

## *The finances of the transforming ULLL in a changing market*

### Case of Finland

Jukka E. Mäkinen  
Development Director  
University of Tampere (UTA)

### Agenda

- Intro
- Case of Finland
  - Overview of the current situation
- Keys to survive: 5 levels
  - Cases
- Conclusions, some ideas for future





## Intro

- Current position
  - Development Director (with mixed portfolio) at the University of Tampere
- Work Career
  - Over 20 years experience of ULLL, different positions
  - Earlier: Project Manager, Head of Development, Unit Manager, Director of UCE centre
- National networks and policy work
  - Chair of UCEF since 2015-
  - Member of ULLL Committee 2017 (Ministry of Education and Culture)



## UTA and Tampere

- UTA: multidisciplinary university in Finland
  - Profile: Society, Health and Management
- Ongoing merger process of 3 HE institutions in Tampere (#tampere3), 1.1.2019
  - UTA, TUT, Tampere UAS, 35.000 degree students
- Tampere City and Economic Area
  - 230.000 | 500.000 inhabitants
- A popular place to study



## Case of Finland

- Wave of change in HE structures since 2010
  - "Too many HE institutions, similar small units"
- Political opinion is strong on "free of charge" HE
  - No tuition fees; HE degrees are free of charge for individual (inside EU/EEA countries)
  - Open University offers multiple choices and is "reasonable priced" for everyone
- Societal engagement/interaction is fastly rising topic; seeking for more impact to society
- ULLL has been pushed step by step more and more far from the core functions in universities



### Statement

Finland has a great formal education system. It is highly valued.

But there are some issues and areas need for development.  
Especially concerning adult education and HE adult education (ULLL).



## Unbalanced markets

- The unbalanced education markets in Finland have driven the university continuing education centres into a tight economical frame. Universities have at the same time concentrated their focus more and more on research and degree education.
- The market arena for full cost education products has narrowed. The clients (companies and individuals) have more options to choose from in the attractive low-price or free-of-charge solutions based on government funding.



*"When you offer something valuable without fee (for free of charge), it creates overdemand"*

*Roope Uusitalo, Professor of Economics (Finland)*



## Burning Questions for Finland

1. How can a small country (like Finland) hold and enhance its capability in international competition?
  - The answer is: we can't be that cost effective, we need to be smart effective
2. What can we do to be more smarter in education?
  - The answer is: we need now reformulated ULLL policy and based on that a redefined education system for adults reflecting model for "post experience education" to academics



