

# Chapter 11

## A Complex and Messy Merger: The Road to University of Eastern Finland

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### 11.1 Introduction

The Ministry of Education and Culture proposed structural improvements in universities aiming to enhance the overall performance of the innovation system and its capacity for renewal (Turunen 2008). For this purpose, the Government published in the beginning of 2007 a background report on universities' financial autonomy and administrative status of the reform (MINEDU 2007a). This document shared some views on the 2005 Government decision, and in the OECD Thematic Review of Tertiary Education background report (MINEDU 2005). In the Finnish university sector there were several proposals made to merge universities or to develop their closer co-operation and partnerships, but the focus on structural development has had an impact on the entire university sector, pushing it to implement the Universities Act vigorously, since the first phase of the university reform was focused specifically on procedural questions.

UEF was formally established in 1.1.2010, but the process that eventually led to a full merger had already started in the spring of 2006, when the universities began to negotiate about deeper collaboration. The University of Joensuu (established in 1969) and the University of Kuopio (established in 1966) merged into the

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University of Eastern Finland (UEF) in the beginning of 2010. The merger was one of the main goals for structural reforms established by the Ministry of Education and Culture in early 2008 aiming to reduce the number of universities so as to improve the efficiency and effectiveness of the universities (MINEDU 2008; Aarrevaara et al. 2009).

The two merging universities were about the same size, but had complementary academic profiles. The University of Joensuu offered master and doctoral education in the humanities, natural sciences, social sciences, business, education, agriculture and forestry, theology, and psychology. Although the structure of the disciplines was relatively broad, the focus on education and social sciences was strong. The University of Kuopio, in turn, operated in the fields of social sciences, business, natural sciences, technology, medicine, health and pharmacy. The University of Kuopio was particularly regarded as a research-intensive university, having a strong focus on medicine and related fields. Molecular medicine, bio-technology, and medicine and environmental research formed a strong teaching and research center in the University (MINEDU 2007b). The two universities thus provided education in the different disciplines, which did not justify rationalizing course offerings and research in order to achieve cost savings and effectiveness (Harman and Harman 2003).

The merger involved both governmental and institutional initiative which is characteristic of contemporary higher education mergers. While the majority of mergers internationally had previously been solely government-initiated aiming to solve problems of fragmentation, the institutions themselves have become increasingly active in seeking a suitable partner to merge with (Harman and Harman 2008). The UEF merger process was initiated by the Ministry of Education and Culture as the part of the structural development of Finnish higher education, aiming to enhance the international competitive advantage of Finnish universities (cf. Tirronen and Nokkala 2009). Initially, the Ministry suggested a strategic alliance between the two independent universities. As the process evolved, however, the collaboration took – from the universities' own initiative – the form of a full merger. The UEF merger can be considered as a voluntary merger as described in the introduction chapter of this volume.

There was a full reason to expect a relative smooth merger process. As it turned out, however, the complexity of the merger process became evident only after the actual merger in 2010. It seems that the complexity was related to the divergent academic cultures in the two merging universities and how the merger was initiated and communicated by the management of the new university. The academic, administrative and management culture was very different in the University of Joensuu and the University of Kuopio. The challenge to merge such divergent cultures, and to create a shared academic culture as well as to bring internal coherence to the merged institution has been widely recognized in the extant literature (Buono and Bowditch 1989; Martin and Samels 1994; Harman 2002; Norgård and Skodvin 2002). As Harman and Harman (2003, 37) note, the integration is particularly demanding when historically and symbolically non-complementary cultures are merged: “even when institutions seem to be highly compatible and able to achieve

profitable merger synergies, they often possess underlying cultural difference that can seriously impede integration”. Cultural elements are deeply embedded in academic institutions, and therefore they have a great influence on institutions’ everyday activities (ibid).

