internal and external stakeholders’ perspectives with regard to the quality assurance of stakeholder relationships. The empirical data analysed in this article were collected as a part of the 2011–2012 Quality Assurance of Stakeholder Interaction in higher education institutions project. Data were collected and analysed using the Delphi technique. Delphi is an interactive forecasting method that relies on perspectives from a panel of experts to gain insight into concerns such as technological development, social problems or the future of higher education (Kuusi, 1999; Linstone & Turoff, 2002; Huisman et al., 2012).

In the first phase, interview data was collected from five Finnish higher education institutions; three universities and two universities of applied sciences. A total of 25 individuals in charge of quality assurance at the institutions were interviewed. They represented institutional management and administration personnel (for example, rectors, quality managers) and academic units (heads of units or degree programmes, professors, senior lecturers). The higher education interviewees were asked to identify the most important stakeholders of the institution and describe the interactions between the institution and its stakeholders as well as the quality assurance practices of the stakeholder relationships.

The input from the interviews formed the basis for the questionnaire that was prepared for the first round of the Delphi expert panels, the aim of which was to obtain expert opinions on the future of the quality assurance of stakeholder interactions with higher education institutions.
Based on their expertise related to the topic, 48 stakeholders (28 internal stakeholders, 20 external stakeholders) were invited to participate on an expert panel. The internal stakeholders had been interviewed during the first phase of the study; those stakeholders were in charge of quality assurance at the five higher education institutions. The external stakeholders consisted of the chairs of the boards of the five higher education institutions, representatives of local and regional authorities and representatives of key national funding and expert bodies and the business community.

In the questionnaire, the panel experts were presented with 10 statements and arguments depicting aspects of what stakeholder quality assurance might look like in 2020. The arguments dealt with the nature and role of stakeholder interactions, actions taken by the institutions in the higher education and research markets and the quality assurance aspects of institution-stakeholder interactions. The panel experts were asked to evaluate those statements using a four-point scale, ranging from ‘strongly disagree/very undesirable’ to ‘strongly agree/very desirable’. The scale also included ‘I do not know’ as a response option. All the statements included aspects ascertaining if the experts foresaw the statement to be ‘likely’ by 2020 (that is, indicating their views on future developments) and if they thought the outcome of the statement was ‘desirable’ (indicating their preference of the views on future development). The panellists were also asked to provide written justifications for their opinions.

The panel was conducted as an electronic survey and it was carried out in January-February 2012. Out of the 48 invited experts, 30 (63%) completed the questionnaire (Table 1). The response rates between the internal and external stakeholders were reasonably balanced, although the number of responses from the internal stakeholders (19/28) was somewhat higher than the number of responses from the external stakeholders (11/20).

Five statements from the first round of the panel survey formed the basis of the statements proposed in the second round of the panel survey. Following the principles of the Delphi method, focus was placed on the statements that had divided the opinions of the experts, highlighted new viewpoints or provoked criticism in the first round (Linstone & Turoff, 2002). In March 2012, the second questionnaire was sent to the experts who had responded to the survey during the first round. A total of 16 experts (53%) completed the second questionnaire. Most of the respondents were internal stakeholders (13/19) (Table 1). It proved to be difficult to motivate the external stakeholders to participate in the second round (only 3 of 11 responded); therefore, the results of the second survey primarily reflect the views of the internal stakeholders.

The data obtained from the first and second round panel surveys were analysed according to the statements using percentage distributions for the Likert-scale questions and data-based content analysis for the verbal responses. The introduced concepts of stakes and balancing stakeholder interests guided the data analysis (Reynolds et al., 2006; Freeman et al., 2010).
Balancing internal and external stakeholders’ perspectives with regard to quality assurance of stakeholder relationships

Balancing the internal interests of the higher education institution management and academic staff

During the first phase of the study, the interviewees were asked to describe the higher education institution’s or its sub-unit’s collaboration and relationships with external stakeholders as well as to illustrate how the institution or unit assures the quality of its stakeholder relationships. As is traditional for higher education institutions, the interviews demonstrated that institutions’ interactions with external stakeholders are multidimensional. They are still strongly affected by scientific disciplines, fields of education and interpersonal relationships. However, most of the interviewees thought that stakeholder relationships should be understood in the context of teaching and research, not analysed as a separate sphere of operation. In practice, higher education institutions’ quality assurance practices related to stakeholder collaboration are still meagre and unstructured. The interviewees opined that one of the major challenges in the future would be to develop more structured, reciprocal and enduring stakeholder relationships by identifying, prioritising and analysing various higher education institution stakeholder relationships. They noted that it would also be important to develop flexible quality assurance procedures to govern stakeholder relationships.

