



Governance and quality guidelines in Higher Education

**A REVIEW OF GOVERNANCE ARRANGEMENTS
AND QUALITY ASSURANCE GUIDELINES**

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GOVERNANCE AND QUALITY GUIDELINES IN HIGHER EDUCATION

A review on governance arrangements and quality assurance guidelines

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FOREWORD

The review took place in the context of issues raised during the 2006 IMHE General Conference on *Ethics and Values in Higher Education* and also as a response to the conclusions of the International Association of Universities and IMHE seminar on *Governance Principles and Guidelines for Tertiary Education* in 2007. Recent debates have prompted IMHE to pursue its study of governance. Furthermore, the second meeting of the International Association of University Governing Bodies in 2008 underlined the need for institutions to continually improve their governance and to align their governing model to meet challenges in higher education.

“Higher education governance is a key policy issue of the 21st century,” (Kennedy, 2003). While autonomy opens up areas for improvement and competition, it is restricted by the influence (some argue, interference) of state-driven higher education policy and the constantly increasing intervention of external quality assurance. Lately, the financial crisis has brought new governance challenges to the higher education sector.¹

With losses of billions of dollars to individual universities because of decreasing support from donors and possible future cuts in government spending to counter-balance the subsidies now spent, it becomes crucial for higher education institutions to become more effective. How should actors in higher education approach this problem? How do countries achieve good governance within their institutions and what key issues do they address? The study concentrates on the issues that the guidelines promote for good institutional governance and on the distinction between governance arrangements and quality guidelines.

Structure of the review

Chapter 1

Chapter 1 reviews higher education governance literature, targeting key concepts and approaches, as well as the development of governance since the Second World War. As the literature concentrates on the Anglo-Saxon and European regions, the descriptions focus on the development of higher education in the Western world where OECD member countries are mainly located. However, the review also looks at future accession candidates, Enhanced Engagement countries with the OECD and post-Communist European States, where recent developments demonstrate similar trends.

This first chapter describes why governance and quality have become important, the evolution of governance, the theoretical frameworks of governance within higher education systems, typologies of institutional governance and key actors involved.

¹

See the Conference on Higher Education at a Time of Crisis: Challenges and Opportunities co-organised with the Copenhagen Business School, Denmark, in co-operation with OECD/IMHE, click [here](#).

Chapter 2

Chapter 2 explores the reasons why governance arrangements have emerged and underscores 3 main types.

Chapter 3

Chapter 3 provides an analysis of a selection of governance arrangements. With the help of higher education experts, the authors drew up a list of eleven governance arrangements in the following countries: Australia, United States, Denmark, Israel, Netherlands, Russian Federation, Ireland, United Kingdom, Quebec (Canada). We opted for the term “arrangements” which may encompass guidelines, codes, principles or set of precepts defined independently or collaboratively by governments (usually by Ministries of Higher Education), quality assurance agencies, rectors’ conferences, funding authorities, councils for higher education or associations of institutions.

The review identifies key issues for defining effective governance in different higher education systems with regard to structures, processes and stakeholders. It does not examine the influence of these arrangements (although it does reflect on the findings of studies carried out in the United Kingdom and Australia concerning this aspect).

In the text, the governance arrangements are named by their acronym (e.g. AGB guidelines, published by the US Association of Governing Boards of Universities and Colleges) or associated with the country in which they have been issued (e.g. Israeli guidelines). An abridged presentation of each of them is featured in the annexed bibliography.

Table 1. List of governance arrangements reviewed

Governance arrangements (abbreviations)	Responsible institution	Position of publishing body in national higher education governance	Year [first edition]	Enforcement
Irish Guidelines	HEA IUA	Semi-state body Stakeholder (universities)	2007 [2007]	low (non-alignment has to be explained)
Quebecois Guidelines	IGOPP	Expert (think tank)	2007 [2007]	none
Danish Guidelines	University Boards in Denmark Committee	Expert (Committee for the Danish Ministry of Science, Technology and Innovation)	2003 [2003]	none
Dutch Guidelines	HBO-raad	Stakeholder (<i>Hogeschoolen</i>)	2006 [2006]	low
Australian Guidelines	DEST	State	2007/8 [2000]	high (connected to funding)
UK Guidelines	CUC	Stakeholder (governing boards)	2004 [1995]	low (non-alignment has to be explained)
AGB Guidelines AGB Trustee Guide	AGB	Stakeholder (governing boards)	2001 [2001]	none
AAUP Guidelines	AAUP	Stakeholder (academics)	1990 [1966]	none
Israeli Guidelines	CHE	Semi-state body	2004 [2004]	high (law-like character)
Scottish Guidelines	SHEFC	Semi-state body	1999 [1999]	low
Glion Declaration	Glion	Stakeholder/Reputation of individuals (international declaration)	1999 [1999]	none
Magna Charta Universitatum	Rectors of European Universities	Stakeholders (declaration by European institutions)	1988 [1988]	none

Chapter 4

Chapter 4 looks at how well quality assurance processes (such as quality assessment, institutional and system accreditation, quality audit) address governance issues through the guides prepared by quality assurance agencies (usually in collaboration with the institutions and the state).

The analysis concentrates on the quality guidelines issued by six United States regional accreditation agencies, on Indian (accreditation), Japanese (accreditation), South African (accreditation), Hong Kong, China quality guidelines (accreditation), United Kingdom (audit) and French quality guidelines (institutional evaluation). Audit guidelines from Finland, Sweden, Denmark, Russian Federation and Ireland were analysed as well as accreditation guidelines from Germany, Norway and Switzerland. Apart from key issues (*e.g.* those found in mission statements), the guidelines did not address governance structures or procedures on a supra-programme level or were not specific in their recommendations. Audit reports and guidelines from the Netherlands, Flemish Belgium and Estonia were available only in their

native language and were excluded due to translation problems. Turkey, the Slovak Republic, the Czech Republic, Hungary, Brazil and Luxembourg only had guidelines concerning programme accreditation available. In Portugal, New Zealand and Germany, a transition process is in progress and agencies will no doubt provide guidelines soon. The analysis for Germany was possible to a certain extent since regulation at the supra-agency level was already available and one accreditation agency, Zentrale Evaluations- und Akkreditierungsagentur Hannover (ZEvA) had already published guidelines. New Zealand's Quality Agency has so far only published discussion papers (which nevertheless enriched the reflection process and provided insightful inputs). The authors could not find explanatory guidelines in Korea, Mexico, Italy, Greece, China (apart from Hong Kong) and Indonesia. However, this does not necessarily mean that they do not exist. The analysis also addresses international codes like the Standards and Guidelines for Quality Assurance in the European Higher Education Area (ENQA² guidelines) and the INQAAHE³ Guidelines of Good Practice.

In the text, the quality guidelines are named by the acronym of the body which issued them (*e.g.* WASC guidelines, published by the US accrediting organisation Western Association of Schools and Colleges). An abridged presentation of each quality guideline is featured in the annexed bibliography.

Chapter 5

Chapter 5 shows the structural difference between the treatment of governance within governance arrangements and quality guidelines. It then explores the need to define governance arrangements and raises some questions about how quality assurance guidelines could better address governance issues.

Annexes

These contain:

- abstracts of the governance arrangements examined;
- abstracts of some quality guidelines examined;
- major items included in governance arrangements.

Methodology

The review targets the 31 OECD member countries and the future accession countries, as well as those developing enhanced engagement with the OECD. The review team examined documentation sent by the organisations consulted, especially Ministries of Higher Education, founding authorities, rectors' conferences, quality assurance agencies, IMHE Member representatives involved in governance issues in their country and quality assurance networks

² European Association for Quality Assurance in Higher Education

³ International Network for Quality Assurance Agencies in Higher Education

(INQAAHE, ENQA). Some translated their documents for the purpose of the review (Russian Federation, Israel). Telephone contacts and e-mail exchanges clarified some points and helped the review team to understand the national context.

The experts contacted for the review provided advice on the collection of guidelines, helped to structure the review and raised key questions.

The early findings of the review were presented at the INQAAHE conference in Abu Dhabi, March 2009, and at the World Bank-Centre for Mediterranean Integration conference in Marseille, December 2009. Discussions and debates at those conferences have enriched the review.

Lastly, a senior economist at the OECD Directorate for Education provided advice on the final version of the report.

The review is not intended to reflect the complete picture of governance arrangements and quality guidelines in the world. While the sample allowed the review team to raise questions and draw conclusions, it is not possible to make any generalisations. As explained, some governance arrangements and quality assurance guidelines have not been included for linguistic reasons. Furthermore, the higher education sector is so diverse and complex and includes so many actors that some existing documents may have been unfortunately overlooked.

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The findings, interpretations and conclusions expressed in this review are entirely those of the authors and should not be attributed in any manner to the OECD.

