

Managing mergers – governancing institutional integration

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Abstract

Despite striking similarities, the adoption and implementation of policy shifts regarding higher education governance vary considerably across the globe, suggesting a mixed picture of diversification and isomorphism both within and across national higher education systems. By unpacking one particular structural reform process, this paper focuses on mergers as both a governance tool and a governance result in higher education. The paper analyzes the strategic decisions taken by Norwegian higher education institutions during 2014 in the light of a proposed national reform to merge institutions in order to enhance quality in higher education. The empirical basis of the paper consists of analyses of the commissioned self-evaluations of the higher education institutions, and the strategic choices and dilemmas they expressed. The process can be seen as organizational engineering in the sense that it emerges from the self-evaluation process, but is also subject to *governancing* on the part of the ministry.

Introduction

Organizational mergers involve the integration of previously separate organizations and institutions, often representing turbulent times for those bodies affected. Organizations sometimes merge to respond to government demands, to solve local challenges, or to meet sectoral fashions directed by a quest for increased size and economies of scale. The rationale for organizational integration and merger partly stems from observations that organizational systems are out of sync, overlap, counteract and are layered rather than coordinated and “well-ordered” (Orren & Skowronek, 2004). Within the planning of multi-organizational integration, governance itself may be perceived and employed as strategy in an organizational engineering process of “governancing” (Ansell, Levi-Faur & Trondal, 2016), a term which can be applied to (re)designing institutions in the context of mergers in higher education.

This paper argues that periods of turbulence are timely for rethinking the relative weight of organizational engineering – for governance as strategy – as promoted by organization theory and organizational drifting as advocated by broader institutionalist accounts. Organizational mergers are embedded in institutional histories and perceptions of appropriateness. The different theoretical positions offer different explanations of how organizations balance seemingly conflicting patterns of change in everyday life, and emphasize this aspect differently. Moreover, this paper suggests that organizational studies may draw lessons from organizations where internal turbulence is quite common and where conditions for organizational engineering seem to be difficult. Universities represent such types of organizations, and occasions of university mergers may serve as a useful laboratory for understanding some of the limits of organizational engineering.

Universities across the globe are challenged to invest more in strategy development, competitive advantage, and to find their (new) place in the higher education arena (Frølich & Caspersen, 2015). New policies stimulate these changes. However, global competitiveness seemingly pushes universities in two opposite directions: towards differentiation in order to distinguish themselves from competing organizations, but also and/or towards isomorphism in order to mimic those higher education institutions which appear to be successful (Croucher & Woelert, 2015; DiMaggio & Powell, 1983; Ramirez & Tiplic, 2014; Stensaker & Norgaard, 2001). In order to interpret and understand reform initiatives and policies, it is important to use a nuanced theoretical lens, presented in this paper after a short description of the Norwegian context and reform history.

Empirically, the paper unpacks the strategic decisions Norwegian higher education institutions took during 2014 in the light of a proposed national reform to enhance the quality of higher education. The empirical basis of the paper consists of analyses of the commissioned self-evaluations of the higher education institutions, and the strategic choices and dilemmas they expressed. In substance, the arguments and perspectives raised by the 14 institutions proposed for merger into 5 institutions are analyzed. The main research question for the paper is “How do universities articulate their strategic dilemmas within restricted degrees of freedom?” In this paper we apply the term ‘universities’ to both universities and university colleges; where necessary we distinguish between them. In order to map how these different dilemmas are reflected and should be interpreted in the strategic documents, three theoretical understandings of merger processes in higher education are sketched out.

