

**Hong Kong Higher Education**

**To Make a Difference**

**To Move with the Times**

**University Grants Committee**

**January 2004**

## **EXECUTIVE SUMMARY**

This document sets out that the University Grants Committee (UGC):

- (a) sees the Hong Kong higher education sector serving as ‘the education hub of the region’, driving forward the economic and social development of Hong Kong, in the context of our unique relationship with Mainland China and the region;
- (b) takes a strategic approach to Hong Kong’s higher education system, by developing an interlocking system where the whole higher education sector is viewed as one force, with each institution fulfilling a unique role, based on its strengths;
- (c) works with institutions to ensure that each provides excellent teaching in all areas relevant to its role;
- (d) aims to promote “international competitiveness” where it occurs in institutions, understanding that all will contribute to this endeavour and that some institutions will have more internationally competitive centres than others; and
- (e) values a role-driven yet deeply collaborative system of higher education where each institution has its own role and purpose, while at the same time being committed to extensive collaboration with other institutions in order that the system can sustain a greater variety of offerings at a high level of quality and with improving efficiency.

## INTRODUCTION

The aim of this document is to articulate the thinking of the UGC on the direction it proposes to take in advising the government and steering the higher education sector in respect of role differentiation among institutions and achieving international competitiveness. We issue this at this time for a number of reasons:

- (a) The Higher Education Review made many substantive recommendations at a strategic level on role differentiation and excellence. It has now become clear that the UGC needs to draw the roadmap – the compass for which is the Higher Education Review.
- (b) As the UGC has set to tackling these areas of the Higher Education Review, for example in our work on role differentiation among institutions, institutional integration, and performance and role related funding, it has become apparent that these matters must be viewed against a clear picture of the system as a whole.
- (c) There are conflicting aspirations and views about how public funding should be directed in any higher education system. At bottom, there is a tension between providing greater public funding to allow a selected number of areas or institutions to seek to shine at an international level – and providing what is deemed to be adequate funding to all areas of the system so that all who enter can benefit. This tension now needs to be investigated in real rather than hypothetical terms.
- (d) The fiscal budget is under great strain. This cannot be ignored, even for a five to ten year plan. Thus, the UGC's thinking must take account of at best static funding over the planning period, following a probable 10% cut in 2004-05.

The conclusions of the UGC are set out in the following paragraphs.

## **A HIGHER EDUCATION SYSTEM FOR HONG KONG**

2. It is worthwhile articulating again why Hong Kong must have its own higher education system, since its high cost may lead some to wonder whether it punches its weight. The arguments are well set out in the Higher Education Review and some are extracted below.

- (a) “In all developed communities the shape of the future will significantly determine the future shape of universities. Equally, the shape of its universities will partly determine the community’s future. The indisputable reason for this is that in all developed societies the future depends upon harnessing knowledge and understanding to define the cultural vision and create and respond to economic opportunity. Hong Kong is no exception to this general rule.”
- (b) “The ambition to be Asia’s world city is a worthy one, but there is no doubt that realization of that vision is only possible if it is based upon the platform of a very strong education and higher education sector. There are very good reasons for that which have to do with what universities are and what makes them excellent.”
- (c) “There are three levels of community in which Hong Kong’s higher education sector resides. The first is, of course, the population of Hong Kong; but this is a varied and changing community with many dimensions. Two things, however, are common to all of its dimensions: the need for both a strong cultural identity and a strong economy. These are different but related. The former concerns how Hong Kong sees itself and its future, the latter concerns the creation of wealth and economic growth. Universities, for reasons to be discussed, have an essential role in the fulfillment of both.....The second and third levels are to be found outside the Hong Kong SAR.....”
- (d) “If (teaching and learning) is done well, then that knowledge and understanding will help the community shape the future rather than simply react to other influences. This is at the core of Hong Kong SAR’s future economic development. Without a highly educated and capable workforce, with the necessary developmental skills, there will be no success in building a knowledge economy which is not simply appropriate for, but is

essential to, Hong Kong's place as a developed, internationally focused community.”