The first round of the panel evaluated the likelihood and desirability of the statement:
‘higher education institutions’ stakeholder interactions are based on the interpersonal relationships between teachers/researchers and external stakeholders, the quality of which is difficult to manage by means of formal procedures’ (Statement 10, Figure 1).

This statement divided the opinions of the experts. The majority (76%) agreed that this was very likely or likely to be the case in 2020. However, a fifth (20%) of the experts disagreed with the likely veracity of the statement and over one third (36%) assessed it to be an undesirable future scenario (Figure 2). While the experts recognised the importance of interpersonal relationships, they also stated that common, institution-wide measures and courses of action must be taken.

Similarly, most of the panellists considered it likely to be true (77%) that by 2020: ‘The units of higher education institutions are independent actors in the education and research markets’ (Statement 4, Figure 1).

However, over one-third of the experts (38%) considered such a development to be undesirable or very undesirable (Figure 2). Although the experts recognised that people in specific disciplines and academic units have the best expertise in their fields, they argued that academic units are also dependent on the institutions they belong to; they utilise the marketing resources of a higher education institution, including its brand, its reputation management and its overall governance processes of external relationships. The effective
management of an ensemble of disciplines is important and units have to be open to multidisciplinary cooperation with other units and disciplines.

In the second round of the panel, the experts were asked to describe what kind of organisation-wide practices and services would support interactions with stakeholders at the level of units and research groups. The experts opined that some support services would need to be provided and basic practices would need to be jointly agreed upon. They also emphasised that a higher education institution needed to be managed as an integrated entity so that it is able to disseminate coherent messages about its activities to its stakeholders.

[Figure 1 here]

[Figure 2 here]

The expert panel also supported the need for institutional management to play a more strategic role in the institution’s interactions with stakeholders. The realisation of the statement, ‘The role of senior institutional management in creating preconditions for stakeholder interaction will be strengthened’ (Statement 5, Figure 1, Figure 2), was deemed likely or very likely (93%) as well as desirable or very desirable (83%) by the vast majority of the experts. The experts viewed institutional management as a strategic actor that guarantees the integrity of operations, formulates common operating principles, signs large-scale cooperative agreements and facilitates the development of new stakeholder contacts. The critical viewpoint on this was that individual-level stakeholder relationships are important for higher education institutions, even if institution leaders cannot directly govern or influence them. This implies that it is not easy to integrate institutional and individual perspectives in stakeholder relationships using a formal quality assurance model.

**Balancing the interests of the higher education institution and its external stakeholders**

In the first phase of the study, the interviewees were asked to identify the most important external stakeholders of an institution or unit and to consider the importance of collaboration with that stakeholder. The analysis of the interview data indicated that various funding, customer and client organisations have become important external stakeholders for institutions. Many higher education institution representatives characterised the salience of the interactions and relationships with these external stakeholders as ‘fundamental’, ‘very important’ or even ‘a question of life and death’. The argument was justified by the higher education institutions’ level of resource dependency on some of the stakeholders (especially research financiers).

During the first round, the experts were also asked about their opinions on the growing influence of external stakeholders. Almost all the stakeholders considered it likely or very likely (90%) and also desirable or very desirable (90%) that ‘The external stakeholders’ role in developing and direction the activities of higher education institutions
will grow’ (Statement 2, Figure 1, Figure 2). The experts justified these opinions mainly by referring to the meagre resources of the institutions and their need to diversify their funding base by, for example, arguing, ‘higher education institutions have to come closer to the business sector to expand their funding base’. However, many experts expressed their concern about whether higher education institutions could maintain their traditional independence and curiosity-driven (rather than revenue-driven) research activities while also increasing the level of stakeholder interactions. As one of the experts emphasised, ‘it is important that the extension of external stakeholder relationships does not happen based exclusively on the conditions of external stakeholders’.

