

Chapter 7

Mergers in the North: The Making of the Arctic University of Norway

Peter Arbo and Tove Bull

7.1 Introduction

Like all modern organizations, higher education institutions have three basic characteristics (Aldrich 1999; Schreyögg 2003). First, they are goal-directed. They have a defined purpose and mission that guide their activities. Second, they maintain an organizational boundary. A line of demarcation is drawn, indicating who and what belong to the organization. Third, they are formalized activity systems, based on a division of labour. The formal structure specifies positions, rights and duties, and the relevant sets of interdependent role behaviours. Mergers in higher education affect all these three aspects. When previously separate entities merge, goals are questioned and reformulated, boundaries are redrawn, and formal structures are altered. Identities and affiliations are at stake. This makes mergers challenging. The processes can be more or less conflict-ridden, and the outcome and effects can be more or less successful, depending on a number of factors.

Previous research has identified several conditions that seem to affect the fate of higher education mergers (Eastman and Lang 2001; Harman and Harman 2003; Skodvin 1999). One aspect is how the merger originated (voluntarily or involuntarily; initiated by the institutions themselves or mandated by government). Another is the institutional characteristics (institutions of the same or different size; similar or complementary academic profile; single sector or cross-sector merger; two or more partners involved; co-located or geographically dispersed activities). A third is

P. Arbo (✉)

Norwegian College of Fishery Science, University of Tromsø – The Arctic University of Norway, N-9037 Tromsø, Norway
e-mail: peter.arbo@uit.no

T. Bull

Faculty of Humanities, Social Sciences and Education, University of Tromsø – The Arctic University of Norway, N-9037 Tromsø, Norway
e-mail: tove.bull@uit.no

how the merger was prepared and carried out (articulated vision or no clear goals; top-down or broad involvement; full or stepwise integration; unitary or federal structure). A fourth aspect is the degree of external support (resistance or backing from key stakeholders; additional funding made available or not).

While all these aspects seem to be highly relevant, we still know little about how the different factors actually interact and influence specific merger initiatives. Other factors may be important as well. Moreover, it is difficult to make cost-benefit analyses of mergers. Mergers always entail disruptions and short-term restructuring costs while the benefits may be more long-term and harder to measure. The main purpose of a merger is normally to enable something that the institutions could not achieve individually, but the motives and objectives can be highly mixed, and they can change during the process. It is also difficult to define when a merger is completed and to pinpoint exactly what changes that can be attributed to the merger, as we never know the counterfactual situation – what would have happened if the merger had not occurred.

The aim of this chapter is to add to the understanding of the merger phenomenon with a case study of the mergers that have taken place in the northernmost part of Norway. The University of Tromsø is the only Norwegian university that has been involved in two mergers – first with the Tromsø University College in 2009 and subsequently with the Finnmark University College in 2013. The Tromsø case is also special in that the two merger projects are the only recent Norwegian mergers that have involved different categories of higher education institutions.

The present chapter is organized as follows: First, we outline the merger history and the debates about where to draw the boundaries of the University of Tromsø. Next, we focus on what has been achieved so far through the mergers. We then compare the two merger projects in 2009 and 2013. Finally, we discuss the main lessons of the mergers.

7.2 Data and Method

The chapter is based on a review of all relevant decision documents submitted to the University Board in Tromsø. The Norwegian Database for Statistics on Higher Education (DBH) has also been used. Furthermore, it draws on a number of interviews with current and former staff of the University of Tromsø, Tromsø University College, and Finnmark University College.¹ In total, we carried out 20 interviews with individual informants and 3 focus group interviews with 18 participants. In the selection of informants, we sought to include academic and administrative staff at

¹ It should be noted that the two authors of this chapter have been active participants in the merger processes. Tove Bull was the Rector of the University of Tromsø from 1996 to 2001, and a member of the Board of Finnmark University College from 2003 to 2007, while Peter Arbo was a member of the University Board from 2005 to 2008 and also a member of the Stjernø Committee.

different organizational levels who have either been involved in or affected by the merger processes. The interviews took place between March and October 2014, which means that the interviews with the former employees of the Tromsø University College were conducted 4–5 years after the merger, while those with the former employees of the Finnmark University College were carried out more or less simultaneously with the implementation of the merger. This time factor, of course, might have influenced the interviewees' responses.

7.3 Mergers on the Agenda

The question of what the University of Tromsø was to include was discussed already during the university's inception, and since then, the issue has emerged repeatedly. Hence, the two mergers in 2009 and 2013 have a long pre-history.

7.3.1 *The Early Stage*

The University of Tromsø, which was renamed in 2013 as the *University of Tromsø – The Arctic University of Norway*,² was established by the Norwegian Parliament in 1968. The establishment of a new university was controversial. The main arguments in favour was the low level of education among the population in the northern part of Norway, compared to the rest of the country, and the corresponding lack of highly skilled labour in the region. By establishing a university, more young people from the region would be able to attend higher education, and the supply of doctors, teachers, planners and other groups of professional personnel would be improved. Thus, from the very beginning, the university was justified on regional policy grounds. Its ultimate task was to contribute to the general development of Northern Norway, which at that time was regarded as the most backward and underdeveloped part of Norway.

In 1968, Tromsø was a small town with approximately 32,000 inhabitants. The town had a museum, a geophysical observatory, and an experimental agricultural institution. Tromsø also had a teacher training college. In addition, there was a somatic hospital and a psychiatric hospital.