- (e) “The core functions of teaching and research will be drivers of economic opportunity: first in providing the type of educated workforce which is the pre-condition of a successful knowledge economy; and second in ensuring that doors are open to the understanding and exploitation of the ways in which our knowledge and understanding of human beings, of human societies and of the world in which we live, is daily being extended.”

3. In short, Hong Kong needs its own higher education system to provide the depth and breadth of people who can participate in making Hong Kong a vibrant, economically powerful, cultured, civilized, and socially active and responsible society. The higher education sector is a key source of impetus for social development. Human capital is the single most important asset of Hong Kong. We need home-grown graduates who have a strong sense of belonging, and a strong sense of identity as being a part of Hong Kong. At the same time it is also important to nurture a core of local faculty who give stability, local character, and cultural and intellectual rootedness to local universities, and engage themselves heavily with the local community. Their social and public role is vital to the development of a civil society and the quality of life.

4. The higher education system also needs to recognise and take up the challenge of the mutually beneficial relationship between Hong Kong, the Pearl River Delta and Mainland China- again an issue well flagged in the Higher Education Review. Since the issue of the Higher Education Review, the Closer Economic Partnership Arrangement (CEPA) has been signed and brought into force and the Chief Executive in his 2003 and 2004 Policy Addresses has stated very clearly the policy goal of broader and deeper collaboration across all fronts – including education. Such deeper collaboration calls for a mature higher education sector in Hong Kong. It also calls for a sector which produces graduates who are highly employable, mobile and versatile, keen continuously to improve themselves and distinctive in character.

5. Academic exchange between Hong Kong and Mainland China can play a significant role in knowledge exchange between the two places. Hong Kong can and should play a facilitating role in linking the Mainland and the world at large. To do this Hong Kong requires graduates who are

culturally sensitive to the developments in the Mainland- and this is best achieved if they are educated here in indigenous institutions. We foresee a significant increase in the non-local student population, a large proportion of whom will come from the Mainland. Our higher education sector, which is internationalized, will provide Mainland students with a valuable international perspective. The academic and economic value of a significant increase in cross-border institutional activity could be huge. If our institutions are alert and nimble, there is synergy, mutual enhancement and diversified finance to be garnered.

## **THE EDUCATION HUB IN THE REGION**

6. As the Chief Executive put it in his 2004 Policy Address: “we are promoting Hong Kong as Asia’s world city, on par with the role that New York plays in North America and London in Europe.” The UGC shares this identity and shares the vision of the Secretary for Education and Manpower that the Hong Kong higher education sector should aspire to be “the education hub of the region”. The UGC believes that Hong Kong can fulfill this vision, given its strong links with Mainland China, its geographical location, its internationalized and vibrant higher education sector, and its very cosmopolitan outlook. All these give Hong Kong a strong competitive edge over its competitors in the region.

7. Asia is up and coming on the world stage, thanks to growingly prosperous citizens, enormous business opportunities and increasing political weight. Asia will become a key presence on the world map of higher education, and will be an attractive destination for both students and faculty. In time, if internationally-competitive centres of excellence with critical mass can be built up in Hong Kong, given the rise of Asia, they will become magnets - like the great centres in the USA and UK.

8. The question for the UGC - and the community - is how to realize that vision in practical terms. In exploring this we are cognizant of the key recurring themes in the Higher Education Review, which are: ‘performance’; ‘mission’ (ie role); and ‘differentiation’. These are addressed in a number of ways in the Higher Education Review:

- (a) strategic identification of a small number of institutions for focused public and private sector support;

- (b) selectivity in identifying outstanding performance where it occurs;
- (c) role differentiation among institutions;
- (d) performance, and performance against role;
- (e) teaching excellence;
- (f) research excellence; and
- (g) fit for purpose governance structures to achieve the above.

9. There are several ways in which targeting of public finance, student numbers and roles could be developed and there will be natural tensions between some of them, as described in paragraph 1 above.