Reform history

In January 2014, the Ministry of Education and Research proposed a structural reform of the Norwegian higher education landscape. As part of the process, institutions were asked to rethink their own strategies and reposition themselves in a higher education landscape with fewer institutions (Ministry of Education and Research, 2014). The minister did not exclude using coercion if the institutions were not willing to merge; their task was to find preferable institutions with which to merge (Ministry of education and Research, 2015a). The higher education institutions submitted a description of the preferred strategic position in 2020, and an evaluation of the main steps that had to be completed in order to reach that position. The ministry encouraged extensive contact between institutions both within and outside their own regions (Ministry of Education and Research, 2015b). In April 2015, the white paper “Concentration for Quality” was launched proposing five mergers of 14 institutions based on the answers from the higher institutions themselves. At this time the ministry was not willing to force the institutions into mergers, but the ones which did not fit into a voluntary merger were given the status of “mergers for further consideration” or “future location based on new quality measures”. Many of the institutions without a proposed merger did not satisfy the proposed quality measures: a minimum of 50 percent of the academic staff with PhD degrees to deliver the new master’s degree in teaching; stricter measures to be able to deliver master’s and PhD degrees; and to have the status of a university. The ministry was not explicit on what would happen to the institutions if they still did not satisfy the new quality measures after a period of transition. The parliament adopted the white paper at the beginning of June 2015. In this phase of the reform, four mergers were decided upon. The opposition parties raised some concerns over the white paper’s lack of a clear definition of quality, which was the main goal for the mergers. However, only the two small opposition parties raised concerns over how mergers would secure the geographical aspect of today’s higher education system, with university colleges all over the country (The Parliament, 2015). Mergers also met with resistance within the institutions. At NTNU, a merger with three other institutions was opposed by five members of the university board, with six members, a majority of only one, in favor (acronyms used are the official acronyms for the institutions, pre-merger) (NTNU, 2015b). Many institutions claimed that they had no choice other than to merge, since the task from the ministry was to find preferable partners. Some institutions opposed the whole idea of merging.

The 2015 reform was part of a longer history of structural reforms in Norway. In 1965 a Royal Commission was set up to assess various aspects of the Norwegian higher education system (Kyvik, 2002b). In 1994, 98 vocationally-oriented colleges were merged into 26 new state colleges (Kyvik, 2002b; Kyvik & Stensaker, 2013; Norgård & Skodvin, 2002). The Quality Reform of 2003 included an opportunity for university colleges to become universities; since 2005, four institutions have acquired university status. The Stjernø Commission report, published in 2008, suggested a radical restructuring through a widespread merger process. The result of this would be about 8-10 multi-campus universities. However, the report led to widespread opposition in public media, and the ministry chose not to implement the more radical suggestions of system restructuring. The ‘SAK’ initiative (an acronym for Cooperation, Division of Labor and Concentration – *Samarbeid, Arbeidsdeling, Konsentrasjon* – followed directly as an alternative to top-down mergers, and entailed incentives for cooperation concerning education, research and administration across universities and university colleges. In recent years, a number of merger processes have occurred. In 2013 the government paused the process of university colleges becoming universities, announcing that system structure will now be re-examined, as it was with the structural reform.

It should be mentioned that the Minister of Education is part of a liberal-conservative coalition government with an overall belief in the idea of merging and streamlining the public sector. Mergers in the public sector are seemingly an important ingredient in this strategy, where the government initiates mergers among the local municipalities, counties, and police districts. Most of the merger processes are done in the sequence of voluntary mergers before enforced mergers are imposed.

Theorizing mergers

Turbulent times are opportunities for rethinking the relative weight of organizational engineering as it is described in organization theory, and organizational drifting as described in broader institutionalist accounts. These ideas offer rival views on how organizations balance seemingly conflicting patterns of change (Egeberg et al. 2015).

An organization theory approach represents a reform-optimistic perspective assuming that organizational mergers are the direct product of determined political and administrative leaders who have comprehensive insights into and power over administrative reform processes (Christensen & Lægheid 2002: 24). Comprehensive reforms are crafted by powerful executive institutions with relevant means-ends knowledge and considerable political and administrative resources (March & Olsen 1989; Skowronek 1982). Adding active agency and analytical attention to the process of organizational mergers, it is argued that actors' consideration of functional efficiency will determine the design and redesign of organizations. Through a process of analytical problem-solving, actors choose among alternative design options by using some decision rule that compares alternatives in terms of their expected consequences for goals that are already established and known (March 1981).

Political and administrative leaders in governance systems are expected to be the central participants in organizational merger processes. The theory assumes that these actors have control over change processes and insight into how to link between the organizations' goals and how different structural alternatives contribute to realization of such goals. With new goals or changing circumstances, change is required. Reorganization takes place to reduce the distance between the desired state and the real state, and when an organization no longer serves its purpose it will be terminated (Boin et al. 2010: 387). Intentionally rational design is thus desirable and, in theory, possible, but as demonstrated by empirical research, more relevant to account for change in some circumstances than others (Christensen & Lægheid 2011). Merger as rational analytical problem-solving has been observed in cases of micro/organizational level change, but does not capture adequately the complexity of macro-level reform that encompasses several organizations and sectors of society (March & Olsen 1983). It is easier to merge formal legal structures by design than to merge deep-rooted organizational values and informal practices (Olsen 2010: 58-68), and change as analytical problem-solving is more likely when there is a clear hierarchical center and political and administrative leaders pay attention to change processes and organize capacity for implementing administrative reform (March & Olsen 1983).

