

# Paying Vice Chancellors Sensibly

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Salaries in universities have to be competitive with those being paid outside.

Last week I was in a London meeting of senior business people. They wanted to know how much university middle-managers earned. When they were told, their eyes rolled. Paying that kind of money, they asked, surely will not buy you really good people? I tried to explain that it was a bit more complicated than that. Yet of course they have a point we cannot ignore.

Envy is one of the most human of emotions, but it is important that it is resisted. This issue of *The Higher* carries an article -- now apparently published every year -- on the pay of Britain's vice chancellors. I disapprove of this annual feature and believe it should be scrapped. It is time the British grew up.

An obvious point is that, once we look at the world, it is plain that vice chancellors are underpaid not overpaid. It is bad for any of us, and surely inherently childish, to dwell obsessively on the lives of others. In other aspects of university life there is general criticism, and in my opinion correctly, of league tables and rankings. Yet many university teachers in Great Britain seem to forget this when it comes to league tables of their bosses' remuneration. Suddenly the critics become avid consumers.

First, vice chancellors are chief executives of big, complicated organizations. In the business world, such people now usually earn annually between 500,000 pounds and one million. Many dozens of them actually earn more than a million a year. By contrast, the typical vice chancellor in our country takes home about 150,000 pounds per annum.

Second, whatever some young lecturers appear to believe, being a university vice chancellor is a rough job. It is also one that takes talent and experience. If these statements make you cross, or leave you incredulous, then you are deceiving yourself.

Third, the new white paper on education makes it clear that the government wants university bosses to have formal managerial qualifications. Whatever one thinks about the extent of government intervention in higher education, and I am dubious about the value of having politicians telling us how to act, it is surely clear that the thrust of recent government action has been to worsen the quality of life of Britain's vice chancellors, and to require more and more training for senior academics.

Fourth, university life has changed irrevocably. Financial pressures are severe; plenty of institutions are virtually bankrupt. Higher education now operates in a cut-throat global marketplace. The peculiarly British torture of the infamous acronyms – QAA, RAE, and the rest – leave lines on the foreheads of those at the top of university administrations.

People who ran universities in the heady days of the mid 1960s could not have conceived of the difficulties their successors would face. If you are a vice chancellor, it is now necessary to be a part-time accountant, a part-time fund-raiser, and a part-time politician. Although I believe we still need researchers running universities, having MBA after your name is probably now more useful than having FRS.

Fifth, there is a shortage of good, qualified applicants for these jobs. A great deal of musical chairs now goes on: people switch from one senior job to another. If you speak to head-hunting firms, they are particularly gloomy about Britain's chances of finding the next generation of vice chancellors. One indication is the type of person we are now seeing appointed: Howard Davies may be an excellent choice by LSE but he is nothing like the leaders of old. Renaissance academic men are out. Professional managers are in.

Sixth, take note of North America. University bosses there earn far more than in Britain – typically about double.

Perhaps you react to this by feeling grumpy about your own salary? Maybe you are justified; maybe you are not. Either way, it is not a grown-up reason to object to the remuneration of your vice chancellor.

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