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ACRONYMS AND ABBREVIATIONS

AAUP	American Association of University Presidents
AKKORK	Agency for Higher Education Quality Assurance and Career Development (Russian Federation)
AGB	Association of Governing Boards of Universities and Colleges (US)
AUQA	Australian Universities Quality Agency
AVCC	Australian Vice-Chancellors' Committee (now Universities Australia)
AQA	Austrian Agency for Quality Assurance
AQU	Agència per a la Qualitat del Sistema Universitari de Catalunya (Spain)
CHE	Council for Higher Education (Israel)
CHE (RSA)	Council of Higher Education (South Africa)
CHEA	Council for Higher Education Accreditation
CNE	(US) Comité national d'évaluation (France)
COE	Council of Education (US)
CUC	Committee of University Chairs (UK)
DEST	Department of Education Science and Training (Australia)
DFG	Deutsche Forschungsgesellschaft (German Research Council)
ENQA	European Association for Quality Assurance in Higher Education
EUA	European Universities Association
EVA	Danmarks Evalueringsinstitut (Danish Evaluation Institute)
HBO	Hoger Beroeps Onderwijs (Dutch Higher Vocational Education)
HKCAAVQ	Hong Kong Council for Accreditation of Academic and Vocational Qualifications
HRK	Hochschulrektorenkonferenz (German Rectors' Conference)
HEA	Higher Education Authority (Ireland)
HSV	Högskolerverket (Swedish National Agency for Higher Education)

IGOPP	Institut sur la gouvernance d'organisations privées et publiques (Quebec)
INQAAHE	International Network for Quality Assurance Agencies in Higher Education
IUA	Irish Universities Association
JUAA	Japan University Accreditation Association
MSCHE	Middle States Commission on Higher Education (US)
NAAC	National Assessment and Accreditation Council (India)
NCA	North Central Association of Colleges and Schools (US)
NEASC	New England Association of Schools and Colleges Commission on Institutions of Higher Education (US)
NWCCU	North West Commission on Colleges and Universities (US)
SACSCOC	Southern Association of Colleges and Schools Commission on Colleges (US)
SUK	Schweizerische Universitätskonferenz (Swiss University Conference)
QAA	Quality Assurance Agency for Higher Education (UK)
QUT	Queensland University of Technology (Australia)
UCC	University Chancellors Council
WASC	Western Association of Schools and Colleges (US)
ZEvA	Zentrale Evaluations- und Akkreditierungsagentur Hannover (Germany)

Abbreviations for governance arrangements

AGB guidelines	AGB Statement on Institutional Governance (AGB 2001)
AGB Trustee guidelines	Effective Trusteeship (Ingram 2004)
Australian Guidelines	National Governance Protocols (DEST 2007b)
AAUP guidelines	Statement on Government of Colleges and Universities (AAUP)
United Kingdom guidelines	Guide for Members of Higher Education Governing Bodies in the UK (CUC 2004)
Scottish guidelines	Guide for members of governing bodies of Scottish higher education institutions and good practice benchmarks (SHEFC 1999)
Danish guidelines	Recommendations for Good University Governance in Denmark (Johansen <i>et al.</i> , 2003)
Dutch guidelines	Branch code Governance (HBO-radd, 2006)

Irish guidelines	Governance of Irish universities (HEA/IUA, 2007)
Israeli guidelines	Guiding principles (CHE, 2004)
Quebecois guidelines	Report of the Working Group on University Governance (IGOPP, 2007)

Abbreviations for quality guidelines

Australian quality guidelines	Audit Manual Version 5.0 (AUQA 2008)
Austrian quality guidelines	Focus Audit (AQA 2008)
United Kingdom quality guidelines	Code of practice for the assurance of academic quality and standards in higher education (QAA, 1999/ 2000a/ 2000b/ 2004)
Catalonian quality guidelines	Guidelines on the self-evaluation (AQU 2008)
CHEBA guidelines	Higher Education Quality Assurance Principles for the Asia-Pacific Region (Asia-Pacific Quality Network, 2008)
ENQA guidelines	Standards and Guidelines for Quality Assurance in the European Higher Education Area (ENQA, 2005)
Finnish quality guidelines	Audits of Quality Assurance Systems of Finnish Higher Education Institutions (FINHEEC, 2007)
French quality guidelines	Handbook of Standards for Quality Management in French Higher Education Institutions (Cné, 2007)
German quality guidelines	Kriterien für die Systemakkreditierung (Akkreditierungsrat, 2008a), Leitfaden (ZEvA, 2008)
Hong Kong quality guidelines	Guidelines on Institutional Review for the Purpose of Seeking CAP 320 Registration (HKCAAVQ, 2008)
Israeli quality guidelines	Self-Evaluation Process (CHE, 2007)
Irish quality guidelines	A Framework for Quality in Irish Higher Universities (IUQB 2007)
Japanese quality guidelines	University Standards and Explanation (JUAA, 2004)
MSCHE guidelines	Characteristics of Excellence in Higher Education (MSCHE, 2006)
NAAC guidelines	Institutional Accreditation (NAAC, 2007)
NCA guidelines	Commission Policies (NCA, 2008)
NEASC guidelines	Standards (NEASC, 2005)
NWCCU guidelines	Accreditation Handbook (NWCCU 2003)
OECD/UNESCO guidelines	(OECD, 2005)
Russian quality guidelines	Audit Guidelines for the Assurance of Academic Quality in Higher Education (AKKORK 2006)
SACSCOC guidelines	Principles of Accreditation (SACSCOC, 2008)
South African quality guidelines	(CHE (RSA), 2007)

Swedish quality guidelines	National quality assurance system for the period 2007-2012 (HSV 2007)
Swiss quality guidelines	Richtlinien der Schweizerischen Universitätskonferenz für die Akkreditierung im universitären Hochschulbereich (SUK 2007)
United States quality guidelines	MSCHE, NAAC, NCA, NEASC, NWCCU, SACSCOC, WASC guidelines.
WASC guidelines	WASC 2008 Handbook of Accreditation (WASC 2008).

EXECUTIVE SUMMARY

This review explores the relationship between governance and quality assurance and the relevance of nation-wide guidance to help higher education fulfil its mission effectively. It presents the reasons why governance and quality have become a crucial issue for higher education and provides a brief overview of the historical evolution. The study then reflects on the major theoretical approaches developed by researchers over the past ten years, including the main university governance models. It examines a selection of nation or region-wide governance arrangements and quality assurance guides, codes and set of principles designed by ministries, founding authorities, quality assurance agencies, rectors' conferences and associations of institutions. It discusses the distinction between governance arrangements and quality guidelines, as well as the possible need to define appropriate guidance for institutions.

Governance has become a major leverage tool for improving quality in all aspects of higher education. Meanwhile, quality assurance has increased worldwide with a view to addressing the balance between autonomy granted to institutions and accountability.

The review detects three kinds of governance arrangements:

- The first type of governance arrangements demonstrates and results from the will of institutions to show they can make good use of the autonomy given to them.
- A second type of arrangements aims to help institutions adopt corporate governance in line with the New Public Management (NPM) philosophy.
- The third category of arrangements is a response to protect institutions from fraud or mismanagement by framing their autonomy and providing advice.

All categories of governance arrangements address the issue of trust in higher education.

Governance arrangements and quality guidelines play similar roles in helping institutions become more effective. Governance arrangements clarify institutional structures and procedures, notably toward governing board members. Quality guidelines focus on planning processes and the nurturing of a quality culture.

Most governance arrangements are advisory in nature, which allows the institution to use them in its own way. To some extent, governance arrangements represent a cautious approach to help institutions progress without hampering the diversity of higher education.

In comparison, quality guidelines have a rather binding character and may demand compliance from institutions which are seeking full accreditation. Ultimately, quality guidelines endorse an external position on how the assessed university should work, although the criteria against which effective governance will be assessed remain undefined. Compared to governance arrangements, quality guidelines are used both by institutions (*e.g.* to prepare a self-evaluation) and by external bodies. Some are quite strict (notably for programme accreditation) and leave institutions little leeway for implementation or interpretation.

The concluding section of the paper discusses some important convergences and distinctions between governance arrangements and quality guidelines and how these could evolve in the future:

Is there a need to develop governance arrangements?

Defining governance arrangements may be an opportunity for the state, intermediate bodies (quality assurance agencies, councils for higher education, funding authorities) and institutions to discuss a fair level of autonomy and accountability and to define areas of responsibility. Such arrangements could broaden the enforcement of nation-wide regulations, explore levels of autonomy for institutions and pinpoint vital elements facilitating efficient governance.

Can quality assurance adequately address governance arrangements?

Quality guidelines could act as governance arrangements – and hence replace them – if they specified ultimate goals (*i.e.* thoroughly defined expectations and criteria for quality assurance regarding governance). They could also set out clearer objectives for improvement and play a stronger pedagogical role.

Do institutions need guidelines of any kind?

The review questions the purpose of defining guidelines *per se* at a time of increasing institutional autonomy. Guidelines and arrangements could be a starting point to examine regulation so as to make this process more explicit. They could help new leaders understand where autonomy and accountability lie. For current leaders, it might be useful to occasionally refer to guidelines as a reminder, or as a collection of inspirational benchmarks. However, guidelines and arrangements must not be fixed in stone, as higher education institutions operate in an interactive and multi-player system. Any guideline or arrangement should be regularly updated and discussed with all parties involved.

The review contains abstracts of the governance arrangements and quality guidelines examined, as well as a list of the major items featured in the governance arrangements under scrutiny.

CHAPTER 1

HIGHER EDUCATION GOVERNANCE: WHAT IS AT STAKE?

This chapter explores how governance has become a crucial issue in higher education and to what extent quality is now linked with governance issues. Following an overview of the historical evolution of governance in higher education, the chapter points out the challenges faced by the academy and the redistribution of power within and outside institutions. Definitions and typologies of higher education governance are then scrutinised and the typical roles played by institutional actors are explored.

Why governance has become a crucial issue in higher education

Higher education has been facing dramatic changes over recent decades, including:

- expansion of tertiary education systems: in 2004, 132 million students enrolled in tertiary education, up from 68 million in 1991 (OECD, 2008). Participation rates in tertiary education of over 50% for a single age cohort are becoming the benchmark for OECD countries;
- diversification of provision: new institution types have emerged, educational offerings within institutions have multiplied and private provision has expanded;
- new modes of delivery: more flexible ways of provision (such as distance learning and e-learning) have been developed.
- more heterogeneous student bodies: female participation has increased and there are more mature students enrolled in higher education. Student bodies are also heterogeneous in terms of socio-economic background, ethnicity and previous education;
- the growing internationalisation of higher education;
- research and innovation are leveraging knowledge production: institutions are making a major contribution to research and innovation by creating new knowledge through scientific and technological research and by training skilled workers through their educational mission.

