Good university governance in Australia

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Abstract

Recently some spectacular failures in corporate governance internationally (such as Enron, WorldCom, Parmalat) and in Australia (HIH) have focused attention nationally and internationally on the good governance of a community’s large institutions, including universities. Australian universities are constituted under legislation within their respective State or Territory. The Commonwealth, in seeking to influence university governance, has no direct legislative powers (except in the case of the Australian National University) so has chosen to introduce National Governance Protocols (NGP) through its funding instrument the Higher Education Support Act. In response, and reflecting their own priorities, Australia’s chancellors established the University Governance Professional Development (UGPD) Program, to coordinate and develop capacity building for the sector. A survey of Australian university chancellors and council secretaries was conducted over summer 2004/2005 with a view to forming the basis for a first draft of a program of courses tailored to the needs of university governing bodies. The survey instrument was designed to capture indicative data on the professional development needs of each university council.

The survey indicated that all universities currently offer courses that address the NGP requirement for induction. However, demand is very high to place these in a context that addresses a) good governance and best practice, and b) the Australian higher education sector. These results mirror a comparative study by researchers at the University of Canberra of governance issues in Australia, Canada and New Zealand to identify the primary capabilities required of university governors.

However, there are few theories of governance specific to universities. There is a need for further research and analysis of the specific characteristics of university governance that distinguish it from the approaches applied in the private sector and other parts of the public sector. The UGPD Program is embarking on this task in order to cast its courses in a unified framework. This paper reports on the UGPD survey data and the UC research and the results of Institute research and national discussions on Australian university governance.

Why is university governance important?

In short, a lot of change is under way: competitive, market-driven, soul-selling, and profiteering changes to institutions desperate to survive and advance themselves in a world where guarantees are gone and big bets are being laid down. The message … is that the train has left the station on a very fast trip, but the condition of the tracks and the destination remain uncertain. (Leslie 2004)

Although Leslie is referring almost exclusively to America institutions, the sentiment is global. The last twenty years has seen the Australian higher education sector grow to nearly one million enrolled students, nearly 90,000 staff, with combined sector annual income over $12 billion (DEST 2004). This sector includes amongst 39 institutions just five with annual incomes less than $100 million. Twenty-five of Australia’s universities are amongst The Bulletin’s Top 1000 enterprises in Australia-New Zealand. The table below shows a sample of the household names with which our cultural institutions sit.
<table>
<thead>
<tr>
<th>Name</th>
<th>Revenue (millions)</th>
<th>Name</th>
<th>Revenue (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spotlight Stores</td>
<td>$585</td>
<td>University of Western Sydney</td>
<td>$346</td>
</tr>
<tr>
<td>Salvation Army</td>
<td>$580</td>
<td>Macquarie University</td>
<td>$340</td>
</tr>
<tr>
<td>RMIT University</td>
<td>$574</td>
<td>Latrobe University</td>
<td>$335</td>
</tr>
<tr>
<td>Insurance Commission WA</td>
<td>$570</td>
<td>L’Oreal Australia</td>
<td>$324</td>
</tr>
<tr>
<td>AV Jennings Homes</td>
<td>$552</td>
<td>University of SA</td>
<td>$317</td>
</tr>
<tr>
<td>Bridgestone Tyres</td>
<td>$537</td>
<td>Ambulance Service of NSW</td>
<td>$316</td>
</tr>
<tr>
<td>Australian National University</td>
<td>$536</td>
<td>Bob Jane Tyres</td>
<td>$315</td>
</tr>
<tr>
<td>Soul Pattison Pharmacies</td>
<td>$529</td>
<td>University of Wollongong</td>
<td>$296</td>
</tr>
<tr>
<td>University of Western Australia</td>
<td>$422</td>
<td>Sharp Corporation</td>
<td>$295</td>
</tr>
<tr>
<td>Minter Ellison Lawyers</td>
<td>$421</td>
<td>Gillette</td>
<td>$294</td>
</tr>
<tr>
<td>Queensland University of Technology</td>
<td>$410</td>
<td>Chubb Insurance</td>
<td>$292</td>
</tr>
<tr>
<td>Colgate Palmolive</td>
<td>$403</td>
<td>Victoria University</td>
<td>$291</td>
</tr>
<tr>
<td>Golden Circle</td>
<td>$403</td>
<td>Mack Trucks</td>
<td>$290</td>
</tr>
<tr>
<td>Sky Network Television</td>
<td>$401</td>
<td>City of Melbourne</td>
<td>$290</td>
</tr>
<tr>
<td>Curtin University of Technology</td>
<td>$396</td>
<td>University of Newcastle</td>
<td>$290</td>
</tr>
<tr>
<td>University of Adelaide</td>
<td>$396</td>
<td>Melbourne Airport</td>
<td>$287</td>
</tr>
<tr>
<td>3M Australia</td>
<td>$391</td>
<td>McCain Foods</td>
<td>$268</td>
</tr>
<tr>
<td>Pacific Brands</td>
<td>$370</td>
<td>Cochlear</td>
<td>$263</td>
</tr>
<tr>
<td>Roadshow Film Distributors</td>
<td>$368</td>
<td>Microsoft</td>
<td>$262</td>
</tr>
<tr>
<td>University of Technology, Sydney</td>
<td>$360</td>
<td>RACQ</td>
<td>$258</td>
</tr>
<tr>
<td>Griffith University</td>
<td>$360</td>
<td>Swinburne University</td>
<td>$254</td>
</tr>
<tr>
<td>Deakin University</td>
<td>$355</td>
<td>Aust. Stock Exchange</td>
<td>$250</td>
</tr>
<tr>
<td>Fujifilm Holdings</td>
<td>$347</td>
<td>Star Track Express</td>
<td>$250</td>
</tr>
</tbody>
</table>