Analytical problem-solving is also dependent on the structural conditions under which change takes place (Egeberg et al. 2015). In loosely-coupled organizations where goals are ambiguous, causal understandings are unclear, participation is fluid and attention scarce, reorganization is more likely to be event-driven, sensitive to fluctuations in decision makers' attention, and hence be accounted for by a garbage can model of organizational decision making (Cohen et al. 2012, March & Olsen 1976).

An institutional perspective on organizational mergers (March & Olsen 1983, March & Olsen 2006) sees rule-following and identity-based action as the primary logic in organizations, and gives privilege to norms and ideas over actors' prior preferences and anticipated consequences when explaining organizational mergers. Institutionalization of organizations implies that they develop cultural features, routines and meanings beyond the "technical requirement of the task at hand" (Selznick 1966: 17). As indicated by Simon (1965) in the early formulations of organization theory, the structure and identities of organizations are molded by internal conditions and the interaction the organization has with its environment. In the early (vulnerable) stage, a new organization is in search of its own mission, form, role and identity. This is the time when it develops routines and capacity for handling contingencies and for learning from its own experiences, setting its own path. Since an organization's history is in this way encoded into rules and routines, organizational structures cannot be changed arbitrarily or at will. Mergers are more likely to occur incrementally through local adaptation and local experiential learning than as a consequence of deliberate choice, or as dictated by environmental pressure (March & Olsen 2006). Similarly, an institutional theory of organizational mergers takes into consideration the institutional context, history and legacies of organizations, and expects to see established arrangements being used to create new ones (Stone Sweet et al. 2001: 235). New organizations are likely to be molded by and layered upon the pre-existing institutional arrangements (Mahoney & Thelen 2010, Olsen & Peters 1996). Abrupt and radical change by "replacement" is exceptional and most likely brought about by performance crises and exogenous shocks delegitimizing existing governance arrangements (Streeck & Thelen 2005). The potential for "change by intent" is seen within this perspective as curbed and requiring actors' attention to the legitimacy of organizational forms (Olsen 1997). In institutionalized settings, reformers must be sensitive to perceptions of what is reasonable and appropriate, or use contingent events that enable path-changing intervention (Egeberg et al. 2015).

Also building on institutional scholarship, a theory of organizational mergers as diffusion and isomorphism shifts the analytical focus to external pressures for change stemming from institutional environments and organizational fields (Croucher & Woelert, 2015; Stensaker & Norgaard, 2001; Van Vught, 1996). The main expectation is that changes in organizational structures or establishment of new organizations can be explained with reference to the imperative of "rationalized myths" and widely-held ideas and norms on how to organize modern governance arrangements that create pressure for similar structural change (Meyer & Rowan 1977, Meek, 2014, Tolbert & Zucker 1983, Van Vught, 2008). Under conditions of ambiguity and uncertainty legitimacy-seeking organizations will adhere to cultural rules and cognitive templates within the wider institutional environment. Structures and procedures associated with modernity – such as the independent specialized regulatory agency, autonomous central bank, "public-private partnerships", "joined-up government" (see e.g. Christensen & Lægveid 2007, Groenleer 2009, McNamara 2001) – spread from one organization to another, between different national and sectoral governance systems. Pressures come in waves – such as "merger fevers" (Pinheiro et al. 2015) – as short term organizational fashions (Abrahamson 1991), or as long-term, deep trends with global reach (Meyer et al. 1997).

Beyond the main idea that organizational change is solution-driven rather than problem-driven, institutional sources of organizational change can be associated with several types of mechanisms (mimetic, normative, or coercive (DiMaggio & Powell 1983)), types of carriers (states, international organizations, consultants, professions, or transnational networks of administrators or academics). Moreover, elaborations of this perspective have identified a complex dynamic where cultural rules are not simply spread, but filtered and translated (Sahlin

& Wedlin 2008), questioning the reproductive reliability of organizational templates and hence also isomorphism as an outcome.