A number of trends are also evident in tertiary education funding arrangements as institutions have been under pressure to diversify their revenues and reduce their dependence on public funding. Firstly, there has been a diversification of funding sources. Secondly, public funding for tertiary education is increasingly characterised by greater targeting of resources, performance-based funding and competitive procedures. Between 1998 and 2005, the proportion of total public expenditure on tertiary education allocated to student aid (via scholarships and loans) increased significantly. In some countries, loans have gained ground over grants in overall financial aid packages (OECD, 2007a; OECD, 2001b).

The effects of these challenges on governance are diverse. Institutions of tertiary education, as recipients of public funds, are experiencing new pressures to adjust rapidly, efficiently and fairly to the expanding and changing demands of society and the labour market. A major issue for institutional governance and research funding is to make the latter more relevant to society and the economy.

Paradoxically, institutions are no longer the sole key player in higher education since “the main change, as far as universities are concerned, is that knowledge production and dissemination – research and teaching – are no longer self-contained, quasi monopolistic

activities, carried out in relative institutional isolation. Today universities are only one amongst many actors involved in the production of knowledge.” (Gibbons, 1998).

International rankings have added to the pressure on university governance. Salmi links high-ranking universities to three connected factors: concentration of talent, abundant funding and appropriate governance (Salmi, 2009). Autonomy that allows institutions to manage their resources capably and to quickly respond to the demands of a rapidly changing global market is essential, though not alone sufficient to establish and maintain world-class universities. Other crucial governance features are needed, such as inspiring and persistent leaders, a strong strategic vision of institutional direction, a philosophy of success and excellence and a culture of constant reflection, organisational learning and change.

Countries are seeking to design funding approaches consistent with their policy goals for tertiary education systems. As such, they are gearing funding more towards performance and results in order to increase productivity and the relevance of higher education to societal and economic needs. Institutional governance therefore becomes a vital element that will permit them to anticipate, design, implement, monitor and appraise effective and efficient policies. Countries are recognising the importance of institutional governance arrangements which reflect the increasingly diverse interests being served.

Why quality is linked to governance issues

Increasing accountability

Accountability is an increasingly important element in the governance of tertiary education systems. Within the context of publicly funded tertiary education systems, the demonstration of “value for money” or of “responsible and relevant activities undertaken with the taxpayers’ money” is now widespread in most reviewed countries. This trend towards greater transparency and public accountability is developing parallel to the move towards greater autonomy. It reflects the recognition that there is a public interest in tertiary education which needs to be reconciled with the benefits that institutional autonomy can bring. Public interest should be sustained in the areas of guaranteeing academic quality and standards, ensuring equitable student admission procedures and accessibility for students from poorer families, and ensuring an appropriate use of public funds within institutions (*i.e.* internal efficiency).

Accountability can be ensured through various means, including quality assurance frameworks, performance-related funding, market mechanisms and participation of external stakeholders in governing bodies (where external representatives would advise and support the institution regarding its contribution to society, and information on institutional results would be provided to the public).

Tackling new challenges

The development of formal quality assurance systems has been one of the most significant trends to affect tertiary education systems during the past few decades (El-Khawas, 1998). Starting in the early 1980s, quality has become a key topic in tertiary education policy.

Several trends have triggered stakeholder interest in tertiary education quality, and consequently the elaboration of quality assurance policies designed to enhance tertiary education. First, the transition from elite to mass participation in tertiary education since the 1980s has increased the burden on national budgets across OECD member countries. This pressure has heightened government interest in the cost effectiveness of tertiary education, given the high level of public investment in the sector—at 1% of GDP on average in the OECD (OECD, 2007b). This motivation has grown in the context of low economic growth and growing public deficits in many countries over the period (Vroeijenstijn, 1995a; El Khawas *et al.*, 1998). The diversity of educational offerings and the expansion of private provision have also increasing interest in quality assurance systems. These are now seen as essential for holding institutions accountable and for driving improvement and innovation.

The issue of quality in tertiary education has also come under scrutiny for its contribution to economic growth. The rise of the new economy in the 1990s has made research and innovation key to countries' competitive edge in the global economy. This has been central to the Lisbon Strategy, which stresses the importance of excellence in research and development in order to turn the European Union into the most competitive and dynamic knowledge-driven economy by 2010 (European Council, 2000). Given the unique position of higher education in training knowledge workers, quality assurance has a role to play in identifying excellence. Students now compete for places at elite institutions and employers compete for their graduates, given the status and quality attached to the degrees awarded (Morley *et al.*, 2006; Geiger, 2004).

At the same time, ensuring quality in tertiary education beyond the elite segment is equally important from the perspective of employment and social cohesion. Mass unemployment in the 1970s due to technological change and a shift towards the new economy in the 1990s has made tertiary qualifications the baseline standard for employment in knowledge-intensive sectors. This general upgrading of competences has heightened student and employer expectations of tertiary education and raised questions as to the ability of institutions to produce graduates with the relevant knowledge and skills to meet labour market needs (Vught and Westerheijden, 1994). Quality assurance is therefore an important tool to inform the labour market about graduate skills and competencies to guarantee that certain minimum standards are met and to ensure that the qualification awarded meets its stated purpose. This is especially important for intermediate and/or new institutions which, unlike older elite establishments, cannot rely exclusively on their reputation and status (Alderman and Brown, 2007).

The need for productivity and wise management

Since the 1980s, many OECD governments have experienced structural shifts in their concept of public service provision (including in tertiary education) and have embraced the New Public Management approach inspired by the private sector. NPM puts emphasis on leadership principles, incentives, and competition between public sector agencies and private entities to enhance the outcomes and cost efficiency of public services (Parker and Gould, 1999; Marginson and van der Wende, 2007). This move from a normative view of the role of governments to a market state model has brought the quality issue to the forefront (Verhoeven and de Wit, 2001). Quality assurance has become a necessity for policy-makers looking to

demonstrate that public funds are spent effectively and that the public objectives for financing tertiary education are actually fulfilled (Alderman and Brown, 2007).

The increase in scale of tertiary education systems has also made central management of tertiary education institutions increasingly inappropriate, especially in light of the rise of NPM. Governments have stepped back and agreed to give more autonomy to institutions to enhance the responsiveness of the system. But, in exchange, effective quality assurance procedures designed to demonstrate the wise use of public funds must be evident (Cavalli, 2007). Quality control has been seen as a complement to the “remote steering” of the system (Goedegebuure *et al.*, 2007; Vroeijenstijn, 1995a; van der Wende, 1999; Woodhouse, 1999).

Institutions are increasingly accountable for their use of public funds and are required to demonstrate value for money. They are under pressure to improve the quality of their teaching and research, despite the fact that growing funding constraints are limiting the availability of resources.

Protecting consumers

There is growing acceptance that learners need to be protected from the risks of misinformation and low-quality provision and that quality improvement needs to be built into the system. Countries are seeking to ensure that key stakeholders (including students, families, policy-makers and employers) receive better information regarding the quality and cost of tertiary education. It is argued that confidence in tertiary education can no longer be based on elitism and tight governmental regulations (Brennan and Shah, 2000).

Another consequence of the popularisation of tertiary education and the trend towards deregulation has been the multiplication of private providers and a growing range of educational offerings (including distance learning). This calls for better protection of consumers, notably through quality assurance (El Khawas *et al.*, 1998). For institutions, quality assurance helps attract students and secure revenues in increasingly competitive environments. In this respect, Marginson (2004) distinguishes the situation of elite institutions whose appeal to prospective students derives from outstanding research performance and reputation, and intermediate (second-choice) institutions which have to court students by emphasising the quality of teaching services.

The need for quality assurance has also become more pressing as the internationalisation of tertiary education continues to grow. The dramatic increase in international student mobility over the past three decades (OECD, 2007b) and the more recent surge in various forms of cross-border provision of tertiary education have raised questions about quality standards and the reputation of cross-border institutions, and called for a closer monitoring of cross-border education quality (van der Wende, 1999; El Khawas *et al.*, 1998).

Internationalisation fosters the convergence of tertiary education systems and degree structures, as illustrated by the Bologna Process. The convergence of tertiary education programmes is also driven by the globalisation of professions and the impetus of some professional organisations to set common standards through global accreditation activities (Peace Lenn and Campos, 1997). The trend towards similar systems of tertiary education has

led to common concerns across countries regarding the performance of their institutions (Woodhouse, 1999).

Quality as an appropriate state regulation

The State is responsible for creating a regulatory environment which is aligned with the goals for the sector and helps institutions to meet the expectations of society. Regulations are embedded in virtually every tool available to government to influence the behaviour of institutions, students and other actors within tertiary education systems. As such, regulations affect (OECD, 2006a):

- planning and policy leadership;
- structure and governance;
- financing, resource allocation and subsidies;
- incentives (monetary and non-monetary);
- information (*e.g.* communication and reporting);
- laws, ordinances, decrees and soft law; and
- modes and processes of policy implementation.

The OECD publication *Tertiary Education for the Knowledge Society* recommends that governments “find the proper balance between governmental steering and institutional autonomy.” In devising mechanisms to enable institutions to operate effectively in a new environment, governments face the challenge of introducing a new relationship between themselves and institutions so that the latter are accountable for their performance, but are given sufficient autonomy in the direction of their own affairs to be dynamic and creative (OECD, 2008).