Both in Australia and elsewhere this growth, together with concern about the risks that accompany it, has focused attention on a need for better standards of governance in a community’s largest institutions:

‘Increase efficiency, find new sources of income and improve performance across an ever widening range of activities and services’ have been the watchwords of successive governments. (Middlehurst 2004)

The member must also “act prudently with skill and care, probably (the law is not entirely clear) to a level deemed that of the reasonably competent member—this is similar to the law’s (high) objective expectations of a charity trustee and to the (increasingly high) expectations of a company director (Palfreyman, 1998)

Concern about governance has been heightened in the corporate world following high profile governance cases in the United States (such as Enron, WorldCom) and internationally (Parmalat, Vivendi). Australia has had its own corporate governance problems (for example in the cases of the large failed insurer HIH, or problems in foreign exchange dealing at the National Australia Bank (HIH 2003, APRA 2004). The responses have included passage of new corporate governance legislation (the Sarbanes Oxley Act 2002 in the United States) and an increasing attention to governance in the management and accounting literature.

The public sector has taken up the governance concern, with a lag of a few years, but there are now a series of works on governance in the public sector, including ANAO (2003), Bartos (2004), and APSC (2005). The priority now being given by the Australian Government to improved governance is summed up in the following observation from former Cabinet Secretary Paul McClintock:

More ministers have fallen, and more promising public service careers diminished, by failures of governance than by inadequate policy. (Bartos 2004)

It is hardly surprising then that the Australia Government has sought to translate this concern to the higher education sector.

Consequently, a significant effort has been expended by governments examining the capacities of university governing bodies to handle such growth and risk. In Australia this has included:

- the Hoare Committee Review of Higher Education Management (Hoare 1995)
- the Victorian Ministerial Committee of Advice on University Governance (Storey 1997);
the West Review (West 1998);
• the Victorian Review of University Governance, (Hamilton 2002);
• the Auditor General, Victoria, Report on RMIT University’s finances (Cameron 2003); and
• Universities Overview in the NSW Auditor-General’s Report to Parliament (AGO 2005).

