Building Trust With Stakeholders

An English University Chairman’s Perspective

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What Does Trust Imply for the Success of an HEI? (1)

• Mutual confidence of stakeholders and HEI, essential for institution success.

• Mutual confidence of Chairman, Non-Executive and Executive Members essential for teamwork and institution success.

• Without confidence, support of stakeholders will not be forthcoming.

• Without support, the institution will fail to carry out its responsibilities properly, and will become a failing organisation.

• No Chairman or Board wants to preside over a failing organisation.
What Does Trust Imply for the Success of an HEI? (2)

- A failing organisation will result in the Higher Education Funding Council for England (HEFCE) getting involved and special measures being introduced to remedy the situation.

- Need for strong, open, transparent, robust systems and processes to ensure control and accountability for every activity undertaken. The Committee of University Chairmen (CUC) Guide shows how this can be achieved.
Stakeholders (1)

• Many and diverse as no-one owns a University. Owned by society.

• Each stakeholder has their own expectation of the HEI’s responsibility. Wants the HEI to be accountable for its actions legally, contractually and morally.

• For trust to exist, the expectation needs to be explicit wherever possible and communicated.

• Funders including the Government, acting through Department of Education and Science (DFES) who fund and regulate through HEFCE.
Stakeholders (2)

- Other Government funders in the case of UCE include the National Health Service (NHS), the Training and Development Agency for Schools (TDA), Government Office of the West Midlands (GOWM), Research Institutions, the Learning and Skills Council and Advantage West Midlands (Regional Development Agency).

- Other funders include the private sector of industry and commerce, as well as the voluntary sector.

- Students and their parents.

- Staff both academic and non-academic

- Local communities.
How Can High Trust Ensure Success? (1)

• Results in everyone working towards and committed to delivering the organisation’s mission and goals.

• High trust results in greater freedom and less regulation.

• Trust results in confidence and confidence breeds success.

• Success means a strong brand and reputation, leading to attracting and retaining good staff, and attracting students and contracts with business.
How Can High Trust Ensure Success? (2)

- High trust means less conflict and people given the benefit of the doubt when things go wrong.
- Means people can challenge decisions without feeling personally threatened.
Trust Achieved Through Seven Principles of Great Governance (1)

• Have a deep understanding and commitment to the mission of the HEI.

• Articulate and embrace the core value of the HEI and ensure it guides the actions of all concerned.

• Be very clear of the fiduciary role and basic responsibilities as a Governing Body including both the legal responsibilities and accountability to all stakeholders.

• Strict adherence to the values of public life which embrace selflessness, integrity, objectivity, accountability, openness, honesty and leadership.
Trust Achieved Through Seven Principles of Great Governance (2)

- Focus on continuous improvement by selecting, developing and training members.

- Create a respectful, collegial governance environment, being aware of interpersonal communications and group dynamics.

- Recognise and respect the distinction between the roles of governance and management. We both need to succeed,

*Based on ‘True Wisdom is Never Conventional’ Ed Kazamek. The Governance Institute, August 2002*
Some American Advice on Trust

• The people when rightly and fully trusted will return the trust.  
  *Abraham Lincoln*

• Trust men, and they will be true to you, treat them greatly and 
  they will show themselves great.  
  *Ralph Waldo Emerson*

• I think I could sum up my position on trust with the recitation of a 
  brief Russian proverb ‘Doveryai no Proveryai’. It means trust 
  but verify. 
  *Ronald Reagan*