Evolution of governance in higher education governance

The importance of governance cannot be fully appreciated without addressing the developments in higher education structures and policy in OECD countries since World War-II. For most European higher education institutions, a process of institutionalisation led to a stronger corporate culture and clearer decision-making structures with a stronger institutional head. In countries with traditionally strong governing boards and leadership figures, such as the United States, a tendency towards stronger influence in academic affairs by governing boards and business–university relationships is evident.

While the details of every higher education system cannot be covered in this review, the major trends can be evoked. Higher education systems are structurally very diverse. Even if overall harmonisation trends (quality, accountability, three-cycle study systems) are visible, very distinct individual structures remain (Huisman, Meek and Wood, 2007, p. 573). A strong tendency towards dependence is visible in most higher education systems and universities are

slowly developing systems (Daxner, 1999). Some states have completely overhauled their systems, while others are slowly transforming themselves in stages.

Challenge to academic power

Prior to the student revolts and the growing public discussions on higher education during the 1960s, European universities were mostly ivory towers and elitist circles⁴ only employing small numbers of the population (Salter and Tapper, 2000, p. 68; Krejsler, 2006, p. 212; Weber, 2002, p. 158). Even though World War-II reshuffled the cards in favour of American universities⁵ (by employing researchers fleeing from leading European universities), governing systems generally remained the same⁶.

Depending on the individual features of a country's higher education system, the decision-making power of governments varied quite widely. For example, the collegial system in England was (and in Oxford and Cambridge, still is) dominant, without strong government interference. In contrast, the German academic oligarchy experienced a significant blow from government, when in the late 19th century the Prussian Minister, Frederic Althoff, reshaped the landscape of German higher education by channelling money into external research centres and supporting unfavoured academics (von Brocke, 1980). For most European countries, a gradual increase in government influence was visible from the mid-19th century onwards, especially regarding funding issues, as universities were not capable of carrying all the costs for rising student numbers and research spending.

Institutions emerge as organisations

Still, the academic community remained a powerful force “as long as governments assumed that what the academy thought to be good research and teaching was likely to be good for the economy and society” (Kogan and Hanney, 2000, p. 55).

In institutional terms therefore, these organisations, were not actually “real organisations” in the first place, as Krücken and Meyer (2006) point out. Rather, they were loose associations between faculty oligarchy and the state. Governing institutions of universities were at best mediators” (Kerr, 2001) and at worst “organised anarchies” (Cohen and March, 1974).

Rising doubts about exclusive academic communities started to change this attitude. With an increasing need for specialised workforces, society identified universities as potential producers. This claim, however, focused not on the quality of research and teaching but on higher first-year student rates and greater participation in university bodies. As a result, non-professorial academic staff, administrative personnel and students were given the right to

⁴ France is an exception. Since the French Revolution, public universities have never been institutions solely for the upper class (Weber, 2002, p. 154)

⁵ In terms of governance, the intermediate bodies were traditionally stronger as state control was minimal (Karabel, 2005)

⁶ Apart from intermediate changes towards the “Führerprinzip” at German universities (Seier, 1964) or the socialist restructuring in Eastern and Central Europe.

participate in governing bodies, such as faculty boards and senates (Shattock, 2004, p. 237, 2002).

Furthermore, governments recognised their responsibility for higher education and increased funding to hire more academics in order to tackle higher student numbers. In many countries, new higher education institutions with a stronger focus on teaching and professional training such as polytechnics were created (OECD, 2008, p. 44; Salter and Tapper, 1995, p. 69).

However, as academics were still seen as the most competent persons to judge the governing and content of higher education, governments oversaw spending on the basis of input factors and peer control, adopting detailed laws and directives rather than concentrating on outputs.

Financial constraints and competition

The wind changed again during the 1970s. Triggered by the oil crisis and rising costs for social security and health care, higher education lost out to other funding needs (Maassen, 2003, p. 35). “Underfunding becomes a constant”, (Clark, 1998, p. 7). In order to tackle rising student numbers without increasing funding, governments concentrated on holding universities more accountable in the ways they used their money. Starting mainly in the Anglo-Saxon countries, they introduced wide-ranging systemic reforms and quality assurance processes to monitor higher education (El Khalwas, 1998).

The end of the Cold War brought new competition among states and reinforced interdependencies and outsourcing of production (through private enterprise) to low-cost countries in Latin America, Eastern Europe and Asia (Healy, 2008, p. 341). Highly developed countries recognised the need for cutting-edge technologies and a highly specialised workforce in order to maintain their power positions in an increasingly multi-polar world (Filippakou and Tapper, 2008, p. 90; OECD, 2008, p. 42). The “inward-looking perspective” of academic self-government was no longer seen to be capable of guiding research performance, especially in prioritised fields (Fielden, 2008, p. 18; Brennan and Shah, 2000).

Likewise, government funding diversified. Ministries switched from regulatory money flows to block grants, negotiated in the form of contracts on the basis of university profiles and strategic plans. Research funds were (and are) granted on a competitive basis, forcing universities to take a more entrepreneurial approach, develop strategic responses and stand out from competing institutions. Market-inspired incentive reforms (New Public Management reforms⁷) in the academic bureaucracy and a switch to partly performance-based salaries were designed to create flexibility in financial accounting and strengthen efficiency at the macro level (Kooiman, 2003; de Boer *et al.*, 2008; Fried, 2006; Kohler, 2006; Middlehurst, 2004).

In contrast to the European situation, the United States higher education institutions have always been governed by strong boards of trustees and leading figures of influence. The

⁷ Not specifically definable and hence cannot be related to a narrow band of possible approaches for public management reform (Maassen, 2003, pp. 33- 44; Meek, 2003; Hood, 1995).

United States institutions only transformed from colleges to PhD-granting institutions in the 19th century. As privately driven bodies, they grew thanks to the engagement of leading figures and the philanthropic support of donors. Corporate practices and institutional entrepreneurialism were visible as early as the 1930s and fostered growing student participation and prosperity until the early 1970s. Yet, overexpansion and a demographic downturn made the financial situation of higher education institutions cumbersome and vulnerable to decline (Thelin, p. 318, 2004). The “uniformity of institutions, growing bureaucracy, overemphasis on academic credentials, isolation of students and faculty from the world” were not seen to reflect “the interest of society” (Newman report, 1971). Stronger competition for research grants and state-financed students generated competition among institutions and, in some cases, led to weaker standards and dubious financial practices. There is strong external interference in United States institutions through university–business relationships and joint ventures. (Thelin, 2004). Likewise, the debates on curricula and academic freedom have made the United States a special case in relation to governance developments over the last fifty years.

New distribution of powers

In the face of funding problems, governments increasingly held students and enterprises responsible. The income of higher education institutions diversified, thereby introducing new stakeholder interests into university governance: “a much larger group of users is making claims on them [universities]” (Marginson and Considine, 2000).

“The quasi-market situation of institutions made the intermediate level between academics and government bodies important (...). The inability of internal university stakeholders (students, professors, academic and administrative staff) to respond accurately to a growing knowledge society⁸ and new competitive steering instruments meant that the university’s head needed to be constituted. This happened sooner in Anglo-Saxon countries and later in continental European higher education systems”.y the researcher and the state to stronger intermediate bodies (de Boer, 2003, pp. 90-91). This creation of institutional autonomy combined with stronger internal hierarchies is based on the belief that institutions perform better if “they are in control of their own destiny” (Fielden, 2008, p. 18). While giving decision-making powers to institutions, governments can now use funding possibilities (contracts, national priorities) to promote their interests in higher education (Agasisti and Catalano, 2006).

Claims about quality, accountability and the enhanced employability of students will no longer be channelled to academic bodies with “sluggish decision-making abilities” (Clark, 1998, p. 131) and “a lack of clarity regarding responsibilities” (de Boer, 2003, p. 95), but to accountable governing institutions. Vice-chancellors, rectors and presidents are increasingly assuming the role of chief executive officer, working closely with a small governing board.

⁸ E.g. “...social welfare will rely increasingly on knowledge-intensive industries and services, and even more jobs will require a higher education qualification. Yet European universities [all higher education institutions], motors of the new, knowledge-based paradigm, are not in a position to deliver their full potential” (COM(2005) 152 final: 2).

Formerly mediators, they must now present university strategy to the faculties (via stronger deans) and to stakeholders and society at large.

Diversity of governance

As pointed out, even though⁹ a similar direction is visible in all of the OECD countries, the extent and starting dates can vary considerably. Often there is conflict with existing academic cultures, raising questions about the impact of structural changes on academic behaviour. While pressures and performance expectations have increased the workload and range of tasks for academic staff at least in Europe¹⁰ (Houston, Meyer and Paewai, 2007, p. 377; Bennich-Björkman, 2007, p. 354), there has not necessarily been a change in self-perception. In the case of France and Germany, Christine Musselin argues that traditional academic values have remained intact (2005a), in contrast to the case study by Clark which showed an exchange of “management points of view (...) from centre to academic heartland, while faculty values infiltrated the managerial space” (Clark, 1998, pp. 9-11-13). Speaking of Sweden, Bennich-Björkman, (2007, p. 355) says “that a tactical and fund-oriented approach has begun to permeate the thoughts of researchers,” while their fundamental values have not been affected yet. In which way, how quick and how far universities will progress towards the outlined governance changes remains to be seen. Nevertheless, with more sophisticated governmental steering mechanisms, more stakeholders and more roles for the university in society, the question of how governance works and how it ought to be working is raised more frequently. Thus, it is clearly here to stay.