During the preparatory work that preceded the Parliamentary resolution in 1968, it was emphasized that the University had to be based on the already existing institutions in Tromsø (Fulsås 1993: 122; Hjort 1976: 146–149). Which of the existing institutions to integrate was discussed both by the main preparatory committee (the Ruud Committee) and by the interim board of the university (Fulsås 1993: 41, 187–190). These discussions resulted in the inclusion of the museum and the observatory,

²Usually abbreviated to UiT The Arctic University of Norway.

but not the teacher training college. The hospitals were affiliated with the new medical school. In light of this, we may argue that the first mergers actually happened at the time of the establishment of the university. New boundaries were drawn, and existing institutions were either associated with or incorporated into the formal structure of the university.

7.3.2 *Maintaining a Binary System?*

The establishment of the University of Tromsø marked an important step towards decentralization and the geographical spread of higher education in Norway. This was a general trend in the higher education system during the 1960s and 1970s. First, a system of regional university colleges was set up throughout the country. Second, already existing vocational training institutions, such as engineering schools, teacher-training colleges, music conservatories, and nursing and other health related schools were upgraded and defined as tertiary level institutions. This significant expansion of the higher education system led to a rapid increase in the number of institutions and an upsurge in the number of students. In the early 1990s, there were more than 100 higher education institutions in Norway, of which 4 were traditional universities (the universities in Oslo, Bergen, Trondheim, and Tromsø).

The Minister of higher education and research from 1990 to 1995, Gudmund Hernes, initiated an extensive reform of the higher education system outside of the universities (cf. NOU 1988: 28 and St.meld. nr. 40 (1990–91)). The reform merged the institutions into 28 larger university colleges. This was met with considerable resistance within the sector, but the restructuring was imposed in 1994.

In Northern Norway, the 1994 reform led to the establishment of seven university colleges, most of them based on already existing institutions. In 1991, while the Hernes reform was under preparation, the four separate institutions in Tromsø, which later would form the Tromsø University College, asked for a meeting with the University of Tromsø. The four institutions – an engineering college, the teacher training college, the music conservatory, and a previous amalgamation of different educational institutions in the field of health – felt they were too heterogeneous to obtain any advantages by a merger. Instead, all four preferred to merge with the University.

The University responded in a positive way and agreed to start a process towards a potential merger. The Minister, however, saw this as an unwanted deviation from the idea of a binary system and the uniform national model that he envisaged. Hence, the Tromsø University College was established alongside the other university colleges in 1994. In Tromsø, however, the four merging partners all signed separate agreements with the University on an extensive scholarly and administrative cooperation. The documents clearly stated that the ultimate goal was that the signing partners should be integrated into one single institution within a period of 10 years (see *Venner for livet*, pp. 26–30).

7.3.3 *Friends for Life*

The agreements were not followed up in the first years after the establishment of the Tromsø University College, as efforts were concentrated on creating the new combined institution. But in early 1999, the two Rectors – Tove Bull and Lisbeth Ytreberg, met to discuss the opportunities for developing a closer relationship between the two institutions. The subsequent discussions between the management teams were based on the old institutional agreements that aimed at a merger within 10 years. A joint committee was appointed to investigate the issue and deliver its recommendations. The committee, headed by Professor of history Einar Niemi, submitted its report in September 2000. The title of the report was “Friends for life” (*Venner for livet*). The report contained a detailed discussion of different ways to organize the relationship between the two institutions. The committee recommended a full merger.

The report was subject to lengthy discussions in both institutions. Besides an ordinary hearing, the report was discussed in the decision-making bodies at all levels. A joint seminar for the board members of the two institutions was also arranged. Moreover, each of the two boards had the merger issue on the agenda several times.

The main arguments in favour of a merger were the following: It was pointed out that the traditional division of labour between universities and university colleges was about to disappear. In effect, the higher education system was no longer a binary system. From 1995, the same law applied to all higher education institutions in Norway, specifying that all institutions were to offer research-based education and teaching. The introduction in 1993 of the system of personal career promotion based on competence, and the joint position structure for teaching and research staff in universities and university colleges, which was introduced in 1995, helped to blur the boundaries. The report from the Mjøs Committee (NOU 2000: 14) and the ensuing White Paper (St.meld. nr. 27 (2000–2001)) pointed in the same direction. The next steps would be the implementation of a new funding system, a uniform degree system, and an accreditation system, which made it possible for university colleges to apply for university status. Over the past years, many university colleges had increased their research activities and established new master’s and doctoral degrees. The same development was evident internationally. Generally, there was a growing competition among higher education institutions, and more performance-based funding would increase the competition. In light of this, the conclusion was that the two Tromsø institutions, which partly complemented each other and partly had overlapping study programmes, should merge. A merger would entail a larger and stronger institution, better equipped to meet future challenges.

However, sceptical views were also conveyed. At the University, those who were critical of a merger stressed that the academic level among the staff of the college was much lower than at the university. They feared that this gap would undermine the research base of the university. A merger would imply that the university risked losing reputation as a research institution. Similarly, teachers at the Tromsø University College argued against a potential “academization” of the professional

programmes at bachelor's level. They feared that the college staff would be regarded as inferior within the context of the University, and that their study programmes would lose their vocational orientation and previous close contact with the fields of practice.