In the United Kingdom this effort has included the following reports:
• the Committee of Vice Chancellors and Principals (Jaratt 1985);
• the Nolan Committee, (Nolan 1995, 1996, 1997); and
• the Dearing Committee (NCIHE 1997)

From the mid-1980s what is now called the Committee of University Chairmen in the United Kingdom (the equivalent in Australia is the University Chancellors’ Conference or UCC) has met for discussions to support “developing the highest standards of governance appropriate to an autonomous and independent sector” (CUC 2005). In 1994 the CUC governance group was established, its main objective being to produce a guide for members of governing bodies in higher education institutions, which is now in its fourth edition.

In Europe more broadly, European Union harmonisation is signified by the Bologna Declaration for the creation of the European Higher Education Area, to which thirty countries had committed by 1999. The Bologna Declaration is an agreement about university offerings, seeking to harmonise the delivery of Bachelor, Masters and Doctorate degrees in order to encourage transferability across the Union. But these degrees are the fundamental products of the universitas, and the fact that each institution’s governing body must authorise the changes required of the Bologna Declaration has focused attention on those bodies in Europe (Boffo & Dubois 2005). So European university governance is also in transition, and looking for precedents around the world, which it finds in Australia.

In Australia the Hoare Review identified a lack of appropriate skills and a lack of knowledge about the higher education sector as being problematic for the performance of university governing bodies. Partly, it is suggested, this is attributable to the processes of appointing of members to these bodies, and partly to a lack of training. On occasion there are difficulties in identifying appointments possessing the requisite skills, particularly in finance and legal matters. However, it should be noted the report observed that:

_Vice-Chancellors are running large, complex organisations and are often faced with management and administrative tasks that would test the best managers in the private sector._ (Hoare 1995)

In Australia the sector is situated peculiarly, with thirty-four public universities constituted under their own acts within their States, and only two (the Australian National University and the Australian Maritime College) enacted by the Commonwealth. Despite this, the largest share of public funding to these public institutions and Australia’s three private universities comes from the Commonwealth Government. Hence, the Government exerts a strong policy influence through the conditions of funding arrangements, culminating in 2003 with the inclusion of National Governance Protocols (NGP) within the Higher Education Support Act. These Protocols impose obligations on Australian universities for:

• definition of institutional objectives and governing body purposes and duties;

• systematic professional development programs and performance evaluations of governing bodies;

• systematic procedures for composition of the governing body, including limits on size and specifications of expertise; and

• codification and reporting of business practices.

The National Governance Protocols have provoked a number of actions, from the homogenisation of university enabling acts within States to a focused interest in the theory and practice of good governance in the Australian higher education sector. An outcome of this interest was the establishment of the University Governance Professional Development program (UGPD) by the Australian University Chancellors’
Conference to develop and coordinate induction and professional development courses to universities nationally.

What’s the research issue?

The fundamental question for the UGPD Program, which we share with the UCC and the Department of Education, Science and Training, is what is it that we need to teach university governors about university governance? This rapidly articulates into a wide range of subsidiary questions, falling into two basic but linked types.

For a new field of professional development, from a pedagogical perspective we ask, what is good governance of a university? What do we learn from the history and heritage of the Australian higher education sector? Is there a unique model of university governance? On the one hand as an institution alive for a thousand years the university is one of our culture’s most durable institutions. Complementary to this are the plurality of university organisations in the Western world, with significant differences in fundamental governance between American, European and Commonwealth universities. What, in all of this, would assist in the professional development of practitioners of university governance?

From a market service perspective we have a series of ‘simpler’ questions:

- What do university governors know?
- What do they need to know?
- What is available to them already?
- What topics cover the skills and content required? And what are the priority topics?

There are more complex versions of these questions, such as where in Australia would these topics be targeted? That is, how do these interests vary with geographical location, age or affiliation of the institution?

Objective

The research that we report here is composed of two parts. The abnormal order of these investigations is a reflection of the delivery priorities of a brand new professional development program.

The first is a survey of Australian universities designed to address that practical issue of what the market has and what it requires, so that the professional development efforts of the UGPD Program can build on strengths and target weaknesses. At the same time this establishes components of a baseline on the state of governance in the Higher Education sector in Australia.

