

## Performance Management in Higher Education: Lessons from Germany's New Public Management System

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**Abstract :** Following a new public management approach, Germany has widely reformed its higher education system around the turn of the millennium. Aimed at preparing the country's publicly funded universities and applied science colleges for a century of glory, the reforms led to the introduction of rigid performance measurement and management practices, which disrupted the inert system on all levels. Yet, many of the new policies met significant resistance, and some of them had to be reversed over time. Ever since Germany has struggled to find a balance between its pre- and its post-millennial approach to performance measurement and management. This contribution combines insights of a joint research project, which was created and funded by the German Federal Ministry of Education and Research with the aim to better understand the effects of its performance measurement and management policies, including those the ministry had implemented over the previous decades. The research project combines researchers from 17 German research institutions who employed a wide range of theories from various disciplines and very diverse research methods to explain performance measurement and management and their consequences on the behavior of various stakeholders in higher education systems. In these projects, performance measurement and management have been researched from three angles—education, research, and third mission. The collaborative project differentiated functional and dysfunctional elements of common performance measurement and management practices, and identified key problems with these practices, such as (1) oversimplification of performance indicators, (2) 'overmeasurement' of performance in general, (3) excessive use of quantitative indicators, and (4), a myopic focus on research-focused indicators and a negligence of measures targeting education and third mission. To address these issues, the collaborative project developed alternative approaches to performance measurement and management, including suggestions for qualitative performance measures, improved supervision, review, and evaluations methods, and recommendations how to better balance education, research, and third mission. The authors would like to share the rich findings of the joint research project with an international audience and discuss their implications for alternative higher education systems.

**Keywords :** performance measurement, performance management, new public management, performance evaluation

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