Data and methods

The Norwegian structural reform formally started with a letter from the ministry to the higher education institutions in May 2014. As mentioned, the institutions were asked to evaluate their own place and position in a landscape with fewer institutions, and which institutions would be preferable merging partners. The ministry indicated at this time that it could force institutions to merge if necessary. In response, all the institutions submitted self-evaluations to the ministry. In the white paper three groups of institutions were presented: category 1 mergers consisted of 14 previous institutions merged into 5 institutions. Four of the new institutions consist of a university merging with one, two, or three previous university colleges. One of the mergers consists of a merger between two former university colleges. Category 2 in the white paper consists of mergers that are to be considered. Category 3 consists of a wide variety of university colleges, specialized universities and universities whose place in the higher education landscape will be considered based on a set of quantitative criteria. In this paper we analyze the first category, the suggested mergers (by the time of the writing of this paper, one of the suggested merger processes stopped, as the two institutions decided not to merge) The data consist of the documents submitted from 14 Norwegian higher education institutions to the Ministry of Education and Research during fall 2014 (HBV, 2014; HiG, 2014; HiHarstad, 2014; HiNarvik, 2014; HiNesna, 2014; HiNT, 2014; HiST, 2014; HiStord/Haugesund, 2014; HiTelemark, 2014; HiÅ, 2014; NTNU, 2014, 2015a; UiN, 2014; UiS, 2014; UiT, 2014). This means that we explore mergers that have been proposed by the ministry based on the self-evaluations and other considerations.

The choice of documentary analyses was based on a twofold argument. First, it was based on the need for establishing a stable empirical basis for the analysis. As mentioned, times of mergers are turbulent times, in our case the whole national higher education sector was put under pressure and animated discussions were taking place. Interviews were regarded as potentially giving us a more superficial, fluid and potentially biased documentation of the institutions' considerations at the time. As documents were already written the choice of these documents in particular was based on a need to cover real-time processes that would communicate information about the institutions' strategic considerations. The self-evaluations were written in the intersection between strategic documents for the institutions, and strategic responses to ministerial preferences. The documents were free-form, but all institutions were asked to elaborate on who they would like to merge with (not if they would like to merge), and the potential gains of mergers. The self-evaluations can thus be seen as especially interesting for analyses of argumentation when there are limited degrees of freedom. The writing process of the documents differed from institution to institution, but because of the relatively short time available, high-ranking administrative and scientific leaders were directly involved in the writing process. This also means that the documents reflect only to a very small degree democratic processes and broader viewpoints from the institutions. Furthermore, this would also mean that the documents function as argumentation within the institutions, in a top-down manner, where the academic leaders are given an opportunity to promote their strategic decisions.

Potential gains and strategic dilemmas in mergers

In this section of the paper we analyze in depth the documents submitted by 14 institutions, 4 universities and 10 university colleges to the Ministry of Research and Education as part of the ministry's preparation of the white paper during 2014 and 2015. Four of the suggested mergers are cross-sectoral (universities merge with university colleges), three of them including more than two institutions. Table 1 summarizes our reading of the self-evaluations; we have looked for the preferred university/university college with whom to merge as expressed by the institutions themselves, as well as their justification in terms of potential gains and strategic dilemmas expressed in the self-evaluations.

<Table 1 about here>

Table 1 Institutional priority and justification for merger

Following the optimistic tone of the social engineering perspective, as summarized in table 1, the statements from the universities are overall reform-optimistic. They assume both that mergers are possible, and that mergers are generally a good thing. They also assume that they have both the will and the ability to merge. Some justifications given for why merger is a good solution fit with an organizational approach, tending to see reform as an instrumental device to reach some future goals. Examples of this would be to internationalize the university, following up national policies, and advancing regional cooperation. One indication of rational calculation is how some universities or university colleges compare their institutions with respect to capacities, funding, complementary academic profiles, and so on. It suggests some degree of analytical problem-solving by comparing reasons for solutions.

For instance, the statement from the HBV argues that merging with the nearby HiT:

will increase HBVs chances to realize strategic ambitions. The two institutions are rather similar regarding vision, strategic ambitions and with a strong regional profile. They are geographically close and have long-lasting traditions of academic collaboration. Their size is similar; both institutions are multi-campus institutions emphasizing closeness to and relevance for regional work life.