Definition of governance

As this paper concentrates on how higher education frameworks make their actors responsible for nationally defined aims, a narrow definition of governance would be inadequate. This would suggest supporting one higher education system against another (for example, “good governance” would describe a co-operative higher education system). So, this paper uses the notion of governance in its broader sense:

Governance encompasses the structures, relationships and processes through which, at both, national and institutional levels, policies for tertiary education are developed, implemented and reviewed. Governance comprises a complex web including the legislative framework, the characteristics of the institutions and how they relate to the whole system, how money is allocated to institutions and how they are accountable for the way it is spent, as well as less formal structures and relationships which steer and influence behaviour. (OECD, 2008, p. 68).

⁹ For developments in East Asia see: Varghese, 2004; for Indonesia: Fielden, 2008; for Russia: Shattock, 2004; for Northern Europe: Fägerlind and Strömqvist, 2004; for Australia: Considine and Marginson, 2000; for the U.S.A, Canada and the United Kingdom: Rhoades and Slaughter 1999, 2004; for Germany, the United Kingdom and the Netherlands: Boer, H. de, J. Enders and U. Schimank, 2007; for France: Musselin, 2005.

¹⁰ John Thelin (2004, p. 360) sees a decline in workload for academics in the U.S.A compared to the workload of early 20th century academics.

Some researchers distinguish governance from the procedural aspects of management (Middlehurst, 1999, pp. 311-312; Tiplič, 2006, p. 136). Yet, a strong distinction could pose analytical difficulties as the management process itself can influence the mechanisms of governance. In this sense, Reed, Meek and Jones (2002, p. XXVII) see institutional leadership, management and administration as components within governance. Institutional leadership refers to the strategic direction, management refers to the monitoring of institutional accountability and effectiveness and administration refers to the implementation of procedures (see also Maassen, 2003, p. 32). In this review, the position of Reed, Meek and Jones is followed.

Zgaga (2006, p. 39) proposes three levels of governance analysis:

- internal or institutional: governance of higher education institution(s);
- external or systemic: governance of higher education system(s);
- international or global: governance of higher education systems within an international (global) perspective.

Clearly, there are interdependencies amongst the different levels.¹¹ However, this broad framework can highlight certain aspects.

Types of higher education governance models

The research on governance models in higher education has two basic streams. The first creates *theoretical frameworks* in which different types of higher education systems can be situated. Examples include concepts from Clark, Braun and Merrien and de Boer, Enders and Schimank.

The second stream works more inductively and creates *typologies* of higher education systems/institutions on the basis of their individual characteristics. While in the theoretical approach, different factors can have equal impact on institutions, the inductive method emphasises certain aspects which have merged from the research approach chosen. However, the conceptual analysis can overlap between the two streams (*e.g.* Clark's triangle and the typologies).

Theoretical frameworks

Clark was among the first to establish a typology of governance systems in 1983. By positioning the university within the borders of a triangle, the partial influence of three determining dimensions could be shown. Depending on the set-up of the higher education system and, in particular, of the university, the strength of state authority, market forces and

¹¹ For example the United Kingdom Committee of University Chairmen is an actor in national higher education governance, in internal institutional governance and, through engagement on international level, an actor in international higher education governance. A decision on one level has immediate consequences for the Committee's position on other levels.

academic oligarchy were variables and opened the way to different modes of co-operation in higher education (Clark, 1983).

On the basis of Clark's work, a range of models has evolved (e.g. Becher and Kogan, 1992; Bergquist, 1992; McDaniel, 1996). The most commonly cited is van Vught's reduction (1995; 1989) of the original model.

He discards the category of market forces, since universities function as quasi-markets under state influence and distinguishes between two opposing systems: the "State control" model found mostly in continental Europe and the "State supervising" model based on Anglo-Saxon tradition. The former is characterised by strong state regulation and an influential academic oligarchy, while the latter shows a lessening of state influence (to provide the overall framework only) and interference due to failing expectations, while the steering power of intermediate organisational actors (such as deans, rectors, boards of trustees) increases" (Braun, 1999).

Several scholars have developed intermediate models between the two extremes, e.g. John Fielden (2008, p. 9) who follows a four-step process from state control, semi-autonomous, semi-independent to independent.

Given the New Public Management administration reforms, a distinction within the different categories became necessary. In 1997, Clark added a fourth element to his triangle which he described as the hierarchical self-guidance of university leaders (Clark, 1998).

Robert Berdahl's distinction (1999) between *substantive autonomy* (what to do in university governance) and *procedural autonomy* (how to do something in university governance) develops this idea further.

Working with Clark's model, Braun and Merrien (1999) developed the "cube of governance" which can position individual higher education systems in three categories:

- a non-utilitarian/utilitarian culture (degree of service and client orientation);
- a loose/tight procedural model (degree of administrative control by the state);
- a loose/tight substantive model (degree of goal-setting capacity of governments).

The newest model of higher education governance has been developed by de Boer, Enders and Schimank (2007) which transforms the cube concept into five governance equalisers. Each equaliser represents a relevant governance attribute and can be adjusted independently from the others, meaning that radical changes in one area need not influence the others. This model comprises:

- *state regulation* referring to the initial governance notion of regulations by directives through the government. It measures the detail and the rigidity of government direction;

- *stakeholder guidance* measuring the influence of stakeholders not through directives but through goal setting and advice. Stakeholders are important societal actors who have a major interest in tertiary education, such as industry, unions or government itself;
- *academic self-governance* addressing the role of academic professionals within the university. Their influence comes through collegial decision-making and the self-steering of academic communities based on peer review;
- *managerial self-governance* involving the degree and development of inner university managing hierarchies and the internal goal setting, regulation and decision-making power of key actors, such as rectors, presidents and deans;
- *competition* dealing with the construction of quasi-markets and the competition for scarce resources (money, staff and through quality measures such as rankings performance evaluations, customer satisfaction etc.) and their impact on university governance (de Boer et al., 2007, pp. 135-138; de Boer et al., 2008, pp. 35-40).

Typologies

The range of literature is wide on the subject of university typologies. Depending on the researcher's perspective and choice of case studies, certain concepts are claimed to characterise a type of university in a certain timeframe. Minor characteristics can be seen as different concepts remaining from other policies, timeframes and classifications and varying according to faculty or institute. "Universities seem to be antique archaeological sites with a stratum for each age" (Bargh *et al.*, 1996; also Lazzarotti and Tavoletti, 2006).

Again, the most influential categories stem from the Clark framework in 1983 and adjusted in 1998. Even though this first avoided direct typologies by distinguishing only between a "market model" and a "collegium model" (Braun, p. 6, 1999), Clark later offered the notion of "entrepreneurial university."¹² This is characterised by "a strengthened managerial core, an enhanced development periphery, diversified funding and a stimulated academic heartland." On the basis of the early triangle, van Vught proposes "bureaucratic-oligarchic" to describe governance which is strongly influenced by academics and government.

Supported by the governance cube outlined above, Braun and Merrien (1999) realign the categories in their own models and create five ideal types, which find their equivalent in different countries:

- new managerialism¹³

¹² Kennedy earlier used this notion (Kennedy, 2003).

¹³ Utilitarian culture, tight substantial, loose procedural

- market¹⁴
- corporatist-statist¹⁵
- bureaucratic–oligarchic¹⁶
- collegium¹⁷.

Based on their case study of the Australian higher education system, Marginson and Considine (2000) prefer the concept of the “enterprise university.” The university’s mission and relations with the outside world are now defined by strong corporate executive control imposing economic performance targets on internal structures. The actors within universities have shifted from councils and senates to governing boards, “shadow university structures” and vice-chancellor advisory committees. On the institute level, co-operative research centres and a “variety of soft money -funded entities” have been founded. Funding is characterised by a need to diversify towards soft budget allocations, tuition fees and competitive earning via new enrollments and research funding, making market forces in some areas the main driver. The inner culture of historical institutions gives way to an increasingly restricted menu of commercial options and strategies (Marginson and Considine, 2000, p. 4).

A comparative study of the United Kingdom, Canada, the United States and Australia by Rhoades and Slaughter (1999) is equally critical. This categorises today’s university as driven by academic capitalism: “institutional and professorial market or market-like efforts to secure external monies” (Rhoades and Slaughter, 1998). These researchers regard the emergence of an academic capitalist knowledge/ learning/ consumption regime as characterised by:

A systematic revision and creation of policies to make entrepreneurial activities possible; a fundamental change on the interconnections between states, their higher education institutions and private-sector organisations to support such activities, blurring the boundaries between the for-profit and not-for-profit sectors; and a basic change in academy practices – changes that prioritize potential revenue generation, rather than the unfettered expansion of knowledge in policy negotiation and in strategic and academic decision making (Rhoades and Slaughter, 2004).

Leon Trakman (2008) is even more specific in his analysis by outlining five models:

1. faculty governance sees the power on the side of the academic staff and is based on expansive governing powers distributed towards collegial senates or strong influence of academics on governing boards;

¹⁴ Utilitarian culture, loose substantial, loose procedural (*e.g.*, U.S.)

¹⁵ Utilitarian culture, tight substantial, tight procedural (*e.g.*, Russian Federation.)

¹⁶ Non-utilitarian culture, tight substantial, tight procedural (*e.g.*, Germany, Italy, Switzerland)

¹⁷ Non-utilitarian culture, loose substantial, loose procedural (*e.g.*, U.K.) (Braun, 1999b, pp. 241-243)

2. corporate governance is prevalent in universities, mostly consisting of smaller boards of governors or trustees, as well as chief executive officers with financial and managerial responsibilities;
3. trustee governance differs from other governance types in that it is explicitly based on trust in a governing board. This idea, however, remains vague;
4. stakeholder governance is based on the identification of interest groups which should be involved in university governance to secure a balanced system where all important interests are voiced.
5. amalgam models of governance combine the four mentioned models and no clear pattern is visible (Trakman, 2008, pp. 63-83).