10. International experience shows that public sector support cannot be the sole source of funds if a university system is to achieve international excellence. In Hong Kong a very large proportion of institutional funding comes from the public purse for education and it is unrealistic to think that that figure can be augmented significantly. Thus an important element in fostering international excellence is to encourage the development of other sources of funding for institutions. This is now under way and the UGC hopes to see such develop much more in the years ahead. Institutions are developing closer ties with industry in advancing areas of mutual interest through engagement in collaborative research projects, setting up of teaching and research centres etc. With the introduction of the Matching Grant Scheme, a stronger and broad-based philanthropic culture is taking shape in Hong Kong. We also see generous support from charity groups and individual members of the community. A robust higher education sector requires the active involvement of the whole community.

11. Within public sector funding, it is vital to target funding and to ensure that it is put to best use. As rightly put in the Higher Education Review, “international level excellence is an elusive and, it has to be said, resource intensive flower.” The UGC, being responsible for the whole higher education sector under its purview, must balance the needs and expectations of all parties. This is a difficult balance to achieve.

12. In examining this question, the UGC has come to the conclusion that the whole of Hong Kong’s higher education sector should be viewed

as one force in the regional and international higher education arena. The whole of the higher education sector should seek to achieve the goal of developing Hong Kong into the education hub of the region. Each institution should contribute to this endeavour in its own differing and unique way and in a complementary manner. Thus each institution should aspire to be top in the region at what it and the UGC agree on is its role. All eight institutions should be part of the system in their respective roles. The roles of the institutions should describe an interlocking system, which should be diversified, with different types of strengths or functions predominating in different institutions. The UGC believes that this ‘nurturing’ of the whole system will ultimately be the more productive for Hong Kong.

### **A DIFFERENTIATED YET INTERLOCKING SYSTEM**

13. The UGC considers that public resources should be focused on areas of excellence where they appear in institutions across the whole sector. This recognizes that all the institutions in Hong Kong have their own unique strengths in which they can aspire to ‘international competitiveness’. It also recognizes that research intensive institutions will have more areas of international competitiveness than others and will naturally attract more public resources. Such public resources will, however, need to be very carefully targeted, so as not to dilute the effect. It also recognizes that research intensive institutions should be able to attract more private funding, for the benefit of themselves and the system.

14. This approach calls upon the UGC to play a more active role in steering the sector. It is important that in such a system, the areas of international competitiveness are closely related to the roles of the institutions. This means that the UGC will need to ensure institutions keep closely to their role and do not chase or ‘misdirect’ public funding and recognition outside that.

### **THE WAY FORWARD**

15. To fulfill the above, the UGC will need to become a much more proactive player, and, as stated in the Higher Education Review: “strengthen its role in strategic planning and policy development, so as to advise and steer the degree awarding sector.” The UGC has to ensure that at the system level, appropriate tools, mechanisms and incentives are in

place to steer institutions towards clear role differentiation, to facilitate deep collaboration among institutions in advancement of their respective roles, and to allow excellence to emerge through fair and constructive competition. Hong Kong needs a higher education sector with institutions operating in distinctive but collaborative and complementary roles. Each institution should have unique areas of strength which will add value to the overall sector. The UGC must ensure that each institution is faithful to its role.

16. The UGC is committed to this extended role. It is equally committed to an open and constructive dialogue with institutions about the development of Higher Education in Hong Kong. Its intention is to help create a clear framework within which institutions continue to have the freedom to act and develop in their own way.

17. Hong Kong is too small a place to afford excessive overlapping of efforts in higher education. The fiscal environment also calls for a very effective use of public money to enable the sector as a whole to advance, even in the face of budget stringency. It is thus imperative that the UGC, working with all eight institutions, maximizes the efficiency of the sector. Efficiency in higher education systems increases if more focus and larger scale is realized. In teaching this implies more collaboration within and between institutions to eliminate unsustainable duplication in the educational programmes offered, and to allow the transfer of students to interconnected programmes. In research this implies more collaboration within and between institutions to create larger research groups with more focused research programmes. And in non academic operations, it means seizing all available opportunities for joint endeavours, business process reengineering and contracting out of services.