In spite of internal opposition, the University Board in late 2001 decided to continue the process and to review the consequences of a merger, both financially and in terms of research. Simultaneously, the Board unanimously decided that a merger would take place.

7.3.4 *The Northern Lights Alliance*

In 2002, the University Director initiated a dialogue with the university college in order to prepare for the merger. Questions about research were salient points in the discussion. A new Rector – Jarle Aarbakke – was in place, and he was sceptical of the merger, even though he had been a member of the former University Board and at that time supported the adopted decisions. He came from the Faculty of Medicine, which did not welcome a merger, but the expressed reason for the increasing reluctance was the major national higher education reform that was under preparation (*Kvalitetsreformen*). The reform introduced the Bologna three-cycle system, the European Transfer and Accumulation system (ECTS), and a Norwegian agency for accreditation and quality assurance in education (NOKUT). The reform would not have any direct impact on the merger, but both institutions made it clear that they would hardly have the capacity to implement the merger while preparing for this comprehensive reform. Hence, the new University Board in June 2002 decided that the further process would be based on a letter of intent, in which the two sides committed themselves to a gradual strengthening of the academic and administrative cooperation before any merger could take place. With this decision, the merger issue was postponed to an indefinite future date.

In February 2003, the two institutions signed an agreement on collaboration. However, in a memo to the University Board of February 2005, it was bluntly stated that next to nothing had come out of this agreement. The same memo stressed that the higher education landscape had changed substantially since the first plans of merging the two Tromsø institutions were formulated in 1999. For several of the Tromsø actors, the ultimate goal was not a local merger but the creation of the University of Northern Norway, an umbrella organization encompassing all higher education institutions in the region. This idea was not new. The University of Tromsø had always regarded itself as *the* university of Northern Norway, and since the first ideas of including other higher education institutions came up, the overall regional model was kept alive. The two Rectors, Tove Bull and Jarle Aarbakke, among others, were proponents of such a model.

A more comprehensive regional collaboration was also discussed in the Council for higher education in Northern Norway (*Råd for høgre utdanning i Nord-Norge*). This is a joint forum, established in 1977, where the heads of the academic

institutions of the region meet regularly. After the Tromsø institutions had launched their merger plan the council initiated several studies of the transformations in the Norwegian system of higher education, demographic trends in the north, and future challenges for the region's institutions (cf. Lie and Angell 2002; Trondal and Stensaker 2001). Finnmark University College indicated that they might be interested in being included in a potential merger between the Tromsø institutions. Bodø University College, however, had other plans. Their ambition was to become an independent university on their own, and they were clearly against the idea of joining a potential University of Northern Norway.

Nonetheless, all the higher education institutions in the region declared their interest in closer cooperation. At a council meeting in 2005, it was decided that a report on the future organizational structure of higher education in the region was needed. The task was given to the then Rector of Nesna University College, Helge O. Larsen, who called his report *Universitas Borealis?* (Larsen 2006). The report outlined four scenarios for the development of higher education in the region, focusing on four dimensions – geography, type of institution, organisational structure, and strategies. The scenarios were: (1) status quo, (2) full integration of all individual institutions into one Northern Norwegian higher education institution, (3) a division into two regions with one institution in each, and (4) a more diverse clustering of institutions following various territorial lines. Based on this report, the institutions agreed to form the Northern Lights Alliance (*Nordlysalliansen*).

7.4 The Merger Processes

The Northern Lights Alliance never brought any practical results. One reason was the increasing tensions between Tromsø and Bodø as the Bodø University College intensified its efforts to become a university. Another was that the merger process in Tromsø now gained new momentum.

7.4.1 *The Merger of the University of Tromsø and the Tromsø University College*

In 2005, a new University Board was elected in Tromsø, and the Rector was re-elected. Both in the previous Board and in the new Board there were members who strongly supported the idea of merging the two Tromsø institutions, so a reluctant administration was under continuous pressure. The new Board clearly wanted a merger to take place, and Rector Aarbakke also found that the time was ripe for such a move. A joint board meeting in March 2006 decided to restart the process. One month later, a work schedule for the project was fixed. Thus, from 2006, it seemed clear that a merger between the university and the university college would be realized in the near future.

To coordinate the project, a steering group with members from the two boards was appointed. This group actually served as an interim board. A merger secretariat was also established. The project included a thorough review of all aspects of the two institutions. Several joint working groups were appointed to prepare the comprehensive changes that had to be made. All proposals were discussed among staff and students, and the merger project also set up a website where all relevant information was posted, including an open forum for discussions relating to the merger.

The election of a new Rector at the Tromsø University College in February 2007 could have terminated the process. Ulf Christensen, who had been rector since 2000, was then challenged by a rival candidate who opposed the merger. Christensen won by a narrow margin, and finally, in October 2007, decisions to apply to the Ministry for a merger of the two institutions were passed by the boards. The date for the merger to come into effect was set to 1 January 2009. After that, the process proceeded according to plan, and from 2009 there was only one higher education institution in Tromsø, the University of Tromsø.

7.4.2 An Interlude with New Stakeholders

With the merger in place, the other institutions in the region faced a new situation. Not surprisingly, several of them began to consider whether they should follow suit. In September 2009, the Harstad University College and the Finnmark University College approached the University of Tromsø to discuss a further merger. In Finnmark, this step was taken at a board meeting where the matter was not on the agenda. It was more or less a panic reaction.