Actors in higher education governance

The frameworks from Clark to de Boer *et al.* and the growing university typology can be seen to mirror the growing complexity within higher education governance research. As outlined earlier, the number of actors participating in higher education national and institutional governance has multiplied in various forms.¹⁸ In the revised literature, this multiplicity has been structured into three basic levels of actors.

- the academic oligarchy built out of the “academic heartland” (Clark, 1998) and visible in faculty boards, senates and stakeholders on governing boards.
- the intermediary organisational actors (governing boards, supervisory boards, vice-chancellors, presidents, chiefs executive officers (CEO), which started becoming more influential in the 1980s due to changes in the system.
- the State actors, visible as ministerial administrators from higher education, finance, government advisory boards and the Minister/secretary (Braun, 1999; Musselin, 2005b; Fried, 2006, p. 88).

The following categories of actors are based on Enders’ description (2004) designed to give a broad overview of the different participants in higher education governance.

The academic heartland

While the literature often varies on the intermediary level, the academic heartland is mostly taken as a monolithic body which is either an obstacle to reform or a body that is

¹⁸ This is not the place to discuss the question of whether these actors and various forms of stakeholders have always been unidentified actors in higher education governance or whether they have been constituted by changes in the dialogue. However, that new stakeholders and actors emerge is very likely, perhaps through an identification process, or as philosopher Jacques Rancière would argue, through a political act of identification (alumni, donors, information technology, etc.). For example, the identification of the university’s alumni as an actor has taken place in the United States but is a rather undeveloped notion in Continental Europe (mostly interesting in terms of employment success).

discriminated against by reforms. This view may be due to the literature's focus on leadership positions in corporate higher education governance.

Describing this heartland can vary from country to country. In Anglo-Saxon higher education systems, the notions of staff, employees and sometimes academic workforce/workers are found. Continental European researchers are more careful as they want to avoid giving the impression that academics are ordinary workers in a knowledge production industry. Roughly, two groups can be identified. The first group consists of academics mostly concerned with their research. They are not members of central boards and are marginally engaged in academic self-governance (de Boers, 2007). The second group is made up of academics highly engaged in university governance, who promote their issues either informally through strong national and international networks or formally in academic councils. The latter group is referred to as the "academic oligarchy" or as the "academic elite" (Münch, 2007).

Students

While students are central for the development of quality procedures at higher education institutions, they very often occupy a marginal role as political actors in the discussion of university governance (Bergan, 2003, pp. 5-6).

Compared to other stakeholder groups, students have been involved in university governance since the 1960s. Their decision-making political influence within governing bodies is rather low – between 1/5 and 1/10 of members of governing boards are students (Bergan, 2003, p. 4), but their advisory capacities and informal structures that reach up into ministries give their voice a stronger impact (Bergan, 2003, p. 8). Unlike other stakeholders, they possess strong short-term mobilisation capacities (*e.g.* student protests in Germany, France and the United Kingdom). Recent empirical research is scarce (exceptions are Bergan, 2003; van Dyke, 1998; Rhoades, 1999) or concentrates on the status of students as consumers or clients rather than on their governance capacities (Bergan, 2003, p. 10). This limitation may be a consequence of taking quality assurance as the central point of reference for research, thereby denoting students "as passive recipients of wealth-creating skills and knowledge" (Morley, 2003, p. 142).

Central administration

The central administration has always been a powerful force in university governance. Especially in higher education systems with a minimal entrepreneurial structure, this has an information advantage over academic authorities as it is continuously and fully involved in administrative issues. Academics normally postpone their research while assuming governing positions in universities and are less well equipped to deal with administrative matters. While older attitudes towards the administration saw this as "merely a device for bringing pupils face to face with the right teacher" (UGC, 1936, p. 19), its new power is increasingly recognised through best practice guidelines and the rise of New Public Management. In countries with strong state regulation, the administration was also seen as a state instrument for financial accountability. In Germany, for example, the head of the administration is appointed by the Ministry of Education and very often plays the role of counterpart to the

academic self-government. This official, however, plays a much smaller role compared to vice-chancellors in countries with more corporate university bodies.

In many universities, the position of the vice-chancellor, president or chief executive officer has been established. This position is responsible for the day-to-day management of the university and hence formally responsible for different administrative tasks. As these include the implementation of goals set out by the legislative authority or governing board, leadership and decision-making on the basis of the strategic framework are necessary attributes for the administration head. In several countries, the post has become more influential especially in combination with weakly performing governing boards (e.g. Lauwreys, 2008, p. 5). Deputy vice-chancellors are responsible for special tasks and support the vice-chancellor in his/her duties.

Head of the university

The head of the institution is known as president, chancellor or rector. This position and its power differ from system to system. While in higher education systems with a strong multi-stakeholder governing board, she/he very often has only a representative role to play. However, countries such as Hungary, France or Germany, still assign strong executive powers to this office.

Similar to the vice-chancellor in Anglo-Saxon countries, she/he is the head of the executive and is supported by pro-rectors. The main duty is to prepare and implement decisions of the academic board, but there are also various decisions she/he can take. In the case of Germany, these powers have increased as a result of higher education reforms (see Bergan, 2003, p. 2). To distinguish between the head of administration and the university head in a country comparison is difficult and sometimes impossible. As higher education systems have evolved, these posts have individual histories which explain why their powers differ.

Boards

The variety of boards in higher education is probably just as wide as the backgrounds of their members. Traditional forms are collegiately governed assemblies such as institute and faculty boards, as well as senates and university councils. In the 1960s, representatives of academics, students and administrative staff were involved and their numbers were quite large. Newer developments either added or replaced the old boards with university governing boards. Power shifted from the less forceful old bodies to the mandates of the new boards (Bleiklie and Kogan, 2007, p. 3). The distinction between supervision and important decisions-making and day-to-day management is very common in the new system. The former function belongs to the governing board, the latter to the chief executive.

Stakeholders

Stakeholders are groups within society with a particular interest in university performance. These can range from conventional actors such as students, academics or the government itself to newly recognised actors such as industry representatives, community

authorities, alumni, unions and cultural groups. Depending on the country, their influence can range from membership of supervisory or governing boards to simple funding functions (Lazzaretti and Tavoletti, 2006, p. 24).

Agencies

Quality assurance agencies are rather new actors in higher education governance. On the basis of government directives and ethical codes (*e.g.* ENQA guidelines, INQAAHE guidelines), they review programmes and/or institutions and judge whether these are appropriate and effective. Their influence varies from audits of programme accreditation to system accreditation.

Government

Even though institutions have gained autonomy, the government's role is still as crucial as ever in higher education. As the major financial source in most of the higher education systems reviewed government still decides who gets which funding and on which basis. Recent developments have strengthened this approach as governments have moved from traditional directing in higher education to steering from a distance. Contracts with universities, financial accountability measures and legal frameworks are the foundation of this steering approach. Furthermore, a multiplication of intermediary bodies between government and institutions is common at the level of national higher education governance. External bodies accredit quality assurance agencies or perform audits and research councils provide higher education funding (and especially for research projects) on a competitive basis (OECD, 2008, pp. 74-75).

Bibliography Chapter 1

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CHAPTER 2

ORIGINS OF GOVERNANCE ARRANGEMENTS

This chapter explores the various origins of higher education governance arrangements and explains the reasons why the notion of efficiency has gradually permeated the notion of institutional governance.

In the first part of this paper, two interdependent major trends were identified. Firstly, there is a tendency for governments – at least in most OECD countries – to grant more autonomy to universities so as to make them accountable institutions. Secondly, under the notion of governance, institutions are increasingly understood as complex entities involving multiple actors with different formal and informal powers.

In combining these two developments, the question of the university's purpose (and how to achieve it) becomes paramount. Institutions have been granted more autonomy only because they are believed to be capable of producing better results than if they are strictly regulated through government laws and directives.

From governance to good governance

The concept of good governance originated in the early 1990s and was adopted by the World Bank in order to introduce certain practices into loans to poor countries. By 2000, it had become one of the major aims of the Millennium Development Goals, addressing issues from corruption to accountability.

Similarly, good governance has been embraced by the corporate sector and several national institutions. Its aim is to decrease poor business practices and make procedures and obligations transparent, in order to gain the trust of stakeholders and the public at large (OECD 2001, p. 50).

Good governance can be understood as a structure “which strives to preserve the integrity of the academic value system while at the same time positioning universities vis-à-vis their larger environment to make them receptive and answerable to external messages, demands and expectations ” (Fried, 2006, p. 81). There have been many approaches in OECD member countries to ensure good governance. In some countries, such as Hungary, more detailed descriptions of roles were inscribed in law and many United States states have drafted strong

transparency laws to monitor public institutions. The so-called “sunshine laws” oblige all public institutions in a state (including universities) to open their meetings to the public (Ingram, 2004, p. 9; Hearn and McLendon, 2006). A legal benchmarking approach is used by the German *Stifterverband der Deutschen Wissenschaft* (Association of Donors for German Science, 2002) which compares German higher education laws¹⁹ to find best practice approaches. In Turkey and Portugal, the law sets out detailed punishments for higher education actors in cases of fraud and misbehaviour. Australia has adopted benchmarking approaches (DEST, 2000) while Canada’s the University of Alberta has won the best practice award for good governance in corporate bodies (*Edmonton Journal*, 2008).

A common good practice in several OECD member countries is to publish governance arrangements. Recommendations are made about possible internal structures for higher education provision, how actors could perform and which processes could be implemented.