# 5

Policy  
Markets  
University  
Unit  
Program

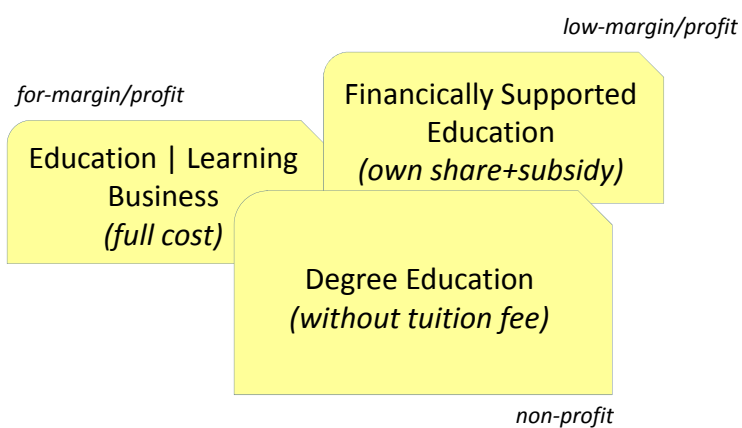


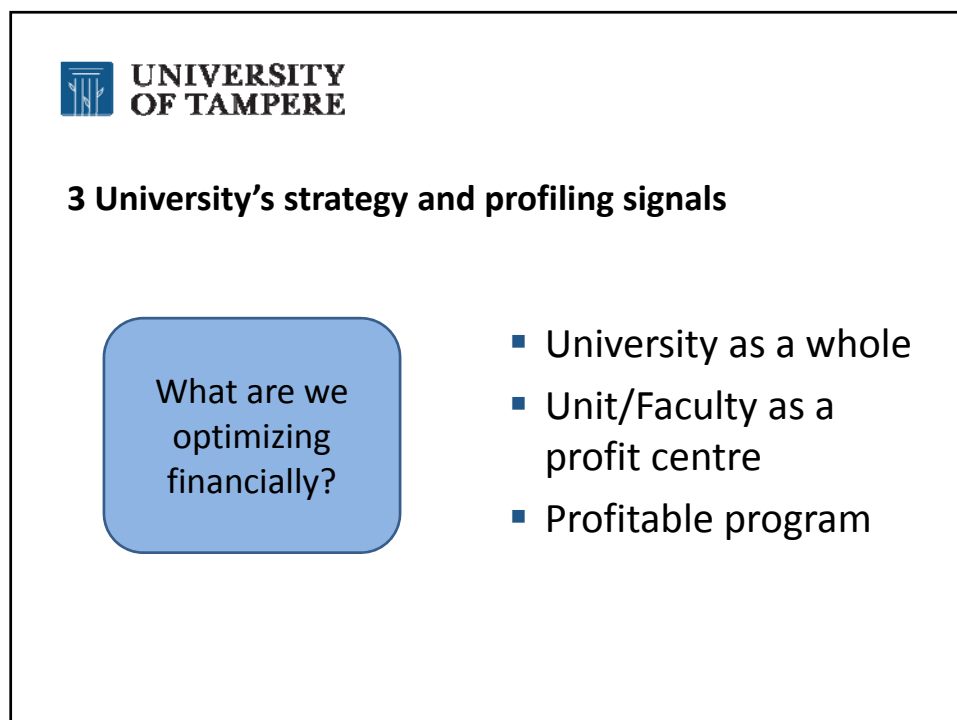
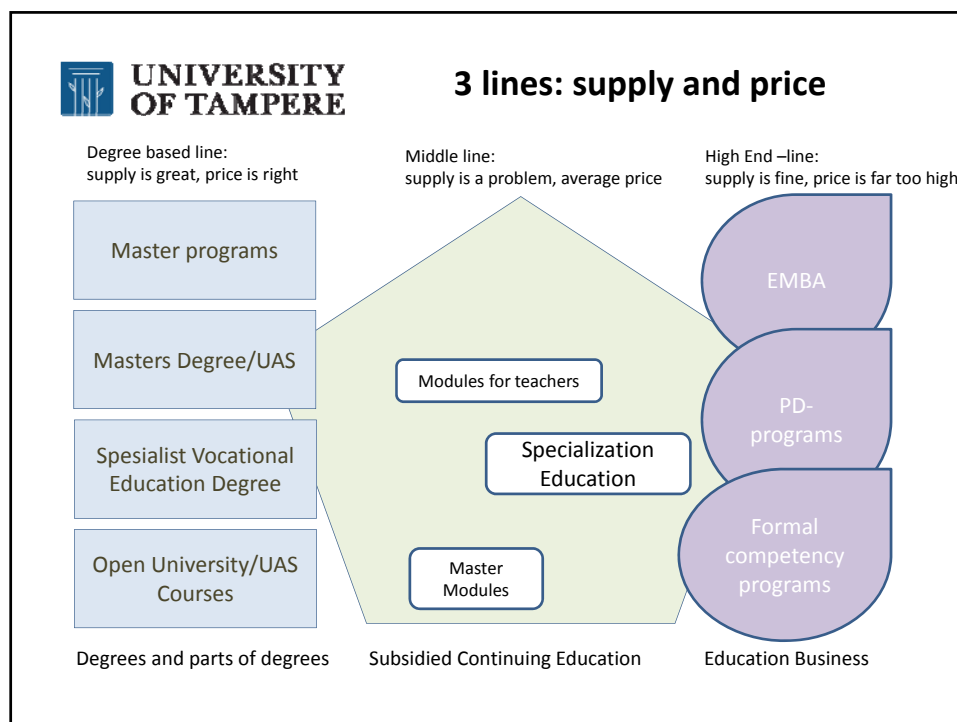
## 1 System and policy level

- How can we influence?
- Government policy of ULLL
  - Do one have a clear policy and tools to implement it?
  - How is the policy affecting?
- Subsidy policy
  - Basic or targeted subsidies?
  - How can we measure the wanted/unwanted effects of financial steering?
  - Reallocation of resources based on data and analyses



## 2 Changing education markets: arenas







## Sources of funding

### *Customers*

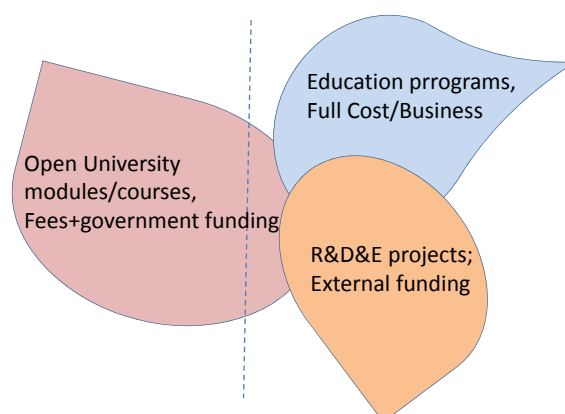
- Program | service fees
- Contracts
  - (with companies and public organizations)