The University Board authorized the Rector and the University Director to start negotiations with the potential partners. Some preparatory work was done. However, in spring 2010, the University Board concluded that there was no basis for another merger as the three institutions had too diverse expectations regarding the outcome. Nevertheless, new collaboration agreements were signed.

7.4.3 Finnmark University College Tries Again

In spring 2011, the Finnmark University College elected a new rectorate and a new board. Two candidates ran for the position as Rector. One of them, Sveinung Eikeland, presented a programme for the next 4 years in which he strongly advocated a merger with the University of Tromsø. The election gave an overwhelming victory for Eikeland. Thus, the die was cast. The new rectorate was in place from 1 August 2011, and shortly after that the Rector and the Director had a meeting with the Rector and the Director of the University of Tromsø. They soon agreed that the best way to cooperate would be through a merger. So even though there were several critical voices at the University of Tromsø, the Finnmark University College and in

the county of Finnmark more generally, there was no going back for the leaderships of the two institutions. The top-level dialogue continued, and a joint political platform was crafted.

This platform, which was the subject of many rounds of negotiation, outlined the challenges that the higher education institutions in the north were facing and stated that a larger organization would be better placed to meet these challenges. It defined the objectives of the new university and identified new opportunities that the merger would provide. It established that the university would have five campuses, in Tromsø, Bardufoss,³ Alta, Hammerfest, and Kirkenes, which at the very least would operate at the same level as before. The organizational structure and the system of governance and management were also clarified. The new university would have a Vice Rector for regional development, located in Alta.

Based on this platform, the Boards of the two institutions in October 2012 decided to prepare a merger application to the Ministry. A steering committee composed of members of the two Boards was appointed. The further discussions dealt primarily with the obligations that the University had to take on in Finnmark; how to elect board members at faculty and institutional level; how to finance new strategic priorities, and the future name of the new institution. The Finnmark University College could not accept the University of Tromsø being kept as the name of the institution. They pointed out that the name had to reflect the University's new geographical scope. In the end, the Ministry solved the issue by proposing the new university be called the University of Tromsø – The Arctic University of Norway. Both institutions accepted this name.

In March 2013, the Ministry approved the merger, which came into effect from 1 August 2013.

7.5 The Results of the Mergers

What have the mergers led to? As the last merger took place less than 2 years ago, it is hard to assess the full range of effects. So far, the university has not initiated any evaluation of the mergers. However, some changes are noticeable, particularly in the organizational structure, the system of governance and management, and the portfolio of study programmes. The most obvious outcome is a new, integrated institution with five campuses located in widely different places. As per autumn 2014, the university had 12,200 students and 2,900 employees, including doctoral fellows. The bulk of the students and employees are located in Tromsø.

As before, the University has a unitary structure with an elected rector team and a University Board on the top, but unlike before, the University Board now appoints the Deans of the faculties, and the faculties appoint the Department leaders (as opposed to these being elected as earlier). These changes took place in conjunction

³The University of Tromsø started its commercial pilot education in 2008, and the bachelor's degree programme in Aviation is run at Bardufoss.

with the first merger between the University of Tromsø and the Tromsø University College. Thus, academic self-governance has been weakened, and there is a stronger element of managerialism. The University is currently organized into seven faculties.

When the Finnmark University College joined, the college departments that had their counterparts within the existing university were integrated into the relevant departments and faculties, while the rest made up the Finnmark Faculty. This faculty now comprises study programmes in social care, sports and physical education, tourism and Northern studies, and media studies. Overall, the University today offers a great diversity of study programmes, ranging from professional education to more traditional academic subjects, and the study programmes are more consistently organized from Bachelor and up to PhD level. The only faculty that has not been directly involved in any of the mergers is the Faculty of Law.

Universities are specialist organizations where the professionals enjoy a considerable degree of autonomy. Consequently, the core activities are largely unchanged. The staff conduct their teaching and research as they did before the mergers. However, many employees have become members of new organizational units, there have been major revisions of study programmes and curricula, and new routines and administrative systems have been introduced. There are clear elements of institutional renewal. The mergers have, among other things, enabled the introduction of a 5-year integrated teacher education, where UiT The Arctic University of Norway has been a national pioneer. Another initiative has been the establishment of a separate business school, made possible by the combination of the former institutions' study programmes in business administration and economics. A third innovation is the creation of a cross professional course in cooperative learning for all students in the field of medicine and health. In order to facilitate cooperation between the University and the University hospital, new combined positions have been established in all health sciences, and Finnmark is now included in the medical education. The University has also set up a new centre for student careers, skills, and collaboration with business and industry.

Based on our interviews, it seems that the mergers are widely regarded as successful. The University has benefited from the strong teaching traditions of the University Colleges and their links to regional working life, while the University Colleges have benefited from becoming part of a larger research environment. After the mergers, the University has allocated resources to raise the level of competence among former college lecturers. Research groups have been established in all faculties.

Nevertheless, there are critical voices, particularly heard from the former Finnmark University College, where the merger is still being implemented. The greatest dissatisfaction is related to the support functions and administrative services of the University, particularly the IT systems, the procurement procedures, and student admission. The introduction of joint administrative systems takes time, and the effects of the merger are probably most tangible in these fields. During our interviews in Alta and Hammerfest, many staff complained and said that "we have been through a merger, in Tromsø they haven't". Seen from the point of view of the

former university colleges, UiT The Arctic University of Norway is a much larger and more bureaucratic organization. Decisions have been centralized in Tromsø, and flexibility has been reduced at the local level.