While the survey results enable us to address the immediate and short term needs of the sector, they do not particularly provide a systematic or informed pedagogical basis for the evolution of best practices in university governance in Australia. Therefore the second part of this investigation has been to review of the history and theory of university governance to identify or synthesise a framework to assist governors in their practice.

Survey methodology

A list of 21 individual professional development topics in the UGPD survey originated from the prior discussions of the sector and the university chancellors. In March 2004 the University Chancellors’ Conference met specifically to consider governance professional development. Since then a Working Party has been charged with the oversight of the development of what has become the University Governance Professional Development Program. Over 2004 the Working Party developed a funding application submitted to DEST based on the discussions by university governors at the National Conference on University Governance in November 2003, the first to be held after the introduction of the National
Governance Protocols. The UCC submission identified 21 possible topics clustered into three groups: core, sector or university specific, and contemporary topics.

Provision of DEST funding was conditional on endorsement by the institutions themselves, which was received from 23 institutions.

The survey instrument was designed to capture indicative data on the professional development needs of each of the university councils.

First, the survey sought to identify existing activities, including delivery modes, cost and providers. This information was to enable the retention of existing strengths and skills in future arrangements, including preferred service providers.

Second, the survey asked for a ranking of the 21 topics identified as important by Chancellors. Respondents were asked to rank each according to need, mode and timing of delivery over the years 2005 to 2007. This information was to contribute to a program and calendar that corresponded with greatest need.

Third, the survey included open-ended questions seeking details of particular local requirements, expectations and preferences. This information was collected to reveal threats and opportunities for program design and to ensure that the data asset included matters not predicted.

The survey was issued by email to University Council Secretaries in December 2004 and followed up with telephone and email reminders throughout January and early February. The survey closed in February 2005. Responses were received from 30 universities and covered all groupings and urban and regional locations.

**Results**

**Current Activities**

All universities have an “induction” or similar course covering roles and responsibilities, legislation and functions that satisfy the National Governance Protocols. Generally staff of the university deliver these courses. Six institutions referred to external courses run by private providers or the free seminars provided occasionally by the Victorian Department of Education. The predominance of free and in-house training was not expected, as there was a wide misunderstanding that the sector paid significant amounts for training of this kind. Three universities referred to the National Conference on University Governance as a specific development activity for their Councillors.

**Identified Needs**

The following tables indicate preferences measured by the interest in the course topics listed in the survey. The responses indicated national priorities that were grouped into four clusters: core needs, high demand, sector specific courses, and operational topics. The tables below indicate the overall priority for each of the four topic groups.

**Core topics** were the highest demand and cover basic threshold knowledge in governance of any sector, and are a high priority for delivery right across the sector.

<table>
<thead>
<tr>
<th>Priority</th>
<th>Core</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Good governance</td>
</tr>
<tr>
<td>2</td>
<td>Financial statements</td>
</tr>
<tr>
<td>4</td>
<td>Roles and functions</td>
</tr>
<tr>
<td>5</td>
<td>Risk management framework</td>
</tr>
</tbody>
</table>

**High Demand topics** are still a high priority, but are separated from Core topics by their specialised or intensive nature.
Sector specific topics emerged as a priority with medium demand. Most of these topics relate to complexities of the higher education sector.

Operational topics relate to understanding specific policy frameworks that guide the operation of the university and its culture. Demand for these topics nationally was very low and the predominant interest in last category came from post-1988 universities.

For analysis of the diversity of the Australian higher education sector only the top thirteen topics with national demand have been considered. The institutional measure of demand is calculated as the percentage of topics in which the institution expressed interest. Detail about individual institutional demand is not disclosed for privacy reasons. These preferences are analysed in terms of the major sector groupings: formal affiliations of the member institutions of the AVCC; gross annual turnover; and state-based and urban/regional location. The percentage for each grouping is calculated as the average of the institutional measures within that grouping. The average and spread of financial turnover (DEST 2004) is also included.