Origins of governance arrangements

The external trust problem

The implementation of good governance measures is first meant to tackle institutional and managerial dysfunctions. Several of the governance arrangements reviewed were drawn up after cases of fraud and mismanagement took place within the higher education system.

In Israel, the Meltz Commission (2000) expressed concern that “at several central weak points, the system has deficiencies related to the work patterns of its official bodies, the distribution of functions and authority, and the mutual relationship between them.”

In the United Kingdom, a series of governance scandals in the post-1992 university sector and accusations of flawed medical research results shattered trust in the monitoring practices of governing boards (Shattock, 2004, p. 230; Salmi, 2008, p. 3). A case study on a limited number of post-1992 institutions discovered that the governance boards seemed to be “rather ineffectual bodies, not appearing to have any major impact on the strategic plans and major governance matters of their institution nor overly involved with the monitoring of executive performance” (Bennett, 2002, p. 289).

In the Netherlands, an inquiry into double enrollments of students in the *Hogescholen* sector (HBO-raad, 2006, p. 2) discredited the system. The United States experienced their own student loan scandal, while Australian universities were seen to be cutting corners to attract foreign students (Salmi, 2008, p. 3).

The mismatch between the existing governance setting and the challenges arising from institutional autonomy leads to trust issues. For example, Fried (2006, p. 103) points out that for the transformation processes in several European higher education systems, “the political and administrative ranks are utterly unprepared to assume their new role of providing sound and

¹⁹ In Germany, individual states (*Länder*) are responsible for the structure of the higher education systems.

consistent guidance and strategic orientation regarding the longer-term goals and directions in national higher education and science policies.”

To restore trust in institutions, governance arrangements clarified the process of decision-making and defined responsibilities in order to help different actors embrace good governance. The secretary of the Committee of University Chairmen (CUC), David E. Fletcher, put it simply: “better governance = more trust = less regulation.” (Fletcher, 2007, p. 103). This is likewise visible in the CUC statement in the United Kingdom guidelines: if we “deliver to the sector governance models and practices to meet the challenges today (...) then we anticipate that Government, as one of the founders of the sector, will acknowledge that a lighter touch of regulation is now both appropriate and timely” (CUC, 2004, p. 2). The Quebec guidelines make it clear that there is “no good governance without autonomy, and no autonomy without good governance.” (IGOPP, 2007, p. 7) The idea was to either tighten the grip of governmental supervisory bodies (as in the case of Israel or to void this step (as in the case of the U K and the Netherlands).²⁰ In the latter case, the approach was to “reinforce autonomy by making it work better within the legal framework provided” (Shattock, 2004, p. 231; 2004). An intermediary approach is the one taken by the Irish Higher Education Authority (HEA), where actors can report mismanagement or non-alignment.

Efficiency

Autonomy in university governance is not an absolute. Dependence on government funding, incorporation and higher education laws, as well as the production of outcomes measures for accountability reasons, only create a framework in which institutions can exercise their autonomy (Coaldrake, Stedman and Little, 2003, p. 27). Responsibilities for higher education matters are very often not assigned to a single state body but are shared by several. For example, in Israel, the Council of Higher Education (CHE) is an intermediary between the Ministry of Education and the Ministry of Finance. In Germany, education is in the responsibility of the *Länder*, while excellence initiatives and the German Research Council (DFG) are mainly funded by the federal state and accreditation issues are overseen by the German Accreditation Council (*Deutscher Akkreditierungsrat*). Finally, in Australia, most funding comes from the federal government, while the states define the broad institutional structure of universities and the intermediate body of the Australian Universities Quality Agency monitors institutional quality assurance arrangements (DEST, 2002, p. IX).

These governance structures at national level can influence efficiency considerably as different measures are reported to different institutions, study programmes have to be accredited (HRK, 2008) and some federal government incentives contradict existing university structures. In Australia, the Department for Education, Science and Teaching proposed the institutionalisation of trust measures to foster efficiency. The logic was that such measures (*e.g.* good governance principles) could help reduce the reporting liabilities of governments and indirect steering (DEST, 2002, p. IX). The National Governance Protocols are part of this drive for more efficiency in university governance. For example, the Irish guidelines state that “the introduction of the 2001 code of practice for the governance of State Bodies needed to be

²⁰ In the U.S., similar problems have led to the development of quality assessment by the institutions themselves (van Vught and Westerheijden, 1994, p. 358)

adapted and extended to the universities as organisations in receipt of substantial funding” (HEA/IUA, 2007, p. 1).

Corporate governance

Several of the governance arrangements reviewed are a blend of expertise, knowledge and existing guidelines. Corporate governance arrangements are often a reference. In Denmark, the commission for the drafting of higher education arrangements was chaired by the same person (Lars Nørby Johansen) who had earlier drafted corporate governance arrangements. These arrangements are mentioned as a reference for Danish universities within the guide for higher education institutions (Johansen *et al.*, 2003, p. 15). Furthermore, the arrangements claim to have “conducted a critical examination of the so-called ‘corporate governance’ recommendations for boards in private companies” and drawn “on the ideas of ‘corporate governance’ (Johansen *et al.*, 2003, pp. 17-18). A similar case is the Scottish guidelines, which refer to the Cadbury Code of corporate governance (SHEFC, 1999). In Britain, universities are legally independent corporate institutions and hence the United Kingdom guidelines state that for their fourth edition they incorporated the “latest review of current practice in corporate governance” (CUC, 2004, pp. 1-37). The Irish guidelines include a reference to the OECD principles of corporate governance (HEA/IUA, 2007, p. 71) calling the process a “corporate governance movement” (HEA/IUA, 2007, p. 1). In Israel, the guidelines refer to company law and in Australia the National Governance Protocols mention the Australian Corporations Act (DEST, 2008, p. 13).

Bibliography Chapter 2

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CHAPTER 3

CONTENT AND STRUCTURES OF GOVERNANCE ARRANGEMENTS

This chapter explores the objectives, the content and structure of governance arrangements, as well as the actors and their respective roles in institutional governance. Then, the chapter assesses the potential impact of such arrangements on governance performance.

Overview

In the literature reviewed, various terms are given to the mostly voluntary sets of arrangements applicable to institutional governance. They range from “recommendations” and “principles” to “code” and “guidelines.” No distinct definition is given within the texts reviewed. As the different papers are mainly intended to work as guides in a twofold sense (as a summary of the existing legal framework and as a guide for formulation and behaviour within university governance), this paper will use the term “arrangements” to describe the different documents reviewed.

The diverse structure of the arrangements made it challenging to carry out a cross- analysis of the documents using a common analytical grid. Nevertheless, researchers defined key topics, which are similar in most of the reviewed documents as they address the organisation and functioning of the institution. The review will reflect on the values, transparency and leadership as addressed by the governance arrangements. Lastly, the impact of the governance arrangements will be briefly presented.

Organisation and functioning of the institution

Clear responsibilities

The arrangements mostly address issues of institutional governance. One of the main aims of good governance is to avoid mismanagement within institutions. The arrangements emphasise the need for clear delineation of responsibilities within institutions. First and foremost, this concerns governing boards. This is because their supervisory function is often one of the weaker points in institutional governance and because they are the bodies in charge of clarifying the institutions’ roles. The United Kingdom and Irish guidelines for instance provide an introduction to the legal framework of the individual higher education systems as well as cross-references to national laws or European directives (as in the Irish case). Furthermore, they include links to other important external guidelines, such as financial directives. The Irish guidelines deal with legal aspects and critical issues of university–business relations and tax clearance (HEA/IUA, 2007, pp. 40-41). New governors or institutional members gain clear insight into the structures and responsibilities of higher education. The Israeli guidelines envision a multi-board system in which the governing board is the most important and the executive board is responsible for mostly financial issues.

Even though the roles of governance boards are discussed in detail, other parts of institutional governance are only implicitly covered. Governance indeed encompasses too many different formal and informal processes and therefore makes it impossible to set clear arrangements for all possible combinations. The importance of a flexible, responsive and supervising governing board is clearly visible in the arrangements.

Authority in governance arises not from the legal power of an institution but from its ability to use this. Hence the leadership function of governing boards and university heads in higher

education governance may have made it necessary to avoid a more inclusive coverage of procedures and actors in institutional governance in the arrangements.

The first major clarification in the arrangements is the difference between day-to-day management and strategic direction making. All the arrangements have some sort of governing board responsible for the strategy and an executive officer²¹ who manages the daily business of universities.

The governing board

It seems that the transformation process of governance in higher education institutions has taken place in most of the reviewed countries. As a result, the governing board is seen as the highest authority in the university. While not all arrangements accept the notion of mission for the board, this body sets the strategic framework in which the chief executive officer can operate, while maintaining a supervisory function to ensure that this framework is respected. For the Irish and the Scottish guidelines, the sole legitimate responsibility of the board is particularly important. The division between day-to-day management and the governing board is based on delegation – the sole responsibility of the governing board (like in the guidelines issued by the US Association of the Governing Boards of Universities and Colleges, AGB, 2001, pp. 4-7) – and not on a system of checks and balances. In embracing clarity, all arrangements make it clear that some form of standing orders is necessary to make the tasks of the governing board visible. This should include a code of conduct encompassing voting procedures, quorum, frequency of meetings, extraordinary meetings (CUC, 2004, p. 19; Johansen *et al.*, 2003, p. 20).

Apart from a strategic outline, other tasks are expected of the governing board. Risk management, financial accountability and control are explicit in all arrangements. But it is not only the performance of others that needs supervision: the United Kingdom and Irish guidelines suggest self-monitoring procedures that make their own performance visible. The proposed time period for self-evaluation is five years in the United Kingdom. As a benchmark, they suggest the institutional responsibilities statement and compliance with the United Kingdom guidelines (CUC, 2004, p. 15).