Nevertheless, several of the institutions reflect upon strategic dilemmas and challenges embedded in the choice situation they confront. For example, HiNT argues that:

The study program profile is tailored towards the region's demand for competence. However, the danger of staying alone is the threat of losing key competence to other and larger institutions. It may represent a large challenge if the institution stays alone and remains a very small actor compared to the rest of the sector.

The TINA argument

The TINA syndrome, or TINA argument, was originally a slogan used by the [Conservative British Prime Minister Margaret Thatcher](#), alluding to the challenge that "there is no alternative". In studies of institutional change, the TINA syndrome suggests that organizational solutions are selected without any clear problem at hand. Consequently, a reform solution may be presented as without (realistic) alternatives.

In our material, one important observation is that despite the fact that the institutions compare alternative solutions in terms of their expected consequences for goals, there is an explicit expectation to merge expressed in the letter from the ministry, together with mentioning the possibility of using governmental force to merge. As such, despite the careful analyses of the problems that each institution has encountered, what alternative solutions are possible or

desirable, and what consequences may emerge from each, one may ask whether this is a process where the solution searches for problems. Several universities apply the TINA argument. For example, HiNesna points out:

According to the ministry, to stay alone is not an option. Based on that, do HiNesna consider [the alternative] “a school of the region” within UiN as the one that contributes the most to fulfill the strategy of the institution.

Justifications for this solution, however, are presented in the jargon of an instrumental actor aiming to be strategic. One indicator of the lack of analytical problem-solving is that the problems and solutions are phrased in fairly general terms, and the causal link between them is unclear or implicit. One example of both is focusing on similar visions in each institution. These visions are unclear and quite broad statements which give little guidance in practice, and the link between these visions and a merger remains often unspecified. However, one could interpret this as rational calculation within the sphere of influence they are given. They are not evaluating whether to merge or not, since they perceive this as not an opportunity they are given. As a side note, other institutions, those which ended up in one of the other two groups (those who would be considered for mergers and those who were to be evaluated based on their scores on the quality measures) argue otherwise.

Another indicator that the “strategic mergers” are more affected by the TINA syndrome than rational considerations can be found if we look at the proximity of the institutions attempting to merge. In most cases, the institutions are neighbors. When mergers and strategic decisions are made with emphasis on similar visions, strategic ambitions, similar regional profiles and educational portfolios, it should be noted that this is more a case of similarities between all the pre-merger institutions, especially the university colleges. These institutions were based on mergers of occupational schools and shorter professional education programs in the late seventies and eighties. The governmental argument for this was to a large extent based on regional development and economic demands, where each region needed a variety of educational programs in order to cater for educational needs in an economic growth period (Kyvik, 2002a). In the nineties, the different regional programs were merged into university colleges, but still these colleges could to some extent be seen as regional equivalents to each other. Thus, when the arguments in the current merger process are based on similarities with the neighbors, the same argument could to some extent be used on any university college in Norway. When the merger-alliances are described with similarities in vision and profile, it can be seen as an indication of the TINA syndrome. The proximity factor in the merger process is illustrated with the map used by the Ministry of Education to illustrate the process:

<Figure 1 about here>

Figure 1 Official map over potential merger partners, and their geographical position. Taken from the websites of the Norwegian Ministry of Education and Research, with permission (<https://www.regjeringen.no/no/aktuelt/store-endoringer-i-universitets--og-hoyskolesektoren/id2469103/>)

With the exception of the mergers between HiÅ, HiG, NTNU and HiST, all proposed mergers are between neighboring institutions. The last few years have seen a few mergers as well, all between neighboring institutions. The merger between HiÅ, HiG, HiST and NTNU, the only non-geographical process, stands out in the argumentation in table 1 as being far more oriented towards complementarity and national gain than the other institutions.

On behalf of the ministry the reform was promoted as a reform to enhance quality: “the aim is to ensure high quality in all academic courses offered by universities and university colleges”

according to the minister (Ministry of Education and Research, 2014). One of the pressing problems was small and fragmented institutions, and it was argued that one needed to cater for “robust academic research environments that provide good quality higher education and research” (Ministry of Education and Research, 2015d). The ministry stated that the need for reform in the university and university college sector was based on too many study programs that are too small and vulnerable. Second, the quality of the research was seen as not good enough. It was also emphasized that several universities were struggling in terms of recruitment:

We currently spread our resources for research and higher education too thinly, and we have too many small and vulnerable academic environments that offer the same programs. Many small institutions are also competing with each other instead of cooperating (Ministry of Education and Research, 2015e)