18. The UGC will address the above areas in the following manner.

### *Teaching*

19. The UGC-funded institutions should be diversified in satisfying the diverse needs of the stakeholders. This means:

- (a) education of personnel to meet specific manpower needs of Hong Kong, especially in areas identified to be a driving force of Hong Kong's economic growth;

- (b) education of minds, all-rounded skills, broad perspectives, and language proficiency to meet the dynamic economic, social and political environment of Hong Kong;
- (c) meeting the diverse backgrounds, needs and aspirations of the population; and
- (d) providing articulation opportunities for entry from sub-degree levels (with time, some institution(s) may choose to focus on this as one of its/their key roles).

### *Teaching Vs Research*

20. An essential purpose of any higher education sector is to equip younger generations to become thinking, productive members of society. All institutions are therefore expected actively to strive for excellent ('internationally competitive') teaching in all areas relevant to their distinctive role statements. In order to deliver quality learning experiences, university teachers must be at the forefront of knowledge in their areas, and for this reason, to be involved in scholarly activities required to inform teaching. But such activities do not necessarily need to be nor should be translated into the provision of more Research Postgraduate places. Thus, while research has a most important role, teaching has an indispensable role.

### *Research*

21. Research requiring additional UGC resources will need to be targeted, focused, and appropriate to role. Owing to their different roles, institutions are expected to have very selective and distinctive foci on research. And only a small number of universities would have more than a very few such centres of research excellence. No institutions can expect to undertake internationally competitive research in all discipline areas.

### *Collaboration and Alliances*

22. The UGC believes that the level and depth of collaboration and strategic alliances taking place in Hong Kong's higher education system is distinctly sub-optimal both for individual institutions and for the sector as a whole. It is incumbent on institutions to do much more in this area, not only to improve their quality but also to make the best use of the large amount of public funding made available to the sector. Strategic alliances

and deep collaboration among institutions- and with overseas institutions and the wider community- should aim to achieve the following:

- (a) enhancing the breadth and depth of teaching quality in the academic disciplines to enable a richer and more diverse subject menu to be offered to students;
- (b) developing the critical mass required to create centres of research capable of competing at the internationally competitive level; and
- (c) creating substantial efficiencies, particularly in the non academic areas, and hence extra capacity for other pursuits appropriate to roles.

## **IMPLEMENTATION**

23. The UGC has recently completed a review of the role statements of the eight institutions under its purview. These are attached at **Annex A** to this document and reflect the above policy: an interlocking yet differentiated system. In drawing these up, the UGC has deliberately sought to develop the roles that the institutions have themselves set. Thus, for example, the Lingnan University seeks to be an excellent liberal arts institution- and the UGC supports it in that role. The Hong Kong Polytechnic University seeks to emphasize application orientated teaching, professional training and applied research and we support it in that role. There are three themes running through the statements. The first is that all the institutions are expected to provide internationally competitive teaching- and research. However, all institutions are cautioned to focus their research efforts in their areas of strength- and some will have more than others. The second is that the UGC wishes to see much more active and deep collaboration among institutions, within and outside Hong Kong, and with the wider community to take forward their roles. The third is that there should be the most effective and efficient management of resources, through collaboration whenever it is of value. We have also provided for an entry specific to each institution seeking to encapsulate its key distinctive features.

24. The strategic alliances mentioned above should be designed to meet all these aims. These alliances should go well beyond one-off cooperation at a programme level but rather be long-term deep collaboration between institutions (in terms of matters such as credit

transfers, taking of courses in other institutions, joint award of degrees, setting up joint research centres, library sharing, back-office sharing etc) or indeed even more robust integration between institutions. The UGC sees no reason such strategic alliances should not range beyond deep collaboration through to full merger as circumstances and timing warrant.

