



HÁSKÓLINN Á BIFRÖST

BIFRÖST UNIVERSITY

Annual Quality Report 2025

January 2026

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1. Introduction

This annual report provides an overview of quality-related activities at Bifröst University over the past year, covering developments since the last institution-wide review. It highlights progress made in key areas and outlines upcoming internal quality assurance activities.

2. Recent Developments

Bifröst University (BU) entered into negotiations with the University of Akureyri regarding a potential merger. Although an agreement was initially endorsed by both universities and the Ministry of Higher Education, the merger negotiations were formally discontinued in September 2025.

BU experienced major structural changes when its campus buildings in Norðurárdalur were declared unusable due to mould contamination. As a result, the campus was closed and put up for sale. The University has now operated as a distance-learning institution for ten years and without a formal campus for the past two years. The campus remains on the market, and prospects for its sales are considered favourable. BU operates without a traditional campus, with staff offices located in Reykjavík and Hvanneyri.

In spring 2024, BU reached a new funding agreement with the Ministry of Higher Education, aligning its financial framework with that of public universities in Iceland. Tuition fees were abolished, and funding was adjusted in accordance with the national higher education funding model. Despite these changes, BU remains the lowest-funded university in Iceland. Due to the structure of the state funding model, the University continues to receive funding for fewer students than are in fact enrolled. Consequently, the year 2026 is expected to be financially challenging, although it will be the final year before the funding system fully reflects BU's student numbers.

Following these changes, student enrolment increased significantly, from approximately 600 students to nearly 2,000 by autumn 2025. This rapid growth required substantial expansion of academic and support staff. Although distance-learning institutions typically experience higher dropout rates, BU has prioritised

student support services. While dropout rates have increased slightly, they remain below 20% and are still lower than the national average for Icelandic universities.

In summer 2024, BU together with nine European universities, secured a grant of approximately ISK 2 billion from the European Union for the OpenEU project. The project formally commenced in December 2024 and represents a major strategic opportunity for curriculum development, research, and international collaboration at BU. The University is already participating in preparations for two international master's programmes and has entered into an agreement with the Open University of Barcelona on a joint doctoral programme. The project also includes expanding the range of courses taught in English and developing full degree programmes in English, which will be offered from autumn 2026 onwards.

In autumn 2025, Bifröst University, the Technical College, and the Icelandic Coast Guard issued a letter of intent to jointly develop studies in Marine Area Management. During the winter, this programme, which will be offered as an undergraduate diploma programme, has been under development and will be available at Bifröst University from autumn 2026. The programme is primarily intended for staff of the Icelandic Coast Guard but will also be open to others who wish to gain education and training in this field.

Since 2024, BU has piloted AI-based systems within its learning management system to monitor teaching and learning quality. The system, Intelligent Insights, has significantly improved oversight of teaching and learning processes and has proven particularly effective for early intervention for students at risk of non-completion. A new AI-based digital invigilation system was tested during spring 2025 and has since been adopted in several programmes. The system is particularly well suited to distance learning, as it enables students to take examinations from home and reduces the need to attend dedicated test centres, which are often far from students' place of residence. Experience to date indicates that the system serves students who experience anxiety well and supports accessibility for students with physical disabilities.

Further developments during the year relate to human resources management, teaching processes, and the development of a new quality handbook.

3. Areas of Improvement

In November 2020, BU received a limited confidence judgement regarding its capacity to secure academic standards from an Institutional Review Team appointed by the Quality Board. Following extensive revisions to institutional infrastructure, policies, and processes, the University was awarded full confidence in December 2022.

Although no further formal recommendations were issued, BU recognises that quality assurance is an ongoing process. The University has continued to strengthen its internal quality assurance system. This section addresses key issues highlighted in the Quality Board's letter of December 2022.

3.1 Clearer Vision and Strategic Implementation

BU's vision is multifaceted and complex, which has necessitated clearer articulation of strategic priorities and implementation mechanisms.

During the reporting year, a new institutional strategy was developed using an inclusive and participatory approach. Academic staff, administrative staff, students, and external stakeholders were actively involved through workshops and staff development days. The new strategy was formally presented in spring 2025 and is publicly available on the University's website. Work on monitoring and implementation commenced in autumn 2025, including the definition of performance indicators. Efforts are currently underway to link these indicators to the University's Operational Calendar.