More specifically, different disciplinary cultures have also been recognized and their differences have been described in the extant literature (e.g. Becher 1987, 1994). It has been observed that disciplines have their distinctive cultural characteristics, due to which they differ both on social behavior and on their epistemological considerations (Price 1970). Despite of this, the significance of disciplinary cultures is being largely ignored in university merger practices – as was the case also in the UEF merger. While the culture in the University of Kuopio, with a strong Faculty of Medicine, could be characterized as overriding, straightforward and managerial, the culture of Faculties of education and social science at the University of Joensuu was rather negotiating and collegial. The new university was developing a ‘virtual culture’ in terms of Berquist and Pawlak (2007), aimed at achieving technological and social modernization with its roots as well as a sense of community.

In this chapter, we address the issue of complexity by illustrating it with the case of the merger of the University of Eastern Finland. We aim to describe and analyze the merger process by answering the following (research) questions: what were the key goals of the merger and the rationales of it, how the merger process progressed and how it was implemented and what were the outcomes and key effects of the merger. These questions are studied particularly from the viewpoints of education, research, organization and management. We consider the case of UEF as an example of a full merger, in which all assets, liabilities and responsibilities of the two merging institutions were transferred to a new entity. Although, the differences between the campuses of the UEF still exist, the university is slowly moving towards coherent educational communities and cultural integration (Harman and Harman 2003). Research data for this chapter consists of the memos (e.g. minutes of university boards, memorandums of 20 working groups and executive committee memorandums), statistics and reports that were produced during the merger process (Tirronen 2008, 2011a). The evaluation of the merger was designed by utilizing the idea of engaged scholarship and collaborative research. It included both evaluation research, which aimed at analyzing the outcomes, process, best practices and nature of the merger but also action research by producing knowledge for the governance and management of mergers (Van de Ven 2007).

## 11.2 Key Rationales for the Merger

The University of Joensuu and the University of Kuopio had both pragmatic and strategic goals in deciding on deepening collaboration. The universities launched a strategic alliance that later turned into a merger – in order to receive the government regulated degree-granting right of business studies. In addition, the universities aspired to strengthen their competitive advantage and the internationalization of research and education.

The rationales of the Ministry of Education and Culture, in turn, were related to the wider reform of Finnish higher education. The aim of the structural development was to enhance international competitiveness of Finnish universities in general. It was considered that universities in Finland required structural synergies (e.g. internal reorganizations, multidisciplinary, critical mass) and economies of scale (mergers, alliances). (e.g. MINEDU 2006, 2008.)

The three rationales for university mergers were targeted at:

1. Competitive advantage
2. Enhanced internationalization
3. Structural rationales of system

Based on these rationales, the universities were required a strong grip on anticipation and reaction, in which they could direct their activities in their focus areas. As a consequence, the universities' financial autonomy and administrative status were strengthened in regulation. The first phase of the university reform was focused specifically on procedural questions and structural reforms (Aarveaara 2012). Mergers were at the core of the first stage of university reforms until the new legislation came in to force since Jan. 2010.

The crucial precondition for the merger and the general reform of the Finnish higher education sector was the passing of a new Universities Act in the Finnish Parliament in 2009. The Act, coming into force in 2010, separated universities from the State, turning them into independent legal entities and increasing their financial and organizational autonomy. Two other university mergers took place in Finland at the same time with the merger of the University of Eastern Finland as described in Chap. 4 in this book.

### 11.3 The Gradual Progress and Implementation of the Merger Process

The UEF merger was implemented bottom-up in over 20 working groups during a 5-year period. The merger was gradual and it progressed from strategic alliance to a federation and finally into a merger. The merger process can be structured along the following four phases (Tirronen 2011b):

1. Project proposal phase,
2. Project development phase (“Vihko working group”)
3. Project refinement phase and
4. Implementation phase (Table 11.1).

*Phase 1 (2006)* At the start in August 2006, the idea of cooperation was built around *strategic alliance*, where two autonomous universities would collaborate in particular fields (namely in business studies, social sciences and in certain administrative fields). One of the key aims was the degree granting right in business studies, that universities aimed to receive from the Ministry of Education and Culture.