A “culture of planning” distinct from a broad strategic frame-setting, is rather marginally developed in the arrangements and not as detailed as in the quality guidelines reviewed in the fourth chapter of this paper. An illustration is the United Kingdom guidelines, which align mission, primary objectives and academic aims/objectives to the institution’s strategic plan. The latter should include a “financial, physical and staffing strategy” to achieve goals and facilitate the institutional monitoring process (CUC, 2004, p. 17).

Other governing board tasks mentioned in the reviewed governance arrangements are estate management in the United Kingdom and Denmark, and human resource management, health and safety and the creation of non-discriminatory systems in the United Kingdom (CUC, 2004, p. 17).

²¹ Also President in Israel and Ireland, Principal/Director in the Scottish guidelines, Vice-Chancellor in England and Wales.

Composition of the governing board

Governance arrangements may recommend the number of members serving on a governing board. The composition of this body differs widely among institutions: the maximum number of governors recommended varies from eleven in Denmark and twenty-five in Scotland, while the United Kingdom does not recommend any specific number.²²

In line with the mainstream transformation process of governance, the majority of governors should be external to the institution (IGOPP, 2007, p. 9; CUC, 2004, p. 14). Israel accepts 25% only internal members (CHE, 2004, p. 3). The recent AGB guidelines even prefer non-voting participation for internal stakeholders (AGB, 2001, p. 6), which differs from their opinion in 1966 when they supported the US American Association of University Presidents guidelines for stronger student participation decision-making structures. The Danish guidelines ask for at least two student representatives, one from the academic staff and one from the non-academic personnel (Johansen *et al.*, 2003, p. 22).

The governance arrangements address the background of internal stakeholders which can include (in various proportions) administrators, students and faculty. By contrast, the background of external members is rather vague in the arrangements, apart from insistence on appropriate qualifications. The United Kingdom guidelines demand a sufficient “balance of skills and experience among members” (CUC, 2004, p. 14). Similarly, the Danish guidelines expect that “external members must be appointed in such a way that no sector or special interest holds a majority” (Johansen *et al.*, 2003, p. 8). In Quebec, the guidelines value experience and expertise (IGOPP, 2007, pp. 10-11) and the Israeli guidelines suggest the appointment of governors who are “active in the financial, social, cultural, educational and scientific arenas, including leading Israeli and international scholars and who are “interested in the institution’s development and advancement” (CHE, 2004, p. 3). While the Dutch ask for at least one member with financial expertise (HBO-raad, 2006, p. 8), the Australian National Governance Protocols specify that at least two members should have financial experience and one of these should have commercial experience at senior level (DEST, 2008b, pp. 14-15).

In all cases, external members are expected to be independent (CUC, 2004, p. 14); and the AGB guidelines (due to their understanding of institutional ownership by the public) are quite precise in this respect. By explaining forms of interference and how to avoid them, they try to create awareness about the potential for influence by external stakeholders, including accreditation agencies (AGB, 2000). The Danish guidelines see “diverse ownership” at work with not one single owner and likewise insist on “independence from special interests” so as to remain externally credible (Johansen *et al.*, 2003, p. 26).

This insistence on independence is often combined with a recommendation to avoid conflict of interest. The Dutch guidelines are specific in stipulating that no member can have a commercial link to the university or other institutional position nor any form of relationship with an institutional member, during five years before taking office (HBO-raad, 2006, p. 7).

²² This can, as in the Dutch case, mean that the number is fixed by law. The mentioned maximum number by country: 25 in Scotland (SHEFC, 1999, p. 5), 22 in Australia (DEST, 2008b, pp. 14-15), 20 in Quebec (IGOPP, 2007, p. 9), 11 in Denmark (Johansen *et al.*, 2003, pp. 24), 20-40 in Ireland.

Some governance arrangements specify the length of tenure for the governorship and how often members should be allowed to be /re-elected. The Dutch suggest three mandates of four years each (*i.e.* twelve in total), the United Kingdom three periods of three years (nine in total) and the Quebecois guidelines a total of nine years (CUC, 2004, p. 27; IGOPP, 2007, p. 11).

Age limit for governors is rarely an issue. The Scottish guidelines recommend retirement at sixty-five years and the Danish guidelines propose seventy as a limit (Johansen *et al.*, 2003, p. 24). This could become a more important concern as an over-representation of one particular age cohort could decrease the innovative spirit and flexibility of the institution.

The frequency of governing board meetings is covered explicitly in the United Kingdom, Danish and the Dutch guidelines. The Dutch case proposes three meetings in four years for the supervisory board (HBO-raad, 2006, p. 8) and the United Kingdom guidelines recommend that a governing body should meet “not less than four times a year in order to discharge its duties effectively” (CUC, 2004, p. 13). The Danish guidelines want the board to meet “frequently enough to serve as an active sounding board for the Rector and the rest of the senior management.” Ireland simply asks for regular meetings (HEA/IUA, 2007, p. 45).

Chair of the governing board

Special status is assigned to the chair of the governing board. Even though this person is a *primus inter pares* and the governing boards take their decisions as a whole, the Dutch and the United Kingdom guidelines propose that other governors can delegate authority towards him/her for the periods between sessions. However, this should not concern key decisions (CUC, 2004, p. 24).

In the Dutch case, she/he is also responsible for the provision of information to the other board members. The United Kingdom and Irish guidelines make the chairperson²³ responsible for the “business like” leadership of the governing authority (HEA/IUA, 2007, p. 48; CUC, 2004, p. 20) and in the Scottish case, she/he should make sure that the other governors understand their role (SHEFC, 1999, p. 3). Similarly the United Kingdom guidelines assign him/her responsibility for the induction²⁴ of new members, their progress and sufficient financial support (CUC, 2004, p. 14).

Consequently, the chair is ultimately responsible to stakeholders for the governing board’s efficiency (CUC, 2004, p. 20). In Denmark, the chair speaks on behalf of the board, communicates with the CEO and ensures the best possible attendance at meetings (Johansen *et al.*, 2003, p. 33).

²³ The Irish legislation requires that newer universities have a chairperson of the governing authority separate from the chief officer, while the older institutions may opt for a chief officer who chairs meetings of the governing authority. However, six of the seven universities now have a separate chairperson. The Irish guidelines, while of course acknowledging the legal situation, largely assume that there is to be a separate chairperson.

²⁴ The guidelines include a list of background documents should be provided (CUC, 2004, p. 23).

The Israeli guidelines stipulate that the chair be of Israeli nationality and live in the country before his/her term starts (CHE, 2004, p. 9).

The process of appointment is seldom mentioned. In the United Kingdom, nomination should include a full job specification, an assessment of expected time commitment and availability (CUC, 2004, p. 14). This may reflect the problem of marginal institutional engagement on the part of the governing board. The Quebec and the Israeli guidelines state that the chair should be independent from the institution (IGOPP, 2007, p. 10; CHE).

Governing board committees

As pointed out earlier, over-burdening the board can be a crucial issue, especially if this body meets infrequently. Hence, a committee culture is evident in several of the reviewed governance arrangements. While the audit committee is normally obligatory by law, the United Kingdom, Scottish, Israeli, Quebec and Dutch guidelines recommend remunerations and nominations committees in some form. The Israeli and the Quebec guidelines propose a wide variety of committees. The Danish arrangements state that committees should be formed only if a benefit will result from this step (Johansen *et al.*, 2003, p. 19). The Quebec warn that too many committees “may dilute the role and responsibility of the board” (IGOPP, 2007, p. 12). The United Kingdom suggests that at least the final decisions should be made by the board itself (CUC, 2004, pp. 14-25).

Nominations committee

In most of the reviewed governance arrangements, the governing board is responsible for the appointment of external members and a nominations committee manages this procedure. The role of the nominations committee is described in detail in the United Kingdom and Irish guidelines. In the former, it is responsible for the management of governing board appointments based on a written description of the applicant and a “full evaluation of the balance of skills and experience of the governing board” (CUC, 2004, p. 14). This committee should be chaired by the chair of the governing board and include at least three other independent members, the CEO and at least one senior academic staff (CUC, 2004, p. 14). If appropriate, it should make recommendations for second-term members (CUC, 2004, p. 26). The Danish guidelines suggest an advisory/nominations committee which can nominate some or all of the external governing board members and assure the legitimacy of the process is crucial (Johansen *et al.*, 2003, p. 8 and p. 21).

The Quebec guidelines suggest the publication of the preferred profile of future board members (IGOPP, 2007, p. 11). The election processes of internal members should be made highly legitimate (IGOPP, 2007, p. 11). These guidelines suggest a human resource committee that appoints the CEO and senior staff on the basis of a monitored application process (IGOPP 2007, p. 14). They describe the selection as a multi-stage process including a consultation and a nominating committee (IGOPP, 2007, p. 17). Israel guidelines call for the establishment of a search committee which is appointed by the executive committee and responsible for the appointment of external members of the executive committee.

Remunerations committee

The remunerations committee is responsible for the salaries, terms and conditions of staff. In the United Kingdom, it includes the chair of the governing board, at least three other independent members, the treasurer (if this function exists) and the CEO if possible (who should always be consulted in any case).

Audit committee

In most of the cases reviewed, audit committees are required by law. However, some recommendations concerning these emanate from governance arrangements. It is often hard to distinguish between measures demanded by law and good governance recommendations.

The audit committees are responsible for the independent examination of the institution's risk management control. In the United Kingdom, they are a further instrument supporting good governance since they also evaluate governance on the basis of budget, efficiency and effectiveness (value for money). They therefore