The first Table contains the results for grouping by formal affiliations: the New Generation Universities; the Regional Universities; the Australian Technology Network; the Group of Eight; and the Innovative Research Universities. A significant grouping, although not a formal alliance, of the dual sector (HES and TAFE) universities, is also included. Combined with the demand for ‘Operational’ topics, these results suggest that demand for courses is approximately inversely proportional to the age of the institution. Demand for all courses was also greater in newer institutions, although recognition that courses would be run on a cost recovery basis was not consistent across the sector and the notion of free courses may have influenced some statements of demand.
The second Table considers course demand by financial turnover. The smaller institutions that are in general newer (DEST 2004), have a uniformly high demand for building the capabilities of their governing bodies. The middle band of growing institutions has approximately the same level of need, especially when the far greater standard deviation of course demand is taken into account. The very wide variation (38%) suggests a challenge-driven need. The step down in demand by the top band suggests greater governance capacity concomitant with the scope of their financial load, but within this group there is variation in demand, perhaps reflecting specific institutional challenges.

<table>
<thead>
<tr>
<th>Location</th>
<th>Number of Responses Received</th>
<th>Income Average (millions)</th>
<th>Income Standard Deviation</th>
<th>Demand Average Institution</th>
<th>Demand Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qld Regional</td>
<td>2</td>
<td>$162</td>
<td>$60</td>
<td>61%</td>
<td>10%</td>
</tr>
<tr>
<td>WA</td>
<td>4</td>
<td>$295</td>
<td>$131</td>
<td>57%</td>
<td>17%</td>
</tr>
<tr>
<td>Vic</td>
<td>5</td>
<td>$552</td>
<td>$292</td>
<td>54%</td>
<td>33%</td>
</tr>
<tr>
<td>NSW Regional</td>
<td>4</td>
<td>$174</td>
<td>$62</td>
<td>45%</td>
<td>14%</td>
</tr>
<tr>
<td>Vic Regional</td>
<td>2</td>
<td>$230</td>
<td>$173</td>
<td>43%</td>
<td>10%</td>
</tr>
<tr>
<td>ACT</td>
<td>2</td>
<td>$319</td>
<td>$289</td>
<td>39%</td>
<td>5%</td>
</tr>
<tr>
<td>NSW</td>
<td>3</td>
<td>$379</td>
<td>$259</td>
<td>26%</td>
<td>25%</td>
</tr>
<tr>
<td>SA</td>
<td>3</td>
<td>$286</td>
<td>$90</td>
<td>21%</td>
<td>10%</td>
</tr>
<tr>
<td>Qld</td>
<td>2</td>
<td>$385</td>
<td>$35</td>
<td>7%</td>
<td>10%</td>
</tr>
<tr>
<td>Urban</td>
<td>19</td>
<td>$380</td>
<td>$229</td>
<td>45%</td>
<td>32%</td>
</tr>
<tr>
<td>Rural</td>
<td>8</td>
<td>$185</td>
<td>$85</td>
<td>42%</td>
<td>13%</td>
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</table>

The data gathered in the first stages of the UGPD program was intended to summarise existing activities and locate effective courses currently being delivered. Contrary to expectations, there are very few effective university governance courses being run in the sector.

As expected, there is a range of need expressed across the sector with similarities in core demand for all institutions and common demand themes within sub-groups. Whether the cause of similar demand is attributable to either the age or economic size of the institution is not entirely clear. The survey tool was not designed to test any one of these hypotheses. What is clear is that there are sufficient overlapping needs to design course materials for flexible delivery to all university councils and boards.
The conundrum of university governance

One interpretation of universities’ history is that they have maintained their continuity of existence—universities are one of the few institutions that have a continuous lineage from the Middle Ages—by changing and adapting to new circumstances. (Hamilton 2002)

Four dominant models of modern American, European and Commonwealth universities have emerged over the past two centuries (Gellert 1993):

- the German or research university established with the foundation of the University of Berlin in 1810 by Wilhelm von Humboldt.
- the Oxbridge ideal of liberal education which is expounded in Cardinal Newman’s The idea of a university in the second half of the nineteenth century, concerned with the pursuit of knowledge for its own sake;
- the French or professional training model of the grandes écoles.
- in America between 1900 and World War I the modern American university corporation: ‘The board of trustees were the directors, the administrators the executives, and the teachers the employees. Along with this, the role of the president had grown away from that of a “first among equals” into a much more managerial role.’ (Patterson, 1997, p. 215).