The new strategy has prompted a review of other institutional policies. A revised international policy was published in late 2024, and the Executive Board is currently reviewing policies related to artificial intelligence, human resources, teaching and learning, and quality assurance.

In order to comply with QEF3 requirements, BU introduced a new research policy and a strategy for research administration in 2024. A research handbook is currently in development. New regulations on promotion and qualifications of academic staff will enter into force in January 2026, while regulations concerning teaching, student supervision, courses, and programmes are under revision.

The University has made targeted efforts to increase the proportion of permanent academic staff and to strengthen regulations governing recruitment and career progression. These regulations align closely with those of the University of Iceland. However, stricter requirements have created challenges in recruiting staff with doctoral qualifications, particularly in the Icelandic context, where only approximately 0.5% of the population holds a doctoral degree.

3.2 Evidence-Based Decision Making

BU's new strategy and the action plan under development outline goals, sub-goals, actions, responsibilities, timeframes, and indicators aligned with quality assurance and reporting systems; however, the University has not yet established a formal approach to benchmarking and best-practice implementation.

Steps have been taken to strengthen benchmarking practices through collaboration with Reykjavík University, the University of Akureyri, and Copenhagen Business School. Participation in the OpenEU project further enables benchmarking with European distance-learning institutions. Moreover, forthcoming Subject-Level Reviews will include structured benchmarking exercises for all departments.

3.3 Addressing Student Non-Completion Rates

Although BU has successfully attracted students from diverse academic and professional backgrounds, non-completion rates remain a concern. The University has conducted detailed analyses of dropout patterns and underlying causes. Benchmarking indicates that completion rates are comparable to those of other Icelandic universities when measured over longer study periods.

Most BU students are mature learners with family responsibilities and employment commitments alongside their studies. In response, BU has expanded counselling services and academic support. These measures have resulted in the lowest dropout rates in the University's history, despite a significant increase in enrolment. While non-completion rates have risen slightly, they remain below 20%.

4. Internal monitoring and and reviews completed

BU has revised its Quality Handbook in alignment with IAQA regulations and national requirements on quality assurance in teaching, learning, and research. Procedures and templates for all elements of the quality system are currently under development, with particular focus on departmental self-evaluations.

Data collection at BU follows the Operational Calendar, jointly managed by the Directors of Quality Management, Curriculum, and IT Services. Data collection is synchronised with meetings of the University Executive Committee and is supplemented by student surveys and interviews.

Regular program reviews will be continued through this cycle to ensure that academic awards meet high standards and drive improvements in teaching, learning, evaluation, and student experience. Reviews assess whether program objectives align with BU's strategy and societal needs. Over the past three years, all programs in the Department of Law and most programs in the Departments of Social Science and Business have undergone reviews. During 2025 reviews were concluded on MA in Cultural Studies and the BS in Business Administration with a focus on Business Intelligence. Programs in MS/MLM in Leadership and Management and BA in Security studies and civil protection are currently under review.

5. Internal reviews planned for the next 12 months

During 2026–2027, Subject-Level Reviews will be conducted across all departments, focusing on teaching, administration, research, and societal engagement. These reviews will emphasise the departments as organisational units, considering strengths and areas for development not only in teaching and learning but also in administration, research, and societal engagement. Departments are required to benchmark with a comparable department of their choice, preferably within the OpenEU project. The process will involve academic and administrative staff, students, alumni, and external stakeholders, and an external expert will participate in the review. Policies, procedures, and process descriptions for these reviews are under development, and this work is well advanced. The procedures are largely modelled on IAQA documentation for external quality reviews of higher education

institutions and draw on the indicative questions published on IAQA's website. The same applies to documentation relating to benchmarking processes. Furthermore, departments have visited other OpenEU partner departments to familiarise themselves with their activities and to explore potential benchmarking partnerships.

Regarding the Department of Business, now the largest department of business in the country, the process will be somewhat different, as the department will simultaneously prepare a report that will serve as the basis for an application for EQUIS accreditation.

The Office of Teaching and Learning will undergo a similar review process during 2026–2027. During 2025, the Office revised or developed procedures for all of its operations and also revised the handbook on teaching and learning. Processes and procedures for the review of the Office will be developed during the spring semester 2026.

External factors continue to complicate alignment efforts, particularly differences between QEF3 indicators for societal engagement and those used by the Ministry of Higher Education. However, institutional data systems are functioning significantly better than in the previous reporting year.