In the second round of the panel, the experts were asked to provide practical examples of how to successfully integrate the institution’s academic goals and the needs of external stakeholders. Many of the experts highlighted the importance of target-oriented and long-term cooperation. As one of the experts said, ‘There need to be joint long-term research projects through which we will create something new’.

Increasing the level of international competition and a scarcity of resources is likely to increase the higher education institutions’ interactions with external stakeholders at the national and international levels. In the first round of the panel, the majority of the experts were of the opinion that the statement, ‘Stakeholder networks are expanding, changing in shape and are more open and global than previously’ (Statement 1, Figure 1, Figure 2), is very likely to be right (57%) and also a very desirable (50%) trend. They justified their opinion by referring to the survival of higher education institutions in increasingly competitive environments and the ability to resolve new complex problems in cooperation with external stakeholders.

In the second round, the experts were asked to identify issues or activities in which cooperation among higher education institutions is particularly important. The experts considered that individual institutions are too small to survive in international higher education markets. They opined that the Finnish higher education institutions should cooperate with stakeholders on activities related to exporting and marketing education, in particular.

However, networks are challenging from the viewpoint of governance and management if the quality assurance rests on traditional quality manual-based standards and procedures. For the statement, ‘Reliable quality assurance is constructed by the actors in the stakeholder networks’, 33% of the experts indicated that the statement was very likely be correct and 30% felt the outcome to be very desirable (Statement 8, Figure 1, Figure 2). The reasons attributed to these responses included the idea that an institutional quality manual is not a very practical tool due to the complex nature of networks, their activities and their working methods. The quality of a network can be assumed to be excellent if people are willing to join it, if its reputation remains good and well-known and if it responds to the needs of its internal and external stakeholders. The traditional model of public administration of Finnish higher education institutions might offer one explanation for why some of the panel experts emphasised systematic planning and, accordingly, expected written instructions and shared principles in the governing networks. Networks form an open platform where the perspectives of internal and external stakeholders can be easily integrated. This implies that although quality manuals form a
part of the governance frameworks of higher education institutions, traditional quality assurance methods might not be appropriate for maintaining the level of quality in network cooperation between external and internal stakeholders.

Most of the expert panellists deemed the outcome associated with the statement ‘higher education institutions need advanced and higher education institution-specific support services to deliver sales and marketing know-how’ (Statement 7, Figure 1, Figure 2), as likely or very likely (87%) to be true and also very desirable or desirable (83%) in the future. Before engaging in marketing, institutions need to learn to productise their knowledge. However, some of the experts thought that understanding marketing as a support service was not an effective way to address this issue. For instance, one of the experts said: ‘Marketing is important, but if we see marketing solely as a supporting service, it is an erroneous approach. Marketing should be one of the core processes inside all activities’.

The media holds an increasing level of influence on building the image of a higher education institution. In the first round of the panel, the significance of the media for positive stakeholder interaction was deemed very likely or likely (77%) but not very desirable (57%) by the majority of the experts (Statement 3, Figure 1, Figure 2). The experts recognised the increasing role that various media outlets play in communication. New media (for example, social media) and the higher education institutions’ media image were deemed to be very important but also very vulnerable. Media can be a catalyst to open new stakeholder relationships or, in extreme cases, to terminate old stakeholder relationships. One of the experts said, ‘External funding over a longer period of time is significantly tied to the external profile, which is also created through the media’. A university’s prevailing reputation and image in the media may be an important measure of quality. This type of quality is partly built while interacting with and being covered by the media. However, experts also criticised the desirability of the crucial role of media by arguing that a higher education institution’s value should be determined by its contents, results and activities not by impressions created or disseminated by the media. In the second round of the panel, the experts were asked to describe how stakeholder communication should be developed in the future. They emphasised professional, understandable and focused communication alongside the utilisation of various media outlets.