These models should not be interpreted as geographically or temporally permanent. In America 99% of current corporate universities have emerged since the 1980’s when there were just fifteen (Guthrie 2004). Since the Second World War Commonwealth nations that were culturally indoctrinated in Oxbridge ideal have moved further towards the grandes écoles. This in part has been motivated by an economic ideology that perceives education as a national education resource to be deployed in a country’s interest (Middlehurst 2004). In Australia and the UK this hybridised higher education sector was consolidated with the elevation of the Colleges of Advanced Education and British polytechnics to university status in the national unified systems of 1988 and 1992 respectively.

At the same time, in Australia at least, the Dawkins reforms were accompanied by a mandated aspiration to the Humboldtian university, such that today Australia’s higher education research and education expenditure as a percentage of GDP has nearly doubled in 20 years. Currently the DEST review Building University Diversity is challenging the assumptions of that recent history. In October, at the National Conference on University Governance, the Minister for Education, Science and Training, the Hon Dr Brendan Nelson, went further, suggesting the “radical idea” of moving more towards the American model of university governors as public trustees (Nelson 2005).

Functionally then, the Australian Higher Education sector has encompassed all three European models of the university in the twentieth century. One question is whether it has engaged with the university culture that accompanies each of those models, including university governance? Has it, in fact, created a hybrid of them, and if so is it a viable one?

What has massification done to the university?

Another question concerns what is happening within those cultures themselves? All of these ideal models have faced the same challenge of massification (Gumport 2004) in the late twentieth century: which of them has “changed and adapted to its (new) circumstances” most successfully?

The rise of the mega-university has challenged university governance in a way that is probably unique in the history of the institution. The collegiality ideal has obvious connotations and processes in the small communities of European pre-industrial universities. Its loss has been the catch cry of forlorn academics in the latter twentieth century. Does this breast-beating neglect the real modes of university governance in that long history?
Does it acknowledge in the first place that *collegiality* was restricted to the authority of Professors?

What weight is given to the governing effect of the *competitive* markets for income from student fees within and between pre- and post-industrial universities of the European states?

The 19th Century German research university was established on an essential compromise. The state granted intellectual property and academic freedom to Professors in exchange for fiscal control of the institution. The University’s budget was managed by bureaucrats of the Department of Education, its assets were the property of the State and its staff public servants. The Rector, the principle academic leader and “first amongst equals”, had limited responsibilities for institutional finances (Schimank 2005). In the USA, UK and Australia the post-war creation in institutions for vocational, professional and industrially relevant courses directly responsive to social needs also legitimised state intervention in higher education (Tapper and Salter, 1992). A corollary has been increasing attention to theories of public sector governance.

Perhaps the most public challenge to the “*college of Professors*” was the 1968 Paris demonstrations by students and teachers in favour of participation in self-governance. These led to representation on governing bodies for three other interest groups of the institution: technical and administrative staff, students and external stakeholders. But the Professors retained an absolute majority or leading minority even in those countries with an elected representational governing body, France and Italy.

The growth of universities themselves created a demand for a new breed of management expertise in a number of roles with delegated responsibility from the Vice-Chancellor or President. Faculty Deans, Directors, Deputy- and Pro-Vice Chancellors occupy a landscape of full time managerial roles overseeing multi-million dollar portfolios. This increasingly managerial and entrepreneurial environment has brought theories of corporate sector governance to bear on universities.

Schimank (2005) describes five mechanisms that operate in university governance regimes. The influence of any one of the regimes can be very high or very low in relation the other mechanisms as shaping influences at a given time. The five mechanisms are:

- State regulation (SR), a government prescription model;
- Guidance by external stakeholders (ES), though advice from government, parliamentary, industry, union, and other bodies;
- Academic self-governance (ASG), the collegial peer-review based decision making of tradition;
- Managerial self-governance (MSG), the formal hierarchical organization of universities with Vice-Chancellors, Deputy Vice-Chancellors, Deans, etc.; and
- Competition (C), for scarce resources both within and between universities.

