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Leadership Turnover among University Presidents**

This study examines leadership succession among university presidents. Strategy researchers have emphasized that changing leaders is an important organizational decision which is likely to affect the strategic direction of the organization (e.g. Hambrick/Fukutomi 1991). Using longitudinal data on German university presidents and rectors, three issues are addressed: (1) Presidential tenure is related to selected organizational features. One characteristic to which particular importance is attributed in the succession literature is organizational size. This study analyzes on an organizational level how the office tenure of current university presidents and rectors relates to university size. (2) On the level of the overall university system, a longitudinal study is conducted in order to determine how the average tenure of German university presidents changed between 1960 and 2000. Five different methods for measuring presidential tenure are developed and compared. The results indicate a decrease in presidential tenure since the early 1990s. (3) In order to analyze potential determinants of the decreasing time in office, correlation analyses are conducted. The results suggest that public funding for teaching and increasing pressures for reforms are significantly related to presidential time in office. Resource endowments for research are not related to presidential tenure. Finally, the implications of the decreasing office tenure for managing organizational change in universities are discussed.

Key words: **Leadership Turnover, Succession, Presidential Tenure, University Presidents, Organizational Change**

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** Article received: July 21, 2006

Revised version accepted after double blind review: January 28, 2007.

Introduction

Higher education institutions, like businesses, non-profit organizations or the military, face the challenge of leadership succession. Turnover among university presidents is inevitable, and the transition of leadership is likely to affect the ongoing operations as well as the long-term direction of the institution (Neck 1996, Wiersema/Bantel 1992). The perceived significance of a leadership succession event has led to number of publications, particularly in recent years (Boyne et al., 2001). Between the 1970s and 1990s alone, the number of articles on this issue in management and strategy journals rose by 250% (Kesner/Sebora 1994). Most of the studies on leadership turnover have, however, been conducted for private firms (Haveman 1995, Virany et al. 1992), a few focus on public organizations (e.g. Boyne et al. 2001), and even fewer on educational institutions (e.g. Padilla 2001). If leadership succession is an important event in the private sector, it is reasonable to suggest that succession events can have profound effects on change in higher education institutions, too. Cohen and March (1986) have pointed out that identifying the dimensions of when and why university presidents leave their office helps to understand how universities deal with changes in their external environment and how they translate these changes into their internal organizational structures. Since leadership turnover touches fundamental organizational processes such as deep organizational change and structural inertia (Hannan/Freeman 1984), this topic is of particular relevance for managing large bureaucratic organizations such as universities (e.g. Miskel/Cosgrove 1984).

The role university leadership ought to play in initiating organizational changes has also assumed an important place in the current higher education reform debate in Germany. A number of authors and policy makers (e.g. Müller-Böling/Küchler 1998) attribute educational leaders a critical role in determining the levels and quality of university processes and outcomes. Accordingly, the calls to further strengthen university leadership have become louder. Decentralized governance structures with strong and influential university leadership are seen to be more responsive and better able to deal with individual university contingencies than centralized governance systems. If university presidents and rectors gain a predominant influence over what happens to the university, leadership succession should be a significant contributor to the direction of organizational change.

In the last 40 years, more than 660 changes of presidency have occurred in German universities; the number of such changes has increased slightly each year. It is to be expected that changes in the leadership of universities, as among executives in other branches, will occur periodically. In view of the ever shorter terms of office, this article inquires into the reasons for the increasing frequency of replacement. Why are some presidents in office for several tenures of office while others sometimes leave their office shortly after assumption? How has the average length of tenure developed over the last decades? What are the effects of environmental instabilities and constraints on presidential tenure?

In the first part of the study, the literature on leadership succession and tenure is reviewed to formulate propositions that seek to answer these questions. The second part operationalizes the theoretical constructs and outlines the context of the empiri-

cal analysis. The final part presents the statistical evidence produced by applying the model to tenure and succession data of university leadership succession events over a 40-year period.