Over half of the experts considered the scenario in which ‘higher education institutions will take care of their various clients and they will bear responsibility for those clients’ (Statement 6, Figure 1, Figure 2) in the future, as very desirable (63%) very likely (33%) or likely (50%). Some of the experts thought that institutions had already adopted this type of thinking, whereas others reported that it was still under development. However, several experts criticised the conceptualisation of the ‘client’, especially if it was used to refer to students, as they considered students to be colleagues or collaborators rather than clients. Modern interactions require co-production, and other types of reciprocal relationships, where higher education institutions, students and the institution’s clients (companies, public sector organisations) jointly develop activities and reconcile interests, instead of a unidirectional service provision from a higher education institution to its clients (Harvey & Green, 1993; Mitchell et al., 1997).
Conclusion

This article focused on analysing scenarios on the quality assurance of higher education institution stakeholder relationships, especially how institutions can balance internal and external stakeholders’ perspectives from the viewpoint of quality assurance of stakeholder relationships. This was based on the idea that the core task of stakeholder management is to manage and integrate the relationships and interests of different stakeholder groups (Freeman & McVea, 2001). In the context of higher education, it seems that it is important to balance the interest of internal stakeholders and external stakeholders. Doing so is the main mechanism that institution management can use to achieve and maintain support from its different stakeholder groups, whose differing and contradictory interests must be considered and reconciled (Bennneworth & Jongbloed, 2010; Reynolds et al., 2006).

The results of this study show that the influence of external stakeholders is increasing due to higher education institutions’ dependence on various external resources, such as funding, information and cooperative relationships. For example, the ability of different external stakeholder groups to generate the necessary financial resources and the dependence of institutions on those resources, has increased the importance and influence of external stakeholders. Despite the role and importance of stakeholders, higher education institutions still need to improve their relationships with stakeholders. This study indicated that the external stakeholder relationships of higher education institutions are not systematically organised, developed or even fully identified. Accordingly, the quality assurance of external stakeholder relationships is also under-developed. From the viewpoint of quality assurance, the aforementioned statement implies that institutions should first identify their main external stakeholders and set priorities for external interactions. This requires internal interactions within the higher education institution and balancing the interests of an institution’s management, administration and academic staff.

Second, one of the main challenges higher education institutions face in their stakeholder interactions is to develop relationships that are more consistent, enduring and reciprocal with their most important external stakeholders. This is a path that also supports institutions’ attempts to balance their interests with those of their stakeholders. These measures will help institutions maintain the independence of their research and teaching activities and their progression as the influence of stakeholders grows stronger.

Third, it was thought that developing internal flexible and jointly agreed-upon practices would be essential for managing the quality of higher education institution-stakeholder relationships because the research results demonstrated that a highly dispersed way of managing stakeholder relationships and activities is not the most effective means of coordinating those relationships or improving quality assurance from the perspective of the higher education institution. However, the use of traditional quality manuals and standards can be ineffective when stakeholder relationships are informal, interpersonal and based on bidirectional or reciprocal stakes and when information and views are exchanged between the institution and its external stakeholders. In those situations, ensuring the quality of the activities and balancing the interests of the actors often occurs through joint
discussion and via commentary in meetings rather than through formal quality assurance procedures (Harvey & Green, 1993).

In line with the key tenets of stakeholder management (Freeman & McVea, 2001), the study concludes that the essential challenge for higher education institution management is to develop quality assurance practices that are able to integrate the interests of and relationships among internal and external stakeholders in such a way as to gain a balance between centralised coordination and the differentiated practices of disciplines and academic units and between an institution’s academic goals and the needs of its external stakeholders.

Although external stakeholder relationships still play a relatively minor role in quality assurance in Finnish institutions, it seems to be one of the main future challenges, which importance is increasing. Several European countries have encountered similar challenges too (Musial, 2010; Rosa & Texeira, 2014), which makes the Finnish experiences interesting to the wider international audience. Even if the challenge is topical for different types of higher education institutions, it is especially important for the universities of applied sciences, whose core mission is to co-operate with and respond to the need of business, industry and other sectors of the labour market (de Lourdes Machado et al., 2008).