**Table 11.1** The phases for the merger of two universities in Eastern Finland

	Phase 1 (2006)	Phase 2 (2006–2007)	Phase 3 (2007–2010)	Phase 4 (2010→)
Form of co-operation	Alliance	Federation	Merger	Post-merger (one strategy)
Rationale	Strategic partnership	Structural reform	Modernization with local roots and a sense of community	Establishment of a new university
Goals	Co-operation in certain disciplines and fields of administration	Organization effectiveness, and organization structure based on 11 faculties	A new university as a full-scale merger	Joint organization culture and governance
Outcome	Project results	Joint faculties for the two universities and support services (economies of scale)	The creation of UEF culture, integration of campuses, and establishment of interdisciplinary research groups and educational programs	Mutual benefits of campuses defined in strategic goals, education reforms: less programs, joint focus area

The initial project proposal was a blueprint with no detailed roadmap to a merger, and it was defined after negotiations between the Ministry and these two universities. The Ministry asked for a new proposal and the universities improved it by adding a structural element, a federation as a basis of cooperation. The idea of the federation was introduced by the universities. This redefined proposal met the requirements of the Ministry of Education and Culture who then selected the federation of the Universities of Joensuu and Kuopio as one of the three spearhead projects in the national structural development of universities.

*Phase 2 (2006–2007)* In October 2006, the Ministry of Education and Culture appointed a working group headed by a former Director General of Academy of Finland, a professor, to prepare the cooperation (MINEDU 2007). The working group was driven bottom-up in the two universities and the actual work was executed by subgroups in the various fields of central administration and support services, the faculties of social sciences, natural sciences and business studies. The three faculties were chosen on purpose; both universities had academic disciplines – and therefore overlap – in these fields. The working group published its report, called *Vihko Report*, in February 2007, suggesting that the new university would be built around two joint and 11 independent faculties. Majority of the academic disciplines were excluded from the planning process at this stage, because the idea was to build up a university federation. The federation model comprised of two independent member universities, which would have joint and independent operations – for example joint faculties and joint support services, but also faculties and administration, which would remain under the authority of member universities. The bonds of relationship evolved much more compulsory and formally. However, a federation as an organisational model requires more than two universities in order to be a rational and efficient regime (Tirronen 2014).

*Phase 3 (2007–2010)* In March 2007, the Ministry of Education and Culture and the two merging universities negotiated on the working group report in pursuance of their annual performance negotiations. The Ministry decided to allocate 11 million Euros for the project for the years 2007–2010. The Ministry also insisted that the cooperation should be more extensive to include other faculties, units and departments too. There were no explicit expectations of a full merger, but a question of it was floating beneath the negotiations.

Two months later, in May 2007, the university boards of Joensuu and Kuopio approved the project plan, and nominated a project management and 20 internal working groups at the Universities of Kuopio and Joensuu. The management group consisted of two rectors and two directors of administration of the universities of Joensuu and Kuopio, and the vice-rector of the University of Joensuu. The management group had significant responsibility and authority in the integration process. The working groups, in turn, were responsible for the actual planning work of the collaboration. The plan was based on the Vihko Report and did not include the most recent requirements from the Ministry. As this defective plan was followed in decision-making, it had some biases, even negative impacts on the integration later. For example, more than a half of the project funding was granted to the three faculties – natural sciences, social sciences and business studies – defined focal in the federal university and in the Report by Reijo Vihko. The funding decision was implemented even though the idea of the merger was right around the corner, and which would have supposedly affected the funding arrangements. Considering how the federation turned into a full merger, the management group made the funding decisions much too early. As plans and funding requirements soon changed, the management group's hands were tied.

