

PERFORMANCE BASED EVALUATION AND FINANCING IN EU COUNTRIES' HE

Zlatan Car

University of Rijeka, Centre for Advanced Computing and Modelling (CNRM), Rijeka, Croatia
zlatan.car@uniri.hr

Abstract: The issue of quality of higher education is one of the most important issues. This idea has been important for a while in the whole Europe. This problem could be addressed from many different perspectives. For the purpose of this paper as well as project we will present the possible road map for development and implementation of performance evaluation system for Serbian higher education institutions and system as whole.

On the other hand, it is very important to mention that similar systems exist in number of EU countries. The number of EU countries have been introduced performance-based system, measurement as well as funding of higher education institutions based on performances (Austria 2002, Denmark 2007, Finland 1994, Germany 1990s, Ireland 2012, Netherlands 2012, UK 2012). Generally, they have different goals such as: to improve performance in core activities – higher quality (weeding out underperformers; increase efficiency); to enhance accountability and transparency (informing stakeholders; support dialogue and trust); to encourage HEIs to strategically position themselves: diversify; and to align national and institutional policies and activities. Serbia needs to interconnect its effort with EU environment and to provide and use the best experience from EU in development of its model that will be compatible with EU, on the other side the Serbian model could be used in other similar countries or as the basis for the further development of EU models, or development of joint EU model. Croatia's higher education funding model:

- historical (determined by the allocation from the previous year)
- input-based (number of state-subsidized full-time students, the number of employees, other material expenses)
- Introduction of output (performance) based funding
- Salaries for staff represent almost 90% of the budget of higher education institutions.

Major challenges: under-funding, the lack of equity and transparency in budgetary allocation, an unbalanced education budget, both in terms of expenditures and the sources of funds, and the lack of synergy (legislative, professional and institutional) for system change. The allocation mechanisms are rigid and based on incremental budgets with allocations from previous years.

Key Words: Performance-based evaluation in EU, Performance-based funding of HE, Croatian model