Theories on leadership turnover

Changing leaders is an important organizational decision. Strategy researchers have emphasized that the characteristics of the CEO as well as his time in office can affect the strategic direction of an organization (e.g. Hambrick/Fukutomi 1991). One stream of succession research focuses primarily on the factors influencing leadership succession and the length of tenure. The most common determinants of leadership succession relate to organizational and contextual factors. Several studies found that succession is often prompted by poor performance of the predecessor. For example, in team sports a change in managers is often precipitated by the deterioration of team performance (Eitzen/Yetman 1972). The replaced manager is “scapegoated”, and it is hoped that changing leadership will improve organizational performance.

A change in leadership is associated with a change in organizational configurations and processes (Meyer 1978). Correspondingly, stable leadership accompanies organizational stability, while frequent leadership succession brings about instability. Several authors have therefore pointed out that succession can be a disruptive event with no or even negative consequences for the organization (e.g. Brown 1982: 1). The replacement of central leaders usually changes the lines of communication, realigns power relations, affects decision making, thereby disturbing the balance of the day-to-day work activities. Another disadvantage of a high succession rate is that they can lead to organizational myopia (Rumelt 1994). An organization suffering from organizational myopia is unable to look towards the future with clarity; its actions are mainly oriented towards the short-term. Leadership turnover can be a significant source of organizational myopia. If a manager expects to move to another organization in the near future, the importance they place on future performance is diminished. Leaders with only a short time in office may be reluctant to initiate deep changes, because their effects would become visible only in the long run, at a time, when the leader has left office. Instead, individuals bias their allocation of attention and effort towards problems that affect current performance.

Major changes are more likely to be initiated by newly appointed leaders, who will attempt to demonstrate early successes in order to gain more discretion later. Outside successors are also more likely to facilitate changes than inside successors, because they exhibit greater emotional detachment in difficult situations, typically do not have long-standing friendships to consider, and are able to evaluate the situation neutrally, unrestrained by previous personal commitments (Miskel/Cosgrove 1985: 93). But outside succession can lead to problems as well. In the context of educational institutions, Birnbaum (1971) suggests that an insider can be the better choice of successor than an outsider. When intra-organizational conflict is high, a candidate from within the organization may be able to better understand and cope with the problems than an outsider. Outsiders joining the school at a difficult time may unintentionally “step on toes” or be unable to discern the source of problems because they lack appropriate historical perspectives (Miskel/Cosgrove 1985: 90).

In addition to the selection process and the origin of the new leader, the length of time a leader spends in office has often been considered in the literature on leadership. Once a new strategic direction has been chosen, the commitment of the responsible leader tends to increase over time. A leader that has been in office for several years can often become increasingly narrow minded and inflexible about considering other alternatives. The longer a leader is in office, the more time there is to institutionalize power relations. Moreover, leaders who have been in office for a long time may rest on previous accomplishments or become complacent. Organizational reality becomes taken for granted, and it is difficult for organizational members to question the strategic direction. Thus, when the external environment is changing and a new organizational direction and structure is needed, it may be unhelpful for an organization to have a leader with long office tenure. Some authors even argue that only once a new leadership has been recruited, can major reorientations be initiated (Tushman et al. 1986, Virany et al. 1992).

Factors influencing leadership turnover

One stream of succession research focuses primarily on the factors influencing leadership succession and the length of tenure. The most common determinants of leadership succession in the literature relate to organizational and contextual factors.

Organizational Factors. Changes in leadership depend on the features of individual organizations that make them more or less susceptible to change their internal structures in response to external events. One characteristic, organizational size, is particularly likely to have an effect on leadership succession (Benson et al. 1987, Haveman 1993: 594). The size of an organization is seen as influencing numerous organizational characteristics, such as communication networks and “administrative intensity” (Benson et al. 1987). A variety of studies have attempted to analyze the relationship of organizational size and succession rates of top leaders empirically (Pfeffer/Moore 1980, Benson et al. 1987). So far, however, it has not been possible to establish a clear link between the two variables.