25. The UGC is putting in place credible mechanisms to ensure that it is equal to the task of steering the Higher Education System in this endeavour. We have agreed revised role statements with the eight institutions. Other mechanisms being introduced include:

- (a) exploring institutional integration. The Report of the UGC Working Party on Institutional Integration will be issued in March 2004. A short Executive Summary of its key findings is attached at **Annex B** to this document;
- (b) introducing performance and role related funding into the UGC funding methodology for the 2005-08 triennium. This important undertaking will tie into funding allocation, performance- and performance against role- much more rigorously than in the past. The UGC believes it will have a significant effect on the way institutions approach their priorities;
- (c) setting up a Core Group within the UGC critically to examine the Academic Development Proposals of institutions in the 2005-08 triennium and beyond;
- (d) monitoring much more closely what areas institutions are carrying out research in and what areas they undertake taught programmes in; and
- (e) setting aside (top slicing) funding to support deep collaboration and restructuring- funding that will not be granted unless such collaboration or restructuring takes place.

26. The UGC believes that the above practical articulation of the aims of the Higher Education Review will facilitate the higher education sector in building Hong Kong as Asia's world city and in positioning Hong Kong as the educational hub in the region. The UGC looks forward to hearing community feedback to this document.

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**Role Statements of UGC-funded Institutions**

**City University of Hong Kong (CityU)**

- (a) offers a range of professionally oriented programmes leading to the award of first degrees, and a small number of sub-degree programmes;
- (b) pursues the delivery of teaching at an internationally competitive level in all the taught programmes that it offers;
- (c) offers a number of taught postgraduate programmes and research postgraduate programmes in selected subject areas particularly in professional and applied fields;
- (d) emphasizes application-oriented teaching, professional education and applied research;
- (e) aims at being internationally competitive in its areas of research strength;
- (f) emphasizes high value-added educational programmes for whole person development and professional competencies and skills;
- (g) maintains strong links with business, industry, professional sectors, employers as well as the community;
- (h) pursues actively deep collaboration in its areas of strength with other higher education institutions in Hong Kong or the region or more widely so as to enhance the Hong Kong higher education system;
- (i) encourages academic staff to be engaged in public service, consultancy and collaborative work with the private sector in areas where they have special expertise, as part of the institution's general collaboration with government, business and industry; and
- (j) manages in the most effective and efficient way the public and private resources bestowed upon the institution, employing collaboration whenever it is of value.

## Hong Kong Baptist University (HKBU)

- (a) offers a range of programmes leading to the award of first degrees in Arts, Business, Chinese Medicine, Communication Studies, Education, Science and Social Sciences;
- (b) pursues the delivery of teaching at an internationally competitive level in all the taught programmes that it offers;
- (c) offers a number of taught postgraduate programmes and research postgraduate programmes in selected subject areas;
- (d) follows a holistic approach to higher education and emphasizes a broad-based creativity-inspiring undergraduate education, which inculcates in all who participate a sense of human values;
- (e) aims at being internationally competitive in its areas of research strength, and in particular in support of teaching;
- (f) maintains strong links with the community;
- (g) pursues actively deep collaboration in its areas of strength with other higher education institutions in Hong Kong or the region or more widely so as to enhance the Hong Kong higher education system;
- (h) encourages academic staff to be engaged in public service, consultancy and collaborative work with the private sector in areas where they have special expertise, as part of the institution's general collaboration with government, business and industry; and
- (i) manages in the most effective and efficient way the public and private resources bestowed upon the institution, employing collaboration whenever it is of value.

Lingnan University (LU)

- (a) offers a range of programmes leading to the award of first degrees in Arts, Business and Social Sciences;
- (b) pursues the delivery of teaching at an internationally competitive level in all the taught programmes that it offers;
- (c) offers a number of taught postgraduate programmes and research postgraduate programmes in selected fields within the subject areas of Arts, Business and Social Sciences;
- (d) provides a general education programme which seeks to offer all students a broad educational perspective, distinguished by the best liberal arts tradition from both East and West, and enables its students to act responsibly in the changing circumstances of this century;
- (e) aims at being internationally competitive in its areas of research strength, in particular in support of liberal arts programmes;
- (f) maintains strong links with the community;
- (g) pursues actively deep collaboration in its areas of strength with other higher education institutions in Hong Kong or the region or more widely so as to enhance the Hong Kong higher education system;
- (h) encourages academic staff to be engaged in public service, consultancy and collaborative work with the private sector in areas where they have special expertise, as part of the institution's general collaboration with government, business and industry; and
- (i) manages in the most effective and efficient way the public and private resources bestowed upon the institution, employing collaboration whenever it is of value.

