

UNIVERSITY GOVERNANCE - CONTENTIOUS ISSUES

*Academe and business –
Is there a common skills
set for governance?*

THE GOVERNANCE DEBATE

- Main preoccupations –
 - Council/Senate size
 - Internal vs external balance
 - Elected vs appointed
 - ‘Trustee’ vs ‘Representative’
 - Range of responsibilities/duties
- Skill needs rarely addressed except for need for ‘financial’ and ‘commercial’ expertise

THE CURRENT SITUATION

- 798 members of University governing bodies
 - 11% politicians/public servants
 - 10% students
 - 29% staff
 - 7% alumni
 - 32% business/professions
 - 9% community

Source: AVCC 2003

SKILLS AVAILABLE

- Snapshot of several Councils shows ‘business’ and skills very diverse
 - barrister, recruitment consultant, mining company executive, stockbroker, farmer, shop owner, retired chemist etc.
- Academic staff background similarly diverse (both senior management and elected)

USE OF AVAILABLE SKILLS

- Use of academic professionals (IT, finance, HR, etc.) seems rare
- Most apparent in Council/Senate Committees – Chairs frequently external members with relevant experience
- Reliance on a single ‘expert’ is a high risk strategy
 - token ‘accounting’ or ‘legal’ representation is as fraught as ‘academic staff’ or ‘student’ nominees

SKILLS REQUIRED

Before defining skills need to define duties

- Hoare Committee –
 - external accountability;
 - strategic planning oversight; and
 - performance monitoring
- The AVCC in October 2003 issued a ‘National Governance Protocols for Public Higher Education Institutions’

AVCC GOVERNANCE PROTOCOLS

Primary responsibilities include –

- appointing the Vice-Chancellor and monitoring their performance;
- approving the mission, strategic direction, annual budget and business plan;
- overseeing and reviewing management and performance;
- establishing policy and procedural principles;

AVCC GOVERNANCE PROTOCOLS (cont'd)

- approving and monitoring accountability systems, including overview of controlled entities;
- monitoring risk assessment and management, including commercial undertakings;
- overseeing and monitoring academic activities;
- approving significant commercial activities.

SOME QUOTES

- “academia clearly is a species on its own, with traditions that go back centuries, and obviously cannot be run like a car-factory, post-Fordism or not” (Boer et al 1998)
- “universities have important differences from other public and private sector enterprises, with distinctive accountability requirements to the community as well as needing to maintain autonomy and protect and enhance academic freedom of staff.” (Hoare 1995)

SKILLS FOR GOVERNANCE RESPONSIBILITIES

- Institutional
 - Understanding of Higher Education system
 - Understanding of the university
 - Ability to differentiate governance and management
 - Understanding of strategic planning processes

SKILLS FOR GOVERNANCE RESPONSIBILITIES (cont'd)

- Academic
 - Understanding of university management systems and collegiality
 - Understanding of academic quality
 - Understanding of academic motivators
 - Understanding of the relationship between teaching and research

SKILLS FOR GOVERNANCE RESPONSIBILITIES (cont'd)

- Business
 - Financial and commercial
 - Risk assessment and management
 - Marketing
 - Human resources
 - Public affairs

ACADEME VS BUSINESS

CONVENTIONAL WISDOM

| | Academe | Business |
|------------|--|---------------------------|
| Approach | Collegiality | Competition |
| Focus | Students | Customers |
| Leadership | Persuasion | Authority |
| Loyalty | Discipline | Company |
| Process | Publishing | Execution |
| Outcomes | Knowledge discovery and dissemination | Profits and growth |

APPLYING SKILLS TO GOVERNANCE

- Good university governance requires a combination of all these (albeit simplistic) characteristics
- Neither academe or business possess all the skills needed for university governance
- Skill sets need to complement each other
- Many of the skills required can be acquired

CONCLUSION

- A broad skill set is required for proper governance
- This is exclusive provenance of neither business or academe
- Met by a diverse membership or accessed elsewhere as needed
- Council/Senate member attributes far more important than skills as such –
 - enthusiasm, contacts and networks, understanding of economic and political environment, willingness to learn and participate etc.