In 2008, before the mergers, the University of Tromsø had 5,500 students. Since then, the number has increased rapidly and well beyond the added number of students brought in by the mergers. Between 2009 and 2014, the share of students coming from Northern Norway has decreased,⁴ and the merged institutions have seen a much stronger increase in the number of foreign students than the universities in Oslo, Bergen and Trondheim. This indicates that the new institution is perceived as attractive among potential applicants. Similarly, the management of the old Finnmark University College claims that it has become easier to recruit well-qualified personnel after the college obtained university status. In terms of scientific publications per staff in teaching and research positions, the University of Tromsø has always ranked lower than the universities in Oslo, Bergen and Trondheim. The same holds after the mergers. University college staff has traditionally had less time for doing research, and over the past years, the UiT The Arctic University of Norway has lagged slightly more behind. Hence, measured in this way, the University may be said to have lost academic credence. However, the average publication points are higher today than before the mergers, and the number of scientific publications has increased rapidly in several departments where the staff mainly comes from the former university colleges, such as the Department of Education. Moreover, the University has been able to increase its external funding. During the past few years, it has been awarded several Norwegian Centres of Excellence (SFF) as well as Centres for Research-based Innovation (SFI).

7.6 A Comparison of the Two Mergers

In this section, we will compare the two mergers in terms of motives, preparation, implementation and external support.

7.6.1 *Background*

There have been a number of merger initiatives in higher education in Norway over the past 10 years (Kyvik and Stensaker 2013). The major motivating factors behind the initiatives have been the increasing competition for students, staff, and research resources; the attempts to strengthen the quality of education and research, and the wish to become a university with the associated prestige and full self-accreditation rights. The higher education reforms initiated by the government in the period 2002–2005 created a “market for mergers” (Kyvik and Stensaker 2013). However,

⁴Still, more than two thirds of the students come from the region.

the majority of the merger initiatives have not ended up in a decision to merge. Why were the University of Tromsø and the two university colleges ready to take the step? We will draw attention to five reasons.

First, the institutions had corresponding missions and visions. Despite their different institutional characteristics, the development of Northern Norway was an essential aspect for all of them. Second, they faced similar challenges. Many young people tend to leave the region to study elsewhere. According to the population projections of Statistics Norway, the relevant age cohorts in the north will diminish in the future, and for the institutions, it was obvious that size matters. Instead of competing for the same students, it would be better to join forces. Third, there was an increasing tendency among Norwegian university colleges to attempt to evolve into full-blown universities. This would be unattainable for the Tromsø University College and the Finnmark University College on their own, but by merging with the University of Tromsø they could move up the ladder. Fourth, the University of Tromsø was solidly established as a research institution, but not so old and venerable that it would rule out merging with university colleges and classify them as institutions below its own dignity. Fifth, the High North policy that the Norwegian government launched in 2005 made the development of the region a top priority. This created a new optimism and belief in bold regional initiatives. When the government in late 2005 set up a High North expert commission, Rector Jarle Aarbakke was appointed as its chair.

However, seen from the point of view of the university, the two mergers clearly differed. The first merger between the Tromsø institutions was mainly pragmatic and based on the idea of creating synergies through an integrated institution. The two institutions would supplement each other. In the second merger between the University of Tromsø and Finnmark University College, the creation of synergies was also an important element, but this merger was more about giving Finnmark and the University College a helping hand and to strengthen the presence of the University in the very northern part of Norway. Through the merger, the University demonstrated its political responsibility and confirmed the social contract upon which it once was established. Due to the vast geographical distances and the small youth cohorts in Finnmark, the University realized that this merger would be – at least in the short run – a costly project.

7.6.2 Preparations

In the preparatory stage, the two mergers were both similar and different in several respects. One similarity was that the University of Tromsø occupied the driver's seat and set the pace all the way. The pivotal role of the University was partly a consequence of the ranking order of higher education institutions, and partly a matter of sheer size. In legal terms, both mergers were transfers of undertakings with the University as the acquiring institution. In this sense, the University incorporated its smaller partner institutions.

Another commonality was that both mergers were controversial. The students generally supported the mergers, without playing any active role, but among the staff, they caused concern, disagreement, criticism, and debate. The main arguments of the opponents of the mergers were largely the same ever since the “Friends for life” report was presented, emphasizing either the potential downgrading of academic research and excellence or, from the opposite point of view, the potential marginalization of professional programmes and regional engagement. In the last merger between the University of Tromsø and Finnmark University College, the geographical dimension also played a significant role. Would the University terminate activities in Finnmark and transfer them to Tromsø? Maintaining the campuses in Alta and Hammerfest, and expanding the new university’s presence in Kirkenes, therefore became important issues. Hence, without the determination of the Rectors, the backing they received in their Boards, as well as the consent of key players within the institutions, there would have been no mergers.

At the same time, there are striking differences between the two processes. The merger between the two Tromsø institutions was a protracted process. It took exactly 10 years from the first discussions started between the two Rectors and until the merger had materialized. The merger process between the University of Tromsø and Finnmark University College started twice, but when the sails were set, everything went quickly and the merger was completed within less than 2 years.