While some authors found that succession in top executive positions is more frequent in large, bureaucratic organizations (e.g. Grusky 1961; Pfeffer/Moore 1980), other researchers suggested that rates of turnover would be less in large organizations. For example, Haveman (1995: 586) argues that large organizational size buffers organizations from environmental turbulences, leading to lower succession rates as organization size increases. On the other hand, organizational size is often related to a higher degree of organizational differentiation. In large organizations, disparate sub-goals and beliefs often lead to less consensus on organizational actions and policies. This may result in more conflicts among organizational members that are difficult to manage, thereby causing more frequent leadership turnover (Pfeffer/Moore 1980: 391). Another argument is that large organizations tend to be more formalized, with more clearly specified rules of operation. Greater formalization may permit the organization to tolerate leadership succession with less disruption to communication and decision making and fewer changes in its day-to-day operations (Grusky 1961). Finally, larger organizations usually have more qualified persons with the appropriate background for top leadership posts. The availability of contenders for top positions

would help to moderate disruptions caused by leadership succession (Pfeffer/Moore 1980: 390).

How does size relate to leadership turnover in a university context? Large universities typically combine a variety of disciplinary fields under one roof, which can lead to more heterogeneous demands and sub-goals among different departments. The diversity of beliefs and dissent concerning important academic issues is more likely to result in conflict. Conflicts make a leadership position less pleasant, and it could be argued that large universities are therefore confronted with more frequent turnover and shorter presidential tenures. Smaller universities are typically associated with less distinct competencies, less specialized perspectives and more common sub-goals. This could lead to more consensus on educational actions and policies, causing less frequent turnover and longer terms of office.

Other organizational theorists stress, however, that large universities typically develop more formalized and thus more inflexible administrative processes and possess more differentiated internal structures (Haveman 1993). Hence, large universities would be less likely to undertake internal change in response to external forces – including hiring and firing the university president – because bureaucracy is accompanied by structural inertia (Hannan/Freeman 1984). Following this line of reasoning, it could also be expected that large universities will experience less presidential turnover and longer tenure distributions than small universities. These size-related arguments lead to a set of two competing hypotheses:

H1a: University size is positively associated with presidential tenure.

H1b: University size is negatively associated with presidential tenure.

Contextual Factors. Succession theory has advanced the argument that the contingencies and uncertainties resulting from the organizational context can affect leadership tenure and succession. Pfeffer/Moore (1980) found that the more problems an organization confronts and the less predictable the organizational context, the shorter the length of tenure or the higher the frequency with which organizations replace their leadership.

Organizational research has underscored the importance of leadership transitions, particularly during times of organizational stress and external change. Succession is more likely to occur when present organizational leadership cannot cope with current organizational problems, and new leadership would be chosen to provide the organization with the necessary skills, information or network contacts. Such changes in leadership would provide new bodies of knowledge, skills and behaviors, which serve as sources of new ideas in the organization (e.g. Hambrick/Fukutomi (1991), Miskel/Cosgrove 1985: 88) and make an organization more flexible when dealing with current uncertainties.

In recent years, a variety of change initiatives have been launched in the German higher education system. Major recent environmental changes include the restructuring of the one-tier study structure into Master and Bachelor study programs, an increasing importance of third-party funding for research, more decentralized governance structures, and rapid technological advancement. Such environmental changes suggest that German higher education institutions may have become increasingly in-

fluenced by outside forces. Rapid changes resulting from external pressures may be an indication that the position of the presidency has become more difficult and that he or she has also become more vulnerable to environmental pressures. This results in shorter tenure distributions among university presidents. Accordingly, it is predicted that the increasing pressures to change have an impact of the tenure distributions among university presidents over time, resulting in the following hypothesis:

H2: The average tenure has declined since the 1990s.