## The Chinese University of Hong Kong (CUHK)

- (a) offers a range of programmes leading to the award of first degrees and postgraduate qualifications in subject areas including Arts, Science, Social Sciences and Business Administration;
- (b) incorporates professional schools such as Medicine, Architecture, Engineering and Education;
- (c) pursues the delivery of teaching at an internationally competitive level in all the taught programmes that it offers;
- (d) offers research postgraduate programmes for a significant number of students in selected subject areas;
- (e) aims at being internationally competitive in its areas of research strength;
- (f) contributes to the development of Hong Kong, China as a whole, and the region through quality education, research, engagement and service, in all the disciplines it offers;
- (g) pursues actively deep collaboration in its areas of strength with other higher education institutions in Hong Kong or the region or more widely so as to enhance the Hong Kong higher education system;
- (h) encourages academic staff to be engaged in public service, consultancy and collaborative work with the private sector in areas where they have special expertise, as part of the institution's general collaboration with government, business and industry; and
- (i) manages in the most effective and efficient way the public and private resources bestowed upon the institution, employing collaboration whenever it is of value.

## The Hong Kong Institute of Education (HKIEd)

- (a) offers a range of programmes leading to the award of certificates, first degrees and postgraduate diplomas, which provide suitable preparation for a career in education and teaching in the pre-school, school and vocational training sectors; and
- (b) also offers a series of programmes which provide professional education and development for serving teachers in these sectors;
- (c) nurtures through all its programmes knowledgeable, caring and responsible teachers who will serve the needs of Hong Kong schools;
- (d) pursues the delivery of teaching at an internationally competitive level in all the taught programmes that it offers;
- (e) delivers degree programmes relating to secondary education whenever possible through strategic collaborations with other local tertiary institutions;
- (f) provides a source of professional advice and development, and of research in education, as appropriate, to support the pre-school, school and vocational training sectors in Hong Kong;
- (g) maintains strong links with the community, and in particular the schools and the teaching profession;
- (h) pursues actively deep collaboration in its areas of strength with other higher education institutions in Hong Kong or the region or more widely so as to enhance the Hong Kong higher education system; and
- (i) manages in the most effective and efficient way the public and private resources bestowed upon the institution, employing collaboration whenever it is of value.

The Hong Kong Polytechnic University (PolyU)

- (a) offers a range of professionally oriented programmes leading to the award of first degrees, and a small number of sub-degree programmes;
- (b) pursues the delivery of teaching at an internationally competitive level in all the taught programmes that it offers;
- (c) offers a number of taught postgraduate programmes and research postgraduate programmes in selected subject areas particularly in professional and applied fields;
- (d) emphasizes application-oriented teaching, professional education and applied research;
- (e) aims at being internationally competitive in its areas of research strength;
- (f) emphasizes high value-added education, with a balanced approach leading to the development of all-round students with professional competence;
- (g) maintains strong links with business, industry, professional sectors, employers as well as the community;
- (h) pursues actively deep collaboration in its areas of strength with other higher education institutions in Hong Kong or the region or more widely so as to enhance the Hong Kong higher education system;
- (i) encourages academic staff to be engaged in public service, consultancy and collaborative work with the private sector in areas where they have special expertise, as part of the institution's general collaboration with government, business and industry; and
- (j) manages in the most effective and efficient way the public and private resources bestowed upon the institution, employing collaboration whenever it is of value.