Each of these governance modes exists in every one of those European models of universities that has been the ideal of one or all parts of the Australian sector in the last century. But just as Australian immigrant communities, determined to preserve tradition, have become “more like home than back home”, Australian universities no longer reflect their European models, which have moved on.

In France and Italy the weakness of a large elected body of representatives in relation to a small coherent team surrounding the *Président* or *Rettore* is leading a discussion for change (Boffo & Dubois 2005). In 2000, Austria followed Germany and overturned 150 years of state governance of university finances and created autonomous institutions with responsible governing bodies (Schimank 2005). Currently the very model of British collegiality, Oxford, is considering revolutionary changes of its governance structure (Oxford 2005). These changes include the reduction of its University Council with overall responsibility to 15 members with equal numbers of internal and external members, a Council Chair separate from the Vice Chancellor, and the creation of a larger Academic Board including members of the Congregation, Colleges, students and executive managers.
How can a theoretical framework help professional development?

Our objective is to synthesis a teaching model of good governance in Higher Education in Australia that is practical and useful for university governors. It must be able to convey an understanding of the differences between private/public sector governance and those models and modes of the Higher Education sector that have begun to be explored above.

Are these models actually helpful? Most proposed models of university governance appear to be temporal/contextual, idealised and exclusive. But the comparison of countries and university models suggests that these modes of university governance are not mutually exclusive, but balance and compete with one another dynamically, and hence have their own histories.

The State and Commonwealth Governments’ desire, and that of the Chancellors and UGPD Program, is for good governance striving for best practice. A behavioural model is preferable to the current compliance model that ties public funding to compliance with the National Governance Protocols. The key to mature behaviour is rational acceptance. Therefore, the professional development of university governors needs a theoretical framework that is:

- Simple (including to teach);
- Comprehensive;
- Recognisable and inclusive, hence applicable to each individual institution; and
- Expandable and adaptable, able to describe not only current but also prospective and desired states institutions can plan towards.

The National Institute for Governance is strongly drawn to the recently reported “university governance equalizer model” (Schimank 2005). This simple graphic, the principle familiar to any audiophile with the separation of volume of sound frequency ranges, depicts on a scale the importance or influence of each mode of university governance in an institution.

![The Governance Equalizer: scaling each mode of university governance: academic self-governance (ASG); management self-governance (MSG); external stakeholders (ES); state regulation (SR); and competition (C).](image)

The equaliser model acknowledges the perpetual coexistence of these different modes, and recognises the dynamic of the changing relative proportions between each mode. As a practical tool university governors can contextualise their institution’s current balance of modes, to assess whether that balance is appropriate and to direct its change. Like its sound analogue, the governance equalizer can be set to provide optimum sound in the current environment.
Because of its simplicity for judging a university’s governance, the equalizer is a stimulus for a deeper understanding. Can a university governing body make that judgement of the balance of competing modes without an understanding of each? At the same time it introduces questions of nuance. Is the relative reduction of academic self-governance actually reflective of its total reduction? After all, the quantum of academic governance can only have grown with the number of courses and students.

So where do Australian universities sit? For the UGPD program the most qualified authorities on that question are the university councils themselves, since they should both know, and their perceptions and requirements may be expected to change with their growth in capacity as university governors. The governance equalizer is a practical tool the UGPD can integrate into the professional development program for university governors that can both assist basic understanding and motivate deeper consideration of university governance.

**Conclusion**

This paper has probably asked and raised more questions than provided answers. The survey tool appears to have identified a few common interest issues that demand further study for development of special interest professional development training. This is a starting point for the task of the UGPD Program to cast its courses in a theoretical framework that unifies and distinguishes university governance from the approaches applied in the private sector and other parts of the public sector. We have underpinned that framework with a practical tool for interpretation that can facilitate transfer of that knowledge to university governors.

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