Which factors influence the duration of a university president's term of office? Some authors argue that environmental change and external constraints can have a decisive influence on leadership turnover. Kerr (1970), for example, identified a number of major problems that university presidents confronted during the 1970s at US higher education institutions, which were responsible for the decreasing time in the presidential office. The environmental problems Kerr cited for the drop in tenure are related to finance, student relations, new directions for programs, and control of the institution (Kerr 1970: 141). Among these, the most urgent and also permanent presidential problem is "money, money, money" (Kerr 1970: 141). In a similar vein, Birnbaum (1992: 22) found that university presidents were more likely to leave office when institutions had undergone significant resource-related pressures. The rationale behind this perspective is that constrained financial resources usually leave little room for university leaders to provide services for the organizational members. Decreasing resources may force decision makers to cut their expenditures, thereby lowering their chances of being reelected and vice versa. Accordingly, the relationship between presidential tenure and a change in state expenditures on teaching and research is predicted to be positive:

H3: The relationship between expenditure on teaching and average presidential tenure is positive.

H4: The relationship between expenditure on research and average presidential tenure is positive.

H5: Average tenure and pressures for reforming higher education institutions are negatively associated.

Empirical Analysis

Measures

The study presented here seeks to expand upon the empirical stream of succession research by analyzing the relationship between presidential tenure, organizational size, resource endowments and pressures for change in the university context. The variables were measured as follows:

- *Tenure*. Data on presidential tenure was collected from the documentation series of the higher education rectors' conference, which publishes changes in university leadership on a yearly basis (HRK 1960-2000).
- *Organizational Size*. Information on the size of universities was collected from the German Higher Education Directory (Deutscher Hochschulführer).¹ Based on

¹ See <http://www.dhf-aktuell.de/>.

the data available for the year 2004, Universities were grouped into four size quartiles. Group 1 contained universities with fewer or equal than 1038 students (N=29), group 2 included university sizes between 1039 and 7759 students (N=30), group 3 sizes between 7760 and 19091 (N=29), and group 4 included universities with more than 19092 students (N=30). It should be noted that a university's student number may change over the course of time. It can however be assumed that the belonging to a quartile group usually does not change.

- *Expenditure on teaching.* The main recipient of university services are the students. The number of professors, lecturers and teaching assistants employed per student influences class size, contact intensity between teachers and student and thus the overall perceived quality in university education. To determine expenditure on teaching, the amount of funding per student (adjusted for inflation) between 1980 and 2001 was used, as provided by the higher education statistics (Statistisches Bundesamt 2004, pp. 35). Since expenditure data was only available for five-year-intervals, estimates were calculated for the missing years. These estimates were based on the assumption that a linear relationship exists between the first and the last years of an interval.
- *Expenditure on research.* Another important source of funding for German state universities are third party funds (Drittmittel) provided for research. Third party funds are also listed in the higher education statistics (Statistisches Bundesamt 2004, pp. 37; p. 53) and were complemented by estimates.
- *Reform pressures.* Universities undergo phases of relative stability and phases in which external stakeholders demand reforms. These reforms are a subject of broader public debate. Indications for this debate can be found in both the popular press as well in specialized journals. In times of change, certain reform rhetoric becomes popular, which can be assessed in written texts. In order to analyze to what extent universities in Germany are exposed to pressures for change, a literature search in two databases, FIS Bildung and WISO, was conducted. FIS Bildung mainly deals with educational topics, while WISO contains articles on economic and general social science literature. Using the combined keywords "reform(s) and higher education" as well as "organizational change and higher education", the number of articles published in these two databases between 1980 and 2001 was counted and used as indicator of pressure to reform at a particular point in time.

Method

The empirical section is divided into three parts.

First, analysis of variance is performed to see if and how organizational size is related to presidential tenure. In a second step, a longitudinal analysis on the presidential tenure is conducted for the period between 1960 and 2001 using the different measures to determine the development of office tenure over the last decades. Third, in order to analyze how financial endowments and reform pressures are related to presidential tenure, correlation analyses are used. Since financial data were only available

for the last two decades, the correlation analysis focuses on the period between 1980 and 2001.