The planning of the first merger was also a much more comprehensive and detailed process than the second one. The two institutions decided to leave no stone unturned. Eleven working groups with numerous subgroups were established. In all, almost 200 people took actively part in the preparations. Negotiations with the unions and employee representatives also took a lot of time. Agreements were signed on participation and codetermination and on the rights and duties of the employees in the restructuring process.

The merger between the University of Tromsø and Finnmark University College was in effect a take-over. From the outset, it was made clear that the systems and rules of the University would prevail. The whole process was much more top-down and driven by the heads of the institutions. There was no merger secretariat. Working groups were established this time as well, but they came into operation at a later stage of the process and were only active during the few months from the two Boards had given their approvals of the merger and until the merger was a fact.

There are four main reasons why the two mergers were so different. One is that the first merger paved the way and laid the ground for the second merger. A template was ready, and it was not considered necessary to have an equally extensive process the second time. Another was that the Finnmark University College was a relatively smaller institution. The asymmetry between the partners was greater. A third reason was that the two Rectors wanted to see the merger completed before the Tromsø Rector retired in the summer of 2013. The fourth reason was that the last merger was more politicised. The Finnmark University College demanded political warranties and assurances. The University Board approved the first merger unanimously, but the second merger was passed against the votes of the representatives of the university staff.

7.6.3 *Implementation*

The implementation of the mergers was entrusted to the new leaders at all levels of the university. The major organizational changes took place in the first merger. It was relatively easy to agree upon a three level structure, with a central level, a faculty level, and a department level. However, how many and what kind of faculties to establish was a much more difficult question. In the first merger, a preparatory working group suggested only three faculties, but strong resistance arose from many quarters of the two institutions, and the Boards finally decided on six faculties, highly variable in size and composition. This new faculty structure came into effect from 2009.

The merger between the University of Tromsø and Finnmark University College led to changes in the election procedures and the composition of the University Board, which was enlarged from 11 to 13 members, but there was no fundamental disagreement regarding the future organizational structure. Initially, the idea was to define the former Finnmark University College as a new, separate faculty. During the process, however, several of the college departments strongly advocated an inclusion in the corresponding faculties and departments in Tromsø. The end result was an integration of the overlapping programmes while the rest made up the Finnmark Faculty. The original campuses in Alta and Hammerfest were to be maintained. Moreover, the activity in Kirkenes would be recognised as constituting a separate campus there.

In both mergers, much work remained after the formal integration of the institutions. The work comprised the development of new study programmes and curricula, the establishment of research groups, and the introduction of new administrative systems, support functions, and routines. These tasks were followed up without major conflicts. Building a new, common culture and creating mutual respect was also given priority. No doubt, there were fewer challenges in the first than in the second merger, due to the geographical distances and the more premature character of the latter, but the University leadership has been visible and visited all campuses frequently, and at department level, joint workshops, seminars, and other social events have been arranged.

The implementation has run more or less smoothly in the different departments. The two mergers have been easiest in the fields of business and economics and in engineering, while the integration of teacher education and nursing has been more difficult. In the case of business and economics, the staff from the three institutions belonged to the same professional category with similar identity. The mergers made possible the establishment of a separate and profiled business school, which was highly welcomed. The same holds for the engineers, who got their own department and could expand their range of subjects due to the mergers. In teacher education, however, the amalgamation of the teacher training from the University Colleges and the University pedagogy studies was a more cumbersome task, and the development of the 5-year integrated teacher education, where other university disciplines also play an important role, made it even more demanding. Among the staff from the old

nursing school in Tromsø, many wanted a separate department for nursing, but they became part of a big, multi-professional Department of Health and Care Sciences, something that created discontent.

7.6.4 External Support

Both mergers attracted external interest. The first merger coincided with the presentation of the Stjernø Commission's report on the future structure of higher education in Norway (NOU 2008: 3), which proposed regional mergers of several institutions into larger universities. The merger in Tromsø was clearly in line with the main ideas of the national committee, and the committee supported the development in Tromsø as an example to follow.

In the first merger, local and regional authorities in Troms did not engage. This has been a typical feature ever since the University in Tromsø was established. From the outset, the University was a state driven project, and local and regional authorities have kept their distance. The second merger mobilised political authorities both at the local and regional level in Finnmark, and it got clearer support from the Ministry. Throughout the merger negotiations, focus was on the joint political platform. No such platform was formulated in the first merger, which only included a brief statement of visions and goals. The main issue in the discussions relating to the political platform was which concessions to accord to Finnmark. Here it should be noted that the Norwegian Act relating to universities and university colleges was amended in 2009. With the amendment, the county councils were given the right to appoint two of the four external board members of the university colleges. As a result, two prominent regional politicians had taken seat in the Board of Finnmark University College, and they played an active role in the negotiations. In Finnmark, the political platform was made subject to a hearing among the political authorities at local and regional level. Alta and Hammerfest municipalities expressed concern about a merger, and Finnmark County Council demanded a number of conditions to be fulfilled for the merger to take place. The general worry was that the county now would lose its own institution and that higher education in Finnmark would be steered from Tromsø.