The idea of a full merger strengthened during the summer of 2007. As the management group negotiated about the future of the federation, it came to agree on aspiring to a full-scale merger. In August 2007, the management group started planning for the organization and academic structure of the merging universities. The boards of the universities were aware of the state of the process, but the academic community became confused. The aims of the collaboration and the integration process had suddenly changed. Communication was insufficient and incomplete, and the uncertainty increased within the community. Four different organisational structures had been discussed, and in November 2007, the management group decided to continue with the one that comprises three to six faculties. A strategy seminar was held in December and the proposal of the structure for the new university was presented there. The full merger was now an actual aim, even though the formal decisions were yet to come. Thus, the seven month time period from May 2007 to December 2007 witnessed a radical change to the process. A partial federation turned into a full merger during the summer vacations 2007, when management group negotiated informally about the aims of the process. The basic idea of the new structure was to enhance interdisciplinarity by merging 14 faculties into four. The process did not progress without any contradictions and there were different views about the placement of disciplines in natural sciences, educational sciences, social sciences and humanistic sciences. Eventually, in April 2008, the university

boards of Kuopio and Joensuu decided on the organisation structure of new university. Preparations for the merger started in spring 2008 and lasted until August 2009, when the first board of the University of Eastern Finland was chosen. The new Board became in charge for planning the merged university.

*Phase 4 (2010 Onwards)* On 1 January 2010, the authority and responsibilities of the Universities of Joensuu and Kuopio were transferred to the UEF, and the new university officially began its operations. In March 2010, UEF board decided the first UEF strategy and its implementation.

All the way, the Ministry of Education and Culture had emphasised steering at a distance, and encouraged the universities in playing an active role in the development process. The Universities were not forced, but clearly encouraged, to merge and there was not direct top-down pressure. The merger was in many ways university-driven, and led by the management group. The role of the academic community was executive rather than influential. Merger included mutual benefits from the view of the Ministry of Education and Culture and universities. The governance of the merger was implemented by the UEF management group, which consisted of rectors and directors of administrators of both universities. The path towards the merger was defined by a relatively small amount of key persons, who determined large-scale decisions.

The UEF board decided on a new strategy in 2010, in which the strategic strength areas of the university's research were defined. At the start of the strategy process, the management group stated that strategic choices would be made from the basis of research-based indicators, mainly by the quality and productivity of research and existing strong areas. However, during the strategy process, the arguments for the choices changed and the interests of merging universities started to have a great impact on strategy process. It thus seems that the decisions were made behind closed doors and based on unaccountable criteria. The decisions made about the focus areas in research were, however, most essential concerning the future of the merged university; great amount of resources was distributed to the key research areas. Altogether, 15 million euros were allocated to 13 strategic spearhead projects during the period 2011–2015.

An example of how campus centrism and conflicting interests affect decision-making can be found in the Department of Physics and Mathematics. The building of this new department started in spring 2008, when the UEF board decided on the organizational structure of the university. The aim was to create one single department by merging three existing departments that operated in both Joensuu and Kuopio campuses. Although, the research profiles of the existing departments were different, there was an overlap in bachelor programmes that were important to both campuses (for the purpose of their master and doctoral education). Conflicts arose right in the first planning meeting, where representatives of one campus proposed that the bachelor education should be closed down in another campus. The mutual trust was gone and the result was that the bachelor education continued in both campuses. The joint department was ran in a chilly atmosphere for two years until in 2010, it was divided into two departments, one operating in Joensuu and the other in Kuopio. At the same time, the management and the board of UEF decided to drop

**Table 11.2** General timetable of the merger

August 2006	University of Kuopio and University of Joensuu decided to intensify cooperation
October 2006	Ministry of Education and Culture appointed a working group to prepare cooperation
February 2007	Working group submitted its report
May 2007	University boards decided on forming of a federal university
April 2008	University boards decided on the structure of the new university (Process shifted from federation into merger)
August 2009	UEF Board's first meeting
October 2009	UEF Board selected UEF rectors
January 2010	UEF started its operations
March 2010	University board decided on UEF strategy and its implementation

one of the carrying principles of the merged university; namely that campuses could not have the same discipline in two or more departments. As a result, there were no clear guidelines for the overlapping disciplines. As communication was neither open enough nor transparent, the doors were all open for 'cabinet politics'.