The government (and its European commitments) still plays an important role in stimulating external stakeholder relationships of higher education institutions. In Finland, the government steers the relationships between institutions and external stakeholders via regulations that enable stakeholders to participate in the institution decision-making process, by requiring systematic management of stakeholder relations in its quality assurance framework and by supporting higher education institution-society ties through its policies. The risk is that stakeholder relations are only managed within this framework, that is, the stakeholder relations are in fact subordinate to institution-government relations. An interesting issue for further research would be to explore how Finnish and other European higher education institutions develop their external stakeholder relationships and quality assurance of stakeholder relationships from their own perspective.
References


Table 1. Number of respondents and response rates for the first and second expert panel rounds.

<table>
<thead>
<tr>
<th></th>
<th>Number of survey recipients</th>
<th>Number of respondents</th>
<th>Response rate %</th>
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<tr>
<td><strong>First round</strong></td>
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<tr>
<td>Internal stakeholders</td>
<td>28</td>
<td>19</td>
<td>68</td>
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<tr>
<td>External stakeholders</td>
<td>20</td>
<td>11</td>
<td>55</td>
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<tr>
<td><strong>Total</strong></td>
<td>48</td>
<td>30</td>
<td>63</td>
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<td><strong>Second round</strong></td>
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<td>Internal stakeholders</td>
<td>19</td>
<td>13</td>
<td>68</td>
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<tr>
<td>External stakeholders</td>
<td>11</td>
<td>3</td>
<td>27</td>
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<tr>
<td><strong>Total</strong></td>
<td>30</td>
<td>16</td>
<td>53</td>
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</table>
Figure 1. Likelihood of fulfilment of the following statements by 2020.

1. Stakeholder networks are expanding, changing in shape and are more open and global than earlier.

2. The external stakeholders’ role in developing and directing the activities of HEIs will grow. The stakeholders’ influence will be reflected in governance,....

3. The media is crucial to the activities of HEIs and the positive development of stakeholder interaction.

4. The units of HEIs are independent actors in the education and research markets.

5. The role of the senior institutional management in creating preconditions for stakeholder interaction will be strengthened.

6. HEIs will take care of their various clients and they will bear responsibility for those clients.

7. HEIs need advanced and HEI-specific support services to deliver sales and marketing know-how.

8. Reliable quality assurance is constructed by the actors in the stakeholder networks.

9. Quality management of stakeholder interaction is included as part of the quality management of education and research.

10. HEIs’ stakeholder interactions are based on the interpersonal relationships between teachers/researchers and external stakeholders, the quality of which...
### Figure 2. Desirability of the fulfilment of the following statements by 2020.

<table>
<thead>
<tr>
<th>Number</th>
<th>Statement</th>
<th>Very desirable</th>
<th>Desirable</th>
<th>Undesirable</th>
<th>Very Undesirable</th>
<th>Do not know</th>
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<tbody>
<tr>
<td>1.</td>
<td>Stakeholder networks are expanding, changing in shape and are more open and global than earlier.</td>
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<td>2.</td>
<td>The external stakeholders’ role in developing and direction the activities of HEIs will grow. The stakeholders’ influence will be reflected in governance,...</td>
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<td>3.</td>
<td>The media is crucial to the activities of HEI and the positive development of stakeholder interaction.</td>
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<td>4.</td>
<td>The units of HEIs are independent actors in the education and research markets.</td>
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<td>5.</td>
<td>The role of the senior institutional management in creating preconditions for stakeholder interaction will be strengthened.</td>
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<td>HEIs will take care of their various clients and they will bear responsibility for those clients.</td>
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<td>7.</td>
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<td>8.</td>
<td>Reliable quality assurance is constructed by the actors in the stakeholder networks.</td>
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<td>9.</td>
<td>Quality management of stakeholder interaction is included as part of the quality management of education and research.</td>
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<td>10.</td>
<td>HEIs’ stakeholder interactions are based on the interpersonal relationships between teachers/researchers and external stakeholders, the quality of which...</td>
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