The external mobilization affected the joint political platform. It is of great interest to study the modifications and revisions that were made. Most of them stemmed from the need to position the smaller institution against the larger one. The county of Finnmark, and notably the eastern part bordering Russia, with Kirkenes as the centre, got an increasingly prominent position throughout the three different versions of the platform. The University Director in Tromsø, though, characterized many of the Finnmark amendments to the platform as mere linguistic changes, probably to downplay substantial disagreements. When the merger was approved by the Ministry in March 2013, the Ministry granted the institutions 20 million NOK in order to facilitate the merger. In addition, the University got funding for the admission of 20 new students in Alta in the field of engineering.

7.7 The Lessons of the Mergers

Higher education institutions have been characterized as notoriously difficult to govern. They have been described as organized anarchies (Cohen and March 1974) and as loosely coupled systems (Weick 1976), where all decision-making processes are complex and messy. Decisions tend to be contested and subject to rounds of discussions. However, the fact that higher education institutions are able to merge shows that binding decisions can be made and that important changes can be brought about. Based on the Norwegian experience, it does not seem to make a big difference – at least not in the long run – whether the decisions are made by government or by the institutions themselves. After a few years, the mergers are generally accepted and taken for granted.

If the government wants mergers in higher education while the institutions are unwilling or unable to move, government decisions – or the potential threat of a decision – can be essential to prevent a stalemate. This was not the case in the two mergers discussed here, and indeed the first merger had little support from the Ministry. An interesting question is whether mergers initiated by the institutions themselves are more strongly embedded internally than mergers imposed from above. Certainly, there might be a difference, but mergers seldom emanate from the heartland of the institutions. Our two mergers were top-down initiatives, orchestrated by the leadership of the institutions, that is, the Rectors, their Boards, and the Faculty Deans. If the leaders are committed and the Rectors trust each other, it seems that a merger can be realized in spite of limited enthusiasm and support internally at the initial stage.

This means that the ambitions of the Rector and his or her position within the institution probably deserves more attention in connection with higher education mergers, as pointed out by Harman and Harman (2003: 40). Why, for instance, was the Rector of the University of Tromsø against a merger with Tromsø University College between 2002 and 2005, but changed his mind in 2006? It could be argued that the external circumstances had changed. Mergers in higher education and the High North had become issues on the political agenda. The new University Board was also more determined and eager to see a merger. However, another important factor was that the Rector had been re-elected for his second and last term. His position was more secure. Hence, he could embark on endeavours that were more controversial. Similarly, the fact that after the first merger all heads of faculties and departments were appointed from above, also made a difference. This partly explains why the second merger was carried out much faster and top-down. A more professional management had taken over, and the opponents of the merger had less opportunity to launch a campaign.

While leadership obviously plays a key role, institutional characteristics are vital, too. In both mergers the difference in size facilitated the mergers. The partners were not equal, even though it was stressed that the mergers would be between equal parties. The University had the upper hand and could take the lead. The other side of the coin is that some of the smaller departments, notably in Alta and Hammerfest, feel they have been overrun. Likewise, when more than two institutions negotiate,

the process becomes more complicated. Not surprisingly, when Harstad University College and Finnmark University College approached the University of Tromsø together, the merger attempt stranded. The fact that the mergers in the north involved different kinds of higher education institutions, created some obstacles. Both from the university and from the university colleges emphasis was placed on preserving the institutional distinctiveness. However, the different characteristics of the institutions also meant that the partners had complementary profiles. This made the mergers easier than if the institutions had been more similar. Furthermore, the experiences from the two mergers confirm that geography matters. When mergers extend across county borders, there can also be a meeting between different political cultures. Mergers can be more difficult to implement if local and regional authorities are keen to defend their own higher education institutions. Finally, the different processes at the department level demonstrate that professional identities and interests must be taken into account when new organizational boundaries are drawn. Dissimilar academic cultures and ambitions easily create tensions and conflicts.

Merger projects provide the opportunity to rethink institutional profiles, strategic priorities and organizational models (Pruisken 2012; Weber 2009). The mergers dealt with in this chapter have led to important reorganizations and several new initiatives. Nevertheless, it is not possible to claim that the mergers have been guided by a clear vision of creating a truly new institution. The ambition of the UiT The Arctic University of Norway is to perform cutting-edge research in some selected fields. It aims to be regionally anchored, internationally oriented and leading nationally within certain domains. According to the political platform signed between the University of Tromsø and Finnmark University College, the main objectives of the merger are to create a more robust, attractive and competitive institution and to promote the development of the region. Goals are general and vague. Typically, when the more detailed planning starts, the merger projects soon dissolve into a number of urgent and more practical tasks, left to other people than those who formulated the goals. Both mergers had a fixed time schedule with clear milestones, and in the second merger between the University of Tromsø and Finnmark University College, time was very short.

Hence, merger processes seem to face several challenges in addition to those frequently mentioned in the literature. One is to formulate visions and to be able to translate them into novel measures. Another is to strike the right balance between broad involvement and efficient implementation. When decisions have been made they must be final. A third is the choice between keeping the former institutions largely unchanged or aiming at new combinations and synergies.

In the end, the outcome of a merger will be the result of negotiations and a process of give and take, where the rights of the employees are an important element. At the same time, the power relations between the institutions and their constituencies will affect the compromises. In the two mergers discussed here, external stakeholders played no important role in the first merger, but they clearly influenced the second merger. The regional mobilization in Finnmark strengthened the bargaining position of the Finnmark University College, and the government support facilitated the process.