It seems evident that in the Ministry of Education and Culture merger was seen positively in a light of modernization with demands for external imperatives and demands from a variety of stakeholders (Pinheiro et al. 2014), and at the university leadership level there was a commitment for the merger. The staff and other stakeholders have, however, had difficulties in following the dependence path. The reforms took place in a relatively short time, and information was rather asymmetric. Also the management of the merger was at times too top-down in orientation and there were uncertainties about the path and the progress of the process. There were also disagreements about how the academic structure should be organized and in which faculties and departments the academic disciplines should be placed.

## 11.4 Outcomes of the Merger

The UEF merger was a large scale process, which produced organisational synergies through the reformulation of organizational and academic structure, administration, decision-making and management system. The UEF merger materialized as a full merger whose outcomes were relatively significant.

### 11.4.1 Rationalization and Efficiencies

The UEF reduced administrative costs by 4.25 million EUR by the end of 2010 (Tirronen 2012). Reduction was mainly done by reducing the amount of employees with temporary contracts. University board decided to dismiss 25 employees and



over 30 temporary contracts from the central administration by the end of 2010, and in 2011 university board decided to dismiss 33 employees mainly from administrative units of the faculties. Released resources have been reallocated in research and teaching, for example in post-doc positions and in strategic research funding. In addition, the faculties and departments of UEF are constantly evaluating reducing the personnel and re-steering the resources according to strategic aims of the faculty or the department.

### ***11.4.2 Synergy Impacts and Completion of Missions***

The merger had many synergy impacts, especially in scientific operations. The entire university administration, faculty and department structure, educational structures, policies and regulations, decision making and leadership structures were reorganized with a boost by the university's productive program. The process was challenging since the operational and administrative cultures of the merging universities were in many ways different.

Prior to the merger, the University of Kuopio and the University of Joensuu had 13 faculties altogether. In the merger, they were reorganized into four faculties: the Faculty of Philosophy, the Faculty of Science and Forestry, the Faculty of Health, and the Faculty of Social Sciences and Business. The new faculty structure was a key organizational idea of the new university. It was a strategic decision and considered as a precondition for the development of UEF culture. The aim was to lay the ground for interdisciplinary research groups and educational programs, on the one hand, and to create large and independent entities that integrate the campuses together, on the other. The merged university has three campuses of which the main ones are in the cities of Joensuu and Kuopio, and a side campus in the city of Savonlinna. Three out of the four faculties operate in two campuses. In addition, the University has a research station in Mekkijärvi. So, the four new faculties can be seen as more complex, diverse and larger than traditional disciplinary-based faculties (e.g. Faculty of law). Faculty structure was the base for the creation of interdisciplinary research groups (e.g. in the field of Forestry and Environment, Health and Wellbeing, New technologies and Materials) and Education programs.

The Education programs of UEF were restructured. The development was based on the efficiency and productivity of the programs; on the programs' appeal and connection to the research focus areas, and on the need for the labor force (UEF 2010). The aim was to create larger educational programs at the bachelor level and thus to reduce the number of applied alternatives. The inter-disciplinary synergies are still at the core of UEF's development, and the next step is to create a learning environment that advances learning, strengthens the productivity and efficiency of education and studies, and offers educational programs that have scientific and labor force relevance. UEF aims to educate experts that have competence and ability to work in a changing working life. One of the significant and open questions, which is related also to UEF's complementary educational structures, is the division of

labor between Finnish universities. This negotiation process (The Ministry of Education and Culture refers to as higher education dialogue) has recently started.