Furthermore, it was stated that at several university colleges,

- employees have low levels of formal expertise
- less than 40 percent of employees have a doctorate or have conducted equivalent academic work

Based on this, it was stated that in the future we need strong academic environments that can carry out research on important social challenges and find great solutions. Although there are many strong academic environments in Norway, international comparisons show that Norwegian research fares less well than research from our neighboring countries, and Norwegian higher education institutions obtain less funding from EU programs. Finally, insufficient progression and finalization of thesis in doctoral programs supported from The Research Council of Norway’s evaluations that academic environments are vulnerable because of small size and lack of stability (Ministry of Education and Research, 2015c).

In this context, it is striking the way the reform by the proposed merged institutions is promoted as a major instrument to cater for regional relevance (see table 1). Seemingly this is not a case of translation – e.g. from quality as a means to cater for excellence and an academically “robust” organization of higher education institutions, to quality as a means to cater for increased local and regional relevance. An alternative interpretation is more in line with a solution-driven reform: the solution is mergers, while the gain seemingly differs when one compares the line of arguments promoting the reform as seen from the ministry to the line of arguments promoting the reform as seen from the institutions.

Governanced mergers

It is not surprising that the institutions presented the strategic challenges in an overall reform-optimistic perspective as long as they were asked to present their view of how their institution would find its place in a Norwegian higher education landscape with fewer institutions. Besides the 14 institutions that form part of the empirical basis for this paper, 22 other institutions either form part of mergers to be further discussed and whose place in the landscape depends on how they meet the listed quality criteria in the white paper. To explore in greater depth the strategic dilemmas the institutions experience, the remaining institutions should preferably also form part of the analysis. Moreover, one can expect that strategic dilemmas and challenges for the governance of the merged institutions will be more pressing during the implementation of these governanced mergers. Institutional governance structures refer to practicalities such as formal organizational structures, but also to these structures’ institutional sides providing “the central

forum for the struggle over what these institutions are or should be, and the complex and evolving relationships between academics, students and external interests” (see also Frølich & Caspersen, 2015; Reed, Meek, & Jones, 2002: xv).

Institutional governance has been at the heart of many governance reforms across the globe. The development of Norwegian higher education institutions echoes many of the international processes. The end result is, however, still to be judged, as the mergers are only in an early phase and will develop further in the coming years. Harman and Harman (2003: 31-33) argue that a number of dimensions come in to play in mergers: the extent to which they are voluntary or involuntary; whether they are consolidations or “take-overs”, single sector or cross-sectoral; two-partner or multi-partner; and the extent to which the merging institutions have similar or different academic profiles. Harman and Harman (2003: 38) state that typically mergers between institutions with complementary missions and cultures (within universities or within university colleges) appear to work better than mergers across universities and colleges. Considerable attention has been paid to the role of government and institutional leaders in mergers regarding policy and administrative issues; however, Harman and Harman (2003: 37) argue that less attention has been directed to the role of organizational culture in successful mergers, and point to the potential conflicts arising when non-complementary cultures are merged.

According to the authors, a key challenge for institutional leaders is to manage the cultural dimension of mergers. The argument is that, typically, academics at universities and university colleges have different loyalties and values which represent a particular challenge in cross-sectoral mergers. In a recent review of literature on institutional governance structures Frølich and Caspersen (2015) noted the study of Puusa and Kekäle (2013) who investigated a merger process between two Finnish universities. Puusa and Kekäle found that the leadership of the merged university was weaker than the leadership of the two former universities, owing to the lack of time and grounding of the top-down administratively-run merger process. However, the merged university seemed to have gained efficiency in administration, and realized financial savings. The study found that despite resistance to the merger, the academics became even more committed to their work and to their close colleagues during the merger process. Moreover, Kyvik and Stensaker (2013) examined the factors that affect the decision to merge among higher education institutions. They noted that a successful merger process can be characterized by the fact that the initiative for the merger came from the institutions themselves and included only two institutions; unsuccessful merger processes, with slightly more complex mergers consisting of more than two institutions, would result in multi-campus institutions.

Seen together, Harman and Harman (2003), Kyvik and Stensaker (2013) and Puusa and Kekäle (2013) all point to factors that complicate mergers after the decision to merge is taken. Such findings imply that it is the process after mergers, not the seemingly rational deliberations under external pressure that is crucial for a successful process. In the implementation phase after the merger is decided, processes of translation into different institutional settings also help create a bumpy road for the new institutions (Sahlin & Wedlin, 2008).