1 *Relationship between organizational factors and presidential tenure*

In order to test hypothesis 1, an analysis of variance was performed to see whether there are significant group differences regarding organizational size and presidential tenure. The dependent variable, presidential tenure was determined by using the mean of university presidents' full tenure at a particular university, i.e. the average number of years presidents spent at a particular university. This number does only include fully completed office tenures. ANOVA revealed that the differences between the four size groups are significant (Tenure: $F_{2, 67}=4.591$, $p<0.05$). The post-hoc contrast showed that university presidents and rectors at the smallest size quartile ($M=2.5$) were in office for a significantly shorter period than university leadership at the two largest size categories ($M= 4.2/M=4.5$). Between the second, third and fourth size quartile no significant differences in office tenure were observed. Since the data indicates a positive relationship between organizational size and presidential tenure, hypothesis 1a can be confirmed, while hypothesis 1b needs to be rejected.

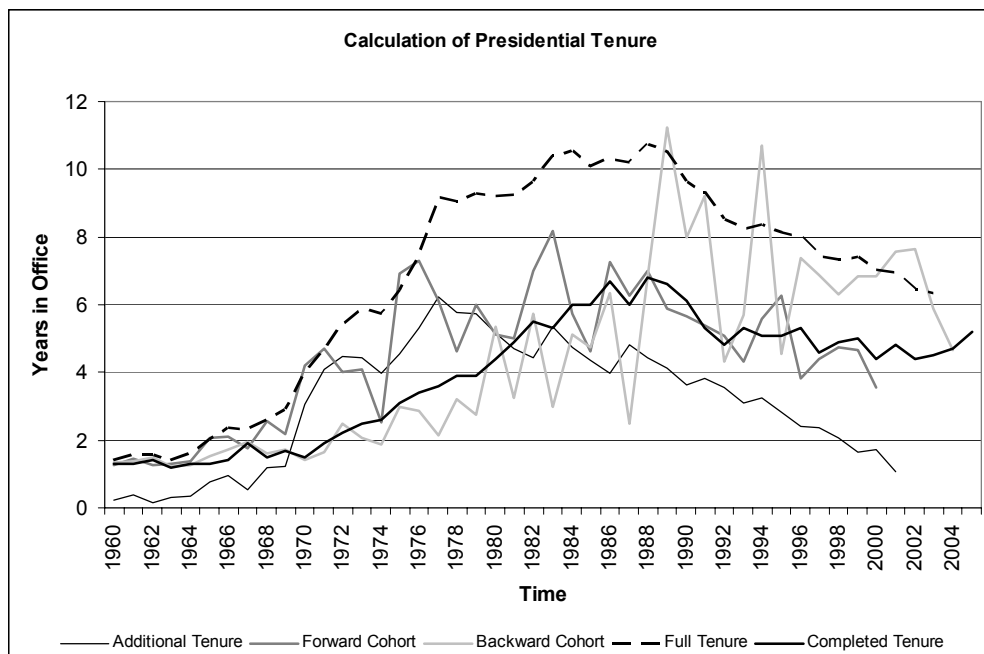
2 *Development of Average Presidential Tenure*

The study of presidential tenure requires some clarification of what "average tenure" means and how it can be calculated. Cohen/March (1986) developed five different measures for tenure of university presidents, which will subsequently be applied to the case of German university presidents and rectors:

- The *backward cohort*. Presidents who leave office in a particular year, e.g. in 1995, are selected and an average of the number of years these presidents have spent in office is calculated.
- The *forward cohort*. All presidents who enter their office in a particular year are included in the measure. The average tenure for 1995 is the average number of years served by presidents entering office in 1995.
- *Additional tenure* includes the years of additional tenure for presidents in office in a particular year. Thus the average tenure for presidents in office in 1995 is the average number of years served between 1995 and the date of leaving office.
- *Completed tenure* includes the number of completed years in office on a particular date. Thus, the average tenure for 1995 is the average number of years in office for all presidents in office in 1995.
- *Full tenure* integrates the completed and the future years in office. Thus average tenure for 1995 is the average number of years in the full term of office for all presidents in office in 1995.