### *Institutional based*

- Government support: university or program
- EU-funding instruments for R&D&E –projects
- Labour policy education programs
- Fundraising



## UCE Centre: Current service arenas





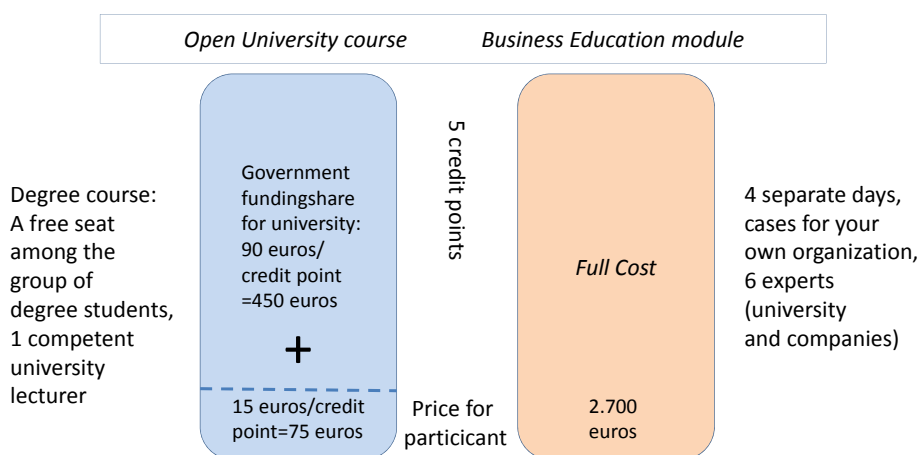


## 4 Unit level

- Relations with the university actors
  - Are we getting any basic funding from university for units frame structure?
- Management of budgeting
  - Do we have any influence on overheads (targeted from the university)?
  - How can we balance fixed cost vs. variable cost in a units budget/balance sheet?
- *New incomes or cutting costs?*
  - *"Push for new products and better service"*
  - *"Cutback management: cutting personnell costs and seeking for cheaper locations"*



## Case of comparison "Customer and user experience" -module, TUT, Finland






## 5 Program/Service level

- Business education programs are facing hard competition
  - selling the programs is extremely tough work
  - customer relations (management) is a key area for success
  - topics and content of programs must be on the front edge and ahead of others
  - time is money while an expert/manager is joining and learning
  
- *"Cutting costs inside the program and selling better and more"*



## Conclusions


- How to ensure a financial sustainability to ULLL activities?
  - we need influence and actions on all 5 levels mentioned, no easy tricks available
- Societal interaction as a service
- Balanced, multishare funding model
- More power and money to gain impact on post experience education
- Future business/service model for ULLL/UCE
  - *"customer insight is pulling the value chain"*

 **UNIVERSITY OF TAMPERE** **# tampere3 and ULLL**

Societal Engagement | Interaction: functions and services | @ # tampere3

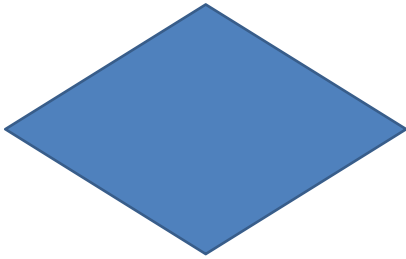
*Learning Business |  
Continuing Education*

ULLL |  
Adult Education and  
Services for Competence Development

 **UNIVERSITY OF TAMPERE**

**Financing ULLL and Post Experience Education:  
four dimensions, four shares**

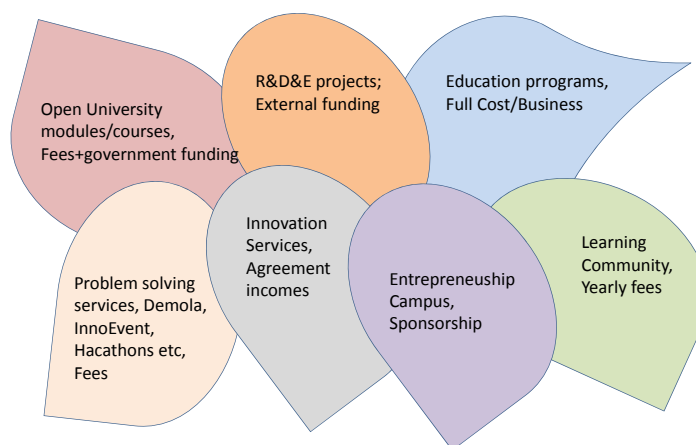
Society



Individual                      Employer

University

### Future option: "Societal Interaction Service Units"



### In short

- The burning question is: can we reallocate the resources to create at the national level a balanced and decentralized financing model of continuing professional development for highly educated, in a manner that will enhance the competence development linked to work and career?