The central administration was completely reorganized into a new administration unit. It was a combination of centralized and de-centralized administration at the faculty and university level. Most of the University's services are located in the main campuses in Joensuu and Kuopio, are provided to all campuses and faculties. The service units are training and development centers, the language center, library, learning center and the IT center. The faculty administration is grouped into four service centers. Each faculty has one center and those that are operating in two campuses have services that are distributed to both operating campuses or centralized (typically due to place of abode of the individual) to one of the campuses. Guiding principle is the quality of services and the integrative nature in organizing the administration.

Also, the decision-making and leadership structures were rebuilt. UEF has two rectors who are based in different main campuses in Joensuu and in Kuopio. The Rector is responsible for the management of the University and for the tasks defined in the Universities Act. The academic rector, in turn, is responsible for the tasks related to the management and development of research and education. The structure of rectorate determinates the nature and dynamics of the merger process. It was important for the interest groups of the merging universities that the new university has two rectors that are positioned in different campuses. It is not optional for the Rector to choose the campus where he or she will operate full-time, if the other rector has been nominated. The campus ideology thus affects the management system very strongly. The structure may seem artificial but the balance between campuses is built-in also in the deanship, especially in the Faculty of Social Sciences and Business Studies and Faculty of Science and Forestry. These faculties operate in both main campuses and it has been agreed that the Dean of one of the faculties has head office in Kuopio and the Dean of other faculty in Joensuu. Rectors, deans and the director of administration form the UEF leadership, which prepares matters for decision-making for the UEF Board and the Rectors. Even though there are some tensions of management system, the structure highlights the integrative nature of UEF's organization.

### ***11.4.3 Strategic Outcomes and Academic Profile of the UEF***

In the first year of the merger, the UEF decided to emphasize the areas of expertise including forestry and the environment, health and wellbeing and new technologies and materials. The academic interest groups of the two merging universities defined the core research areas during the period 2007–2009. The strategy process was complex and the outcome was still a collection of areas of expertise of the merged universities. The historical and academic factors had a major influence on the strategy process. The first UEF strategy was indeed a merger strategy and a part of the

merger process. The value of strategy must be assessed from this perspective. This also highlights the difficulties that are common to university merger processes.

The three areas became the spearheads of the research strategy of the newly established University, and were closely linked to the national strategic networks for business and research (SHOK) to give breakthrough innovations of global importance. In addition to these three focus areas in research, teacher training and Russia Studies were emphasized as they were considered nationally and regionally important fields. The process for selecting spearheads was based on academic discussion, indicators and vision of the university leadership at the University (Aarrevaara et al. 2011). That was one of the most important processes to define the decision-making culture and academic leader conceptions of research profiling and coping, with sometimes controversial demands during the first years of UEF (e.g. Pietilä 2013). The merger was not an administrative tool for integration of two organizations, but rather a strategic way to create a distinct profile for the new university. Building up a new operational culture, distinct profiles and new scientific structures is time demanding processes, but necessary to obtain the benefits of a full-scale merger. This is a matter of trust and cooperation. The creation of UEF profile and new scientific value started before the merger process and it is still an ongoing process at 2014.

The creation of a distinct profile requires the commitment of the academic community, novel management system, leadership and clear strategic vision. Strategic actions must be focused on the new university. This is not an easy process and it requires a will to learn and evaluate. The first strategy of UEF approved in 2010 was built around the merged universities. The focus was more on the past than on the future. Even though the strategy had some features of potentiality of the new university, the strategy was a merger strategy and it was shaped by the interests of merged universities. It required about four years achieving a genuine UEF strategy when UEF board approved new UEF strategy for the years 2015–2020 in April 2014. This strategy will also provide a basis for the distinct profile of UEF. Alongside with this process the academic community is gradually beginning to learn the UEF culture. The new strategy is a major step in the path creating the strategic value of the merger.