Results

Between 1960 and 2004, 620 'succession events' among university presidents and rectors took place. The time presidents spent in office over this period of time seems to vary rather widely, as is suggested by figure 1.



Depending on which type of tenure statistic is used, the results of the longitudinal analysis suggest different average tenures. The measures based on the forward and backward cohort are more erratic than the other three measures. The reason is that these indicators depend on the number of presidents who either enter or leave their office. If for example in one particular year only a few presidents leave office, the average tenure is based only on a few cases, and the observed time spent in office is then more likely to be due to chance. The same is true for the forward cohort.

Additional tenure only looks at the number of years left until a change in university leadership takes place, thus disregarding the time already spent in office. This measure also underestimates the average tenure for more recent years, because there is no data on presidential tenure data for the future.

The measure full tenure leads to the highest average estimate of office tenure, while completed and additional tenure suggest shorter office tenures. Full tenure only includes completed terms of office. The average is calculated by including the total number of years spent in office for every presidential term. Thus, for a president who spent 8 years in office, the measure full tenure would include in every cell the number 8. In contrast, the measure “completed tenure” would only include the number of actual finished years, starting from 1, 2, 3 until 8 for the whole 8-year term.

Completed tenure also includes not fully completed terms in office, which could lead to an underestimation of the actual time spent in office. Another problem of this measure is that it varies along with the number of office changes. For example, there may be epochs in which more universities are newly founded than in other periods of time. This was the case during the early 1990s, when after the reunification a number

of universities were re-opened or newly founded. If there are many office changes, the average completed tenure is reduced. Since all estimates lead to slightly different results, it seems appropriate to consider them in combination and keep in mind possible distortions when interpreting the data.

Figure 1 indicates that the average time spent in office has increased continuously since the 1970s. This increase corresponds with the reform of university leadership structures for alternatives since the late 1960s. Since then, it was possible for universities to choose between a rectoral constitution, a presidential constitution or a directorate. Besides the traditional rectorate, which usually was occupied for a one or two-year period, universities could also be headed by a perennial, full-time university president, an organizational innovation, which was adopted quickly by several universities (e.g. University of Hamburg, Free University of Berlin, University of Augsburg or the Technical University of Darmstadt).

What is striking about the results is the obvious reduction of the average time university presidents spent in office since the beginning of the 1990s. This development is supported by all five tenure measures, albeit to differing extents. Only the measure “completed tenure” points to a slight increase since 2002, while all other measures indicate a downward movement in terms of presidential tenure. The average full tenure declined from 10.7 years in 1988 to 6.3 years in 2003. The average completed tenure dropped in the same period from 6.8 years in 1988 to 4.5 years in 2003, the backward cohort from 6.8 years to 5.8 years, and the forward from 6.5 in 1988 to 3.6 in 2000. Thus, hypothesis 2 can be confirmed: there is a clear decrease in presidential tenure in German universities.

3 *The relationship between contextual factors and presidential tenure*

Originally it was intended to apply time series analysis to test how much variance in presidential tenure can be explained by the development of financial endowments and external pressures for change. Due to the small sample size (financial data were only available for 22 years), it was decided to turn to a simple correlation analysis instead in order to avoid improper parameter estimation. Since full tenure is considered to be the most common measure for presidential tenure (Cohen/March 1986: 155), it was decided to include only this measure for the following analyses. The results of the correlation analysis are displayed in Table 1:

Table 1: Correlations

| | | Teaching Expenditure | Third Party Funds | Reform Pressures |
|-------------|---------------------|----------------------|-------------------|------------------|
| Full Tenure | Pearson Correlation | .834(**) | -.848(**) | -.915(**) |
| | Sig. | .000 | .000 | .000 |

** Correlation is significant at the 0.01 level (2-tailed).

It was predicted that the relationship between expenditure on teaching and average presidential tenure is positive. The empirical data supports this positive relationship: Teaching expenditure and tenure are strongly associated ($r=.834$, $p<0.01$), which confirms hypothesis 3. Hypothesis 4 also predicted a positive association between average

tenure and expenditure on research, which is not confirmed by the empirical dataset ($r = -.848$, $p < 0.01$). Instead, the two variables are negatively related to one another. The last hypothesis predicted a negative relationship between pressures for change and presidential tenure. The correlation analysis indicates a strong negative relationship which is highly significant ($p < 0.01$), thereby confirming hypothesis 5. There does seem to be a relationship between the increasing reform pressures during the 1990s and the decrease in presidential tenure.