Conclusion

By unpacking the strategic dilemmas and the consequences envisaged for institutional governance of mergers in higher education, this paper contributes to our knowledge on

governance, strategy and mergers in a changing higher education landscape. According to one line of reasoning, these mergers can be seen as organizational engineering in the sense that they emerge from the self-evaluation process. From a different perspective, none of the mergers could be characterized as organizational engineering on behalf of the institutions themselves, as the pressure for merging probably was strong. As such, they are subject to governancing on the part of the ministry.

Moreover, due to the strong normative pressure for mergers, the reform seems “solution-driven”, with more emphasis on pre-merger rationalization than post-merger implementation. In the strategic documents analyzed in this paper, little attention is given to key factors for mergers as discussed in the previous section. Although the strategic documents should be seen as strategic responses to national governancing, it can be argued that it would have been natural to include conditions for a successful merger in their strategic responses. The lack of such deliberations emphasizes that mergers, and in most cases mergers with regional neighbors, was the only available alternative. There was no need to discuss how mergers could be most successful, or how mergers should be accommodated. The independent role of the ministry to drive through mergers of the higher education institutions could also be questioned, since the government was working with parallel mergers in other spheres of the public sector at the same time. The Ministry of Education and Research could have been influenced by these processes, something this paper could neither confirm nor deny.

These cross-pressures have significant implications for the governance of higher education, not least as it is often accompanied by increasing institutional autonomy, paired with new mechanisms for control). This implies placing the responsibility for strategic direction and choice upon the institutions themselves. In the same way, (academic) leadership in higher education institutions is challenged by these global trends, as leaders at all levels struggle to find their place in the changing landscape of higher education. Our contribution to this debate is to provide a closer look into the strategic deliberations in one HE system in transition. Our findings suggest that the strategic deliberations seem to discuss only the apparently available merger options, with “availability” mostly understood as geographical proximity. The discussions in the strategic papers focused to a small extent on how the mergers can be successful, or in-depth discussions of how they can develop the institutions in practical ways, but lean on general formulations of shared visions and complementarity. The outcomes of the mergers are therefore contingent on how the mergers are actually implemented, a part of the process that is under-communicated. By exploring mergers through a differentiated analytical lens, organizational engineering and institutional approaches at the same time, it is possible for us to unpack strategy dilemmas in a nuanced way.

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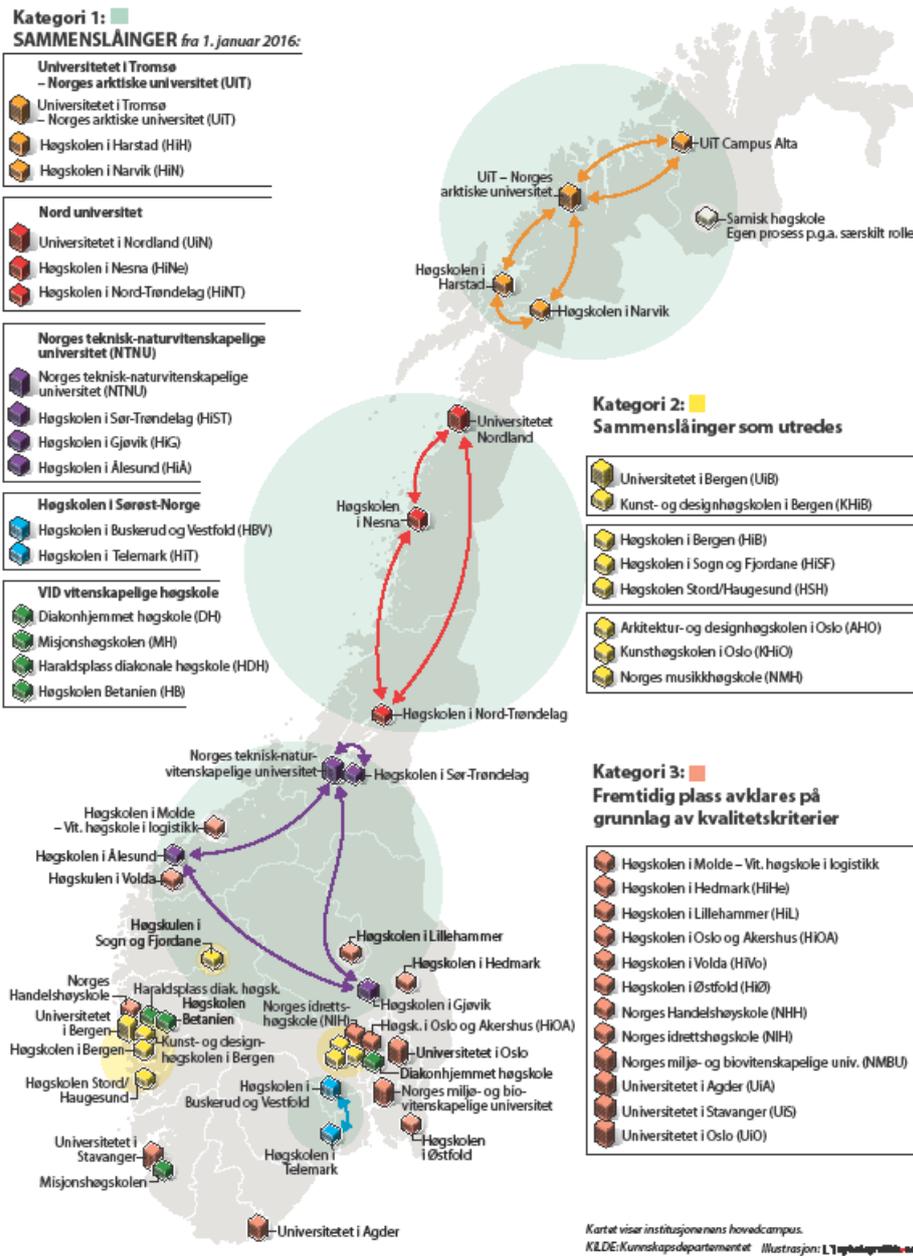
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Figure 1