The most significant outcomes of mergers are strategic. By pooling resources universities can achieve structural, operational and economic synergies and by pooling academic expertise universities can achieve benefits in research and education (e.g. multidisciplinary outcomes, quality of research and education, external funding). The third strategic outcome is that by mergers organizations can prevent mutual competition. These strategic outcomes are only realized through sustained actions building scientific excellence and value. This excellence must be created by benchmarking the scientific quality of both merging universities. If the strategic aims and definitions, organizational models or the academic structures are created by emphasizing historical factors or academic interests of merging universities, the real strategic outcomes of a merger are hard to achieve. Strategic focus of mergers must be targeted over the conventional thinking. In university mergers the main challenges are typically related to the diversity of organization, to dispersed power

resources and to the management of the university. It is difficult to make new strategic decisions, if you have to balance between the interests of merging universities. So the big decisions and integration of the new culture must be scheduled over a longer period. Merger in university context is a collection of waves of transformations.

The academic profile of UEF is shaped by the idea of interdisciplinary cooperation. The university operates in the context of global challenges; i.e. ageing, health, natural resources, digitalisation or encounter of cultures. The strategic aim is to participate in solving these complex, wicked problems. In strategy the research is organized in research areas, which are in nature interdisciplinary. In this context, UEF can be characterized as a Multiversity (cf. Kerr 2003/1963) which emphasizes interdisciplinary cooperation in research areas and in education, especially in doctoral and master education. The academic profile of UEF is a unique combination of the scientific strength built during the last 50 years and a new strategic vision of interdisciplinary cooperation. This is also an outcome of long-lasting merger process.

## 11.5 Discussion

Since the merger of the two Universities in 2010, the University of Eastern Finland has carried out extensive structural and operational changes, but some of the academic and functional core functions are still deficient or temporarily defined. As an evidence, structural changes are still yet to come, work on joint indicators are still in the process after four years and the profile of the University is under continuous discussion in funding allocation.

Despite all these characteristics, mergers fail or succeed with the staff and stakeholders, and it is mostly a matter of trust. A successful merger requires the acceptance of change, which is the basis of motivation and commitment. Merging partners must learn to understand each other, build trust and new cultural identity. Socio-cultural ties forms the framework of merger and are at the centre of the governance of merger. The merger at the UEF was a two-way process. Multichannel communication is critical factor for merger, but the actual communication happens, when people interact. Vertical management must be tied up to the horizontal functionality in academic departments and research groups. In a merger process the ability to balance the power interests of the two merging universities is a significant indicator for the success of the process. The progress of the merger in university context is affected by complex cultural and power factors, which may hinder the process. Consensus-building in academic setting can be implemented by expanding the commitment to the merger by giving individuals power to influence on their own work. The power must be distributed as the merger process progresses. Achievement of change, trust building and decision-making of academic and administrative structure, to elect or appoint candidates for key positions, strategy and identity of new

university are the difficult parts of a successful merger. Conflicts arise when decision-making is not open enough and objective, but rather based campus centricism, academic politics and on wiggly interests. Conflicts tend to evolve messy and the exit of them gets harder. If the academic community is excluded from the planning and decision making process and if the internal communication is insufficient, the control of a merger can be problematic. Rumors begin to spread uncontrollably.

One of the key lessons learned from the UEF case is that the commitment to a merger is a multi-stage process, which requires building of the cultural identity of the new university. Academic organization and administration can be easily constructed, but the development of a new university is a matter of cooperation and trust between the people. How long does it take to implement a merger in this case? The expectations of academics, staff and stakeholders are that it would not take too long. In this stage it seems not to take a generation. As Puusa and Kekäle (2013) have pointed out in their analysis of UEF merger, the basis for administrative decisions to boost merger process take the existing legislation and external realities into account.

Challenges of the UEF merger related to the overlaps in administrative tasks and academic disciplines, differences in operational cultures, strategic decisions and to resource allocation. However, the challenges were relative, when compared to the scale of the process (approx. 2800 persons). Consolidation of practices and building of the consensus is a long enduring and complex process. A successful merger demands governance of internal diversity and interests, and also commitment and participation of the university as a community. The logic of organizational change is based on gradual progress and consensus building through multi-stage negotiations.

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