Discussion

This study addressed leadership succession in German universities and its organizational and contextual determinants. The results of the ANOVA suggested that smaller universities are more likely to replace university leadership while larger universities showed significant lower turnover rates. A possible explanation for this pattern is based on Hannan/Freeman's (1984) theory of structural inertia. Large universities tend to develop more formalized and inflexible administrative processes, which makes them less likely to undertake internal change in response to external forces. These longer terms in office bestow the university with stability and continuity, which may reduce costs and conflicts, especially, if changes in the external environment are short-lived or "fashionable". On the other hand, these inert tendencies may reinforce archaic structures which can impede necessary organizational changes.

Using different means for calculating average presidential tenure it was shown that there seems to be a remarkable decline in presidential tenure over the last two decades. The development observed is particularly striking considering the fact that the prolongation of academic leadership positions is considered to be a central element of an increasing professionalization of university management (e.g. Müller-Böling/Küchler 1998). Taking a look at other higher education systems, it becomes evident that this development is by no means unique. Similar developments of the decline in presidential tenure have been observed in South African (e.g. Cloete et al. 2000) or US higher education institutions. Empirical evidence suggests for example that the overwhelming majority of vice-chancellors (72.2%) at South African universities have been in their job for less than five years. Further, the majority of vice-chancellors who were appointed in the late 1990's, did not serve a second term in office (Cloete et al. 2000). Empirical studies from the US also indicate that the average presidential time in office at U.S. higher education institutions has been declining constantly (e.g. Padilla 2000). Padilla (2000) found that among their 200 analyzed research universities the average presidential tenure had reached a historic low of 8.8 years at private institutions and 5.9 years at public institutions (Padilla 2000). The question remains as to how the decline in presidential tenure can be explained. This study attempted to operationalize several contextual factors to examine this development more closely. On first sight, it seems contradictory that teaching funds are positively associated with presidential tenure, while the development of third party funds is negatively associated with the average full tenure. A possible explanation for this observation could be that along with the decreasing state funds for universities, the acquisition of third party funds gains importance. Third party funds are acquired directly by the faculties and institutes and are usually not distributed by uni-

versity leadership. Thus, while the dependence on external resource providers grows, the dependence on central leadership may decrease. This can lead to less dependability and constancy within the institution, whereas the dependence on external constituencies and resource providers intensifies.

As predicted, the drop in teaching endowments per student was positively associated with the decline in presidential tenure. A possible explanation for the positive association between teaching endowments and presidential tenure is that the teaching conditions in German universities are relatively visible and may therefore upset more university groups, including students, parents, and the teaching body. Fewer resources for teaching may increase student and staff dissatisfaction, thereby increasing the pressure on the university president and lowering his or her chances for a second term of office. This explanation is based on the “crisis” interpretation (e.g. Kerr 1970). Kerr (1970) observed an abrupt decrease in tenure of American college presidents in the 1960s and argued that this drop is the result of increasing student unrest and the difficulties presidents had in dealing with those troubles during this period. However, it needs to be kept in mind that the explanatory power of correlated time series data is limited. Further research is needed to learn more about the relationship between external pressures and presidential tenure.

It is debatable whether this development can be described as healthy against the backdrop of the increasing demands for change in higher education. As discussed in the theoretical part of the paper, the consequences of low tenure durations are ambivalent. Some theorists argue that deep changes can only be initiated when a change in leadership also occurs. In this perspective, long office tenure is often associated with organizational inertia and incremental change. Other authors lament the drop in longevity, noting that presidential turnover causes disruption, short-term leaders focus on short-term rather than long-term goals.

In a university context, the problem of structural inertia seems to be of particular importance. According to Kristol, “the university has been, with the possible exception of the post office, the least inventive (or even adaptive) of our social institutions since the end of World War II” (cited in Cuban 1999: 1). One reason for universities’ resistance to change is that highly trained and autonomous professionals, rather than administrators, determine the activity structure of the organization (Zell 2003: 73). Professionals are difficult to control, and top-down change concepts often fail to deliver the intended results (Mintzberg 1979). Universities have also been described as loosely coupled systems (Weick 1976) in which changes in one part of the organization do not necessarily result in changes in the overall structure of the organization. Traditional management concepts cannot easily be reconciled with the functioning and underlying value systems of academic institutions. Trying to enforce change in universities, according to Hardy et al. (1984), is like “trying to fit the square pegs of planning into the round holes of the [university] organization.” Following the work of Mintzberg and Quinn (1998) on professional bureaucracies, change in universities does not take place by announcing new reforms from the top to the bottom of the university. Rather, change in higher-education institutions is a slow process of changing the professionals, changing 1) the criteria for evaluation; 2) the guidelines for who

can enter the faculty; and 3) the values, norms, and knowledge they obtain in their academic career.

These ideas also have implications for the university presidency. First, it is not very likely that a high turnover rate in leadership will lead to immediate changes in highly professional and loosely coupled organizations. Therefore, the benefit of having “new blood” in leadership may have less impact in the university setting than in other types of organization. Rather, change in educational settings is more likely to be achieved when the underlying norms and value systems that guide the institution are subject to change. These changes typically take place over longer time spans and require trust in and commitment by university leadership. Changing the strategic direction too often may instead cause hypocrisy and undermine the credibility of the short-term rector or president. Another argument against short office terms is related to costs. Changing presidents and rectors usually produces costs and conflicts among staff. Both are likely to result after each change in leadership, while the potential consequences of this change in university leadership are likely to become visible only after a longer period of time. Thus, without a longer perspective, there are only few incentives to accept the costs and conflicts that are likely to result from a larger reform project.

Conclusion

Presidential tenure in German universities is decreasing. Possible reasons for this development are connected with the major reform initiatives that have taken place in German higher education but also beyond. The last decade can be described as a decade of higher education reforms on a worldwide scale and some observers even state that higher education has reached a crossroad (Goral 2006). The contextual problems discussed are related to finance, new directions for study programs, and control of the institution. Increasing pressure for change and a perceived decrease in resource endowment may force a university leadership to cut its expenditure, thereby lowering their chances of being reelected. This development has several consequences for initiating organizational change in higher education. For example, it is less likely that universities undergo deep organizational changes. University leaders who expect to have only a short term in office have both less incentive and fewer opportunities to bring about more fundamental change. This is problematic insofar as with the introduction of several higher education reforms the authority of universities was strengthened and along with that, the agency for change was delegated to the individual university and its leadership. The shrinking office tenure reduces the capacity of universities to adapt to fundamental environmental changes, such as increasing international competition, new sources of funding, pressures on practical relevance, new study structures, more mobile students, or the increasing importance of post-graduate education and so on. Against this backdrop, policy makers should discuss whether the formal office tenure, which varies between 2 and 8 years at German state higher education institutions, should be raised, particularly at those institutions with a low leadership term of office. Longer terms of office would give university leadership the freedom necessary for influencing the future direction of his or her institution. Longer terms in office contribute to more auton-

omy, which is in turn the prerequisite for presidential leadership. Or, to put it in the words of former President Eliot of Harvard (cited in: Rainey 1960: 382):

”In short, a just academic freedom for the head of the university is more important than for any other person, or group of persons, connected with the university, for the reason that in education, as in every other function of democratic government, and every branch of the national industries, the problem of how to create and develop real leadership is the most serious problem which confronts democratic society.”

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