| Institution | The institution's priority | The institution's justification |
|--------------------|--|--|
| HBV | Merge with HiTelemark | The merger will increase HBVs chances to realize strategic ambitions. The two institutions are rather similar regarding vision, strategic ambitions and with a strong regional profile. They are geographically close and have long-lasting traditions of academic collaboration. Their size is similar; both institutions are multi-campus institutions emphasizing closeness to and relevance for regional work life. |
| HiG | Merge with NTNU | The merger will enhance HiG's strategic potential. It will enhance the region's development and the potential for increased collaboration with the other local university college, it increases the potential for national and international recruitment and educational, research and third mission collaborations |
| HiHarstad | Merge with UiT (together with HiNarvik) | The merger has the largest potential for fulfilling the Ministry's aim which is to establish two universities in this part of the country. UiT has identified three academic/professional fields where the two institutions can enhance each other. UiT consists already of several professional educations; the two institutions have several similar strategic priorities; UiT's basic funding is largely better than the other university of the region; UiT has a broader educational profile than the other university; UiT has well developed research administrative capacity and competence; UiT has already the experience of two previous mergers; HiHarstad and UiT have already a well-established cooperation; the merger can enhance the academic relations between technology, economy and management studies |
| HiNarvik | Merge into a large university in the region or stay alone – however, these are not real options according to the ministry. Given the alternative, establishment of two universities in the region, HiNarvik prefers to merge with NTNU | HiNarvik's aim is to remain an attractive campus meeting the demands of the industry and regional work life |
| HiNesna | Stay alone or merge with UiN | The region recommends that there is an independent institution in the region which in particular caters for the demands of the region. However according to the ministry, to stay alone is not an option. Based on that, do HiNesna consider the alternative "a school of the region" within UiN as the one that contributes the most to fulfill the strategy of the institution |
| HiNT | Stay alone, merge with HiST or merge with UiN | To remain independent can fulfill HiNTs strategy. Merge with HiST is an alternative, tough HiST has not suggest this. The two institutions have complementary academic profiles, however, the local dimensions seems stronger at HiNT than HiST. Merge with UiN, the institutions have both similar and complementary academic profiles. There are challenges related to geography that has to be dealt with politically. |
| HiST | Stay alone or merge with NTNU – which HiNT also could do, not interested in merging with HiNT | The two institutions have complementary academic profiles, the merged institution would together provide a large and varied educational profile and improved research environments |
| HiStord/Haugesund | Merge with UiS | The two institutions are geographically close; they have both academic similarities |