Even if all mergers entail compromises and a balance between the desired and the possible, we believe that some of the decisions made in the creation of UiT The Arctic University of Norway can be questioned. First, as the mergers included a university and two university colleges, it was quite natural that the focus was on education, the regional role of the university, and safe operation during the integration of the technical and administrative systems. Nevertheless, in our view, the strategic development of research could have been given higher priority. The mergers were not used as opportunities for rethinking the research activities and establishing new interdisciplinary or transdisciplinary research groups and centres across faculty boundaries. This is, however, central to the new strategic plan for the university 2014–2020.⁵

Second, the faculty structure is very unbalanced. In terms of staff and students, the Faculty of Health Sciences and the Faculty of Humanities, Social Sciences and Education are huge, while the Faculty of Fine Arts and the Finnmark Faculty are tiny. The organization is thus highly asymmetrical. The Faculty of Health Sciences, for instance, holds between 40 and 50 % of the votes for the election of Rector and Board members.

Third, geographical proximity makes it relatively easy to implement a unitary structure, but new challenges arise in a multi-campus institution. The handling of distant campuses seems to entail a difficult trade-off. On the one hand, it is important to integrate small professional groups into larger environments and to avoid that former institutions are entrenched in their old campuses. On the other hand, radical reorganizations may trigger greater resistance, and it is difficult to run a campus consisting of branches left uncoordinated at the campus level. In cases where a site management is introduced, the problem is to determine where to locate this management in the overall decision-making structure.

Fourth, the Working Environment Act and collective agreements give employees in Norway many rights. In the mergers, agreements were made with the unions to the effect that no one was to be dismissed, and no one would get a lower salary. Even though vacant positions have not automatically been filled up, this has made it difficult to achieve economies of scale, particularly in the administration. Of the four traditional universities in Norway, UiT The Arctic University of Norway has the highest share of administrative staff to total staff (27 %). A tricky question has also been how to staff the administrative positions of the new university. In the mergers, the organizational structure was outlined, but there was no detailed specification of tasks, qualification requirements or the division of labour between the organizational levels. Administrative staff was simply transferred to the most relevant units. Their rank was defined partly by seniority, and partly by putting an administrator from the University in a certain position, and then the next in rank would come from the University College. In this way, it was not always the best qualified who received the position. For the academic staff, the situation is different, given the fact that all positions per definition depend on formal qualifications.

⁵The strategic plan is available on http://en.uit.no/om/art?p_document_id=377752&dim=179033

Fifth, the conditions for doing research is a complicated issue. At the university, academic staff has normally more time for research than at the university colleges. After the mergers, more employees from the old colleges have got better opportunities for doing research. However, this also reduces available resources for teaching, and one effect of the mergers has been to increase the teaching load of many academics. The potential conflicts associated with a wider range of job categories and different working conditions of the staff within each university department is an issue that deserves careful consideration.

These points will probably become even more salient in the years ahead. The centre-right government elected in 2013 has embarked on a major restructuring of higher education in Norway. The aim is to increase the quality of research and education by creating larger and more robust institutions. All universities and university colleges have been asked to formulate their strategic ambitions, explain how they intend to reach their goals, and indicate with whom they prefer to merge. The Minister has made it clear that in Northern Norway, all university colleges except for the Saami university college in Kautokeino will disappear. UiT The Arctic University of Norway will include the university colleges in Narvik and Harstad, and the mergers will be implemented in 2016 (Meld. St. 18 (2014–2015)). Hence, the University is already involved in a new merger process, as it has been more or less continuously for the last 10 years. In the modern world, reform has become routine, according to Nils Brunsson (2009). For the universities, this seems to imply a state of flux and permanent reorganization.

7.8 Conclusion

When the University of Tromsø was established, the idea was to create a different kind of higher education institution. Unlike the older universities, the University of Tromsø should be regionally relevant, interdisciplinary and problem-oriented. In practice, the University soon resembled the other universities in many ways, but the merger history indicates that some of the old spirit has been kept alive. It has pioneered cross-sector mergers in higher education in Norway, and the University and its partners have demonstrated their willingness and ability to take ground-breaking initiatives on their own.

Mergers are organizational experiments. It is still early to draw definite conclusions regarding the two mergers that have taken place in Northern Norway. The outcome and effects will depend on how both staff and other stakeholders seize the new opportunities. No attempts have been made to stipulate the restructuring costs, but our study clearly shows that mergers are time-consuming and demand considerable resources. The new university has also become a more diverse and hybrid institution, which poses new challenges for management as well as staff and students.

At the same time, it is evident that universities and university colleges can benefit from mergers. The new university in Northern Norway offers a much broader and more coherent set of study programmes, and it is actively engaged in flexible and

decentralized education. In terms of research, the mergers have not brought the university higher on the ranking lists, but research has been strengthened in the professional fields without compromising research within the university's academic core. The structure of governance and organization has been altered, and the administrative systems have been professionalized. The new university has also become more present and profiled in the region, with stronger links to regional stakeholders, and the general attractiveness of the institution has increased. Overall, our conclusion is that resources are utilized in a better way within the merged institution.

The new university is based on the idea of combining academic excellence with regional relevance in a High North perspective. Boundaries have been redrawn. What previously was 'us' and 'them', is slowly becoming 'we'. The challenge now is to restart the whole process in order to integrate two more university colleges.

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