## The Hong Kong University of Science and Technology (HKUST)

- (a) offers a range of programmes leading to the award of first degrees and postgraduate qualifications particularly in Science, Technology, Engineering, Management and Business Studies;
- (b) offers programmes in Humanities and Social Science only at a level sufficient to provide intellectual breadth, contextual background and communication skills to an otherwise scientific or technological curriculum, and limited postgraduate work;
- (c) incorporates professional schools, particularly in the fields of Science, Technology, Engineering and Business;
- (d) pursues the delivery of teaching at an internationally competitive level in all the taught programmes that it offers;
- (e) offers research postgraduate programmes for a significant number of students in selected subject areas;
- (f) aims at being internationally competitive in its areas of research strength;
- (g) assists the economic and social development of Hong Kong by nurturing the scientific, technological, and entrepreneurial talents who will lead the transformation of traditional industries and fuel the growth of new high-value-added industries for the region;
- (h) pursues actively deep collaboration in its areas of strength with other higher education institutions in Hong Kong or the region or more widely so as to enhance the Hong Kong higher education system;
- (i) encourages academic staff to be engaged in public service, consultancy and collaborative work with the private sector in areas where they have special expertise, as part of the institution's general collaboration with government, business and industry; and
- (j) manages in the most effective and efficient way the public and private resources bestowed upon the institution, employing collaboration whenever it is of value.

The University of Hong Kong (HKU)

- (a) offers a range of programmes leading to the award of first degrees and postgraduate qualifications in subject areas including Arts, Science, Social Sciences, and Business and Economics;
- (b) incorporates professional schools such as Medicine, Dentistry, Architecture, Education, Engineering and Law;
- (c) pursues the delivery of teaching at an internationally competitive level in all the taught programmes that it offers;
- (d) offers research postgraduate programmes for a significant number of students in selected subject areas;
- (e) aims at being internationally competitive in its areas of research strength;
- (f) as an English-medium University, supports a knowledge-based society and economy through its engagement in cutting-edge research, pedagogical developments, and lifelong learning; in particular, emphasizes whole person education and interdisciplinarity;
- (g) pursues actively deep collaboration in its areas of strength with other higher education institutions in Hong Kong or the region or more widely so as to enhance the Hong Kong higher education system;
- (h) encourages academic staff to be engaged in public service, consultancy and collaborative work with the private sector in areas where they have special expertise, as part of the institution's general collaboration with government, business and industry; and
- (i) manages in the most effective and efficient way the public and private resources bestowed upon the institution, employing collaboration whenever it is of value.

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**Executive Summary of the Report of the  
Working Party on Institutional Integration,  
as endorsed by the UGC**

The Working Party on Institutional Integration (IWP) was established by the UGC, following a request from the Administration, to consider the question of institutional integration in Hong Kong generally and specifically to examine the key potential benefits and drawbacks as regards a merger of the Chinese University of Hong Kong (CUHK) and the Hong Kong University of Science and Technology (HKUST). Over a period of six months the IWP met seven times and met with Reference Groups from CUHK and HKUST twice. There was considerable interest in its work, both from staff, students and alumni of the two institutions, the wider academic community, and the community at large. The membership of the IWP was :

Prof John Niland (Convenor)  
Mr Philip Chen  
Mr Irving Koo  
Mr Roger Luk  
Dr Steven Poon  
Dr Alice Lam (Chairman, UGC)  
Mr Michael Stone (Secretary-General, UGC)

2. The key conclusions of the IWP may be summarized as follows :

- (a) Institutional Integration should be defined broadly to encompass a range of possible forms of collaboration, ranging from full merger to loose affiliation, either at the institutional level or at the intra-institutional level, such as a department or faculty;
- (b) the UGC should adopt a strategic approach towards institutional integration. The approach should facilitate and encourage development of critical mass in teaching and research, greater synergy and higher efficiency in order to

take forward Hong Kong's aspiration to be the education hub of the region;

- (c) as a key element of the strategic approach to institutional integration, the UGC should specifically encourage and drive "deep collaboration" within and between institutions, in both academic and non-academic areas, both within Hong Kong and internationally. The UGC should establish mechanisms and incentives in this regard; and
- (d) while a merger between CUHK and HKUST might become viable at some point in the future, it should not be further explored for the present.

3. The UGC fully endorsed the Report at its meeting in January 2004. The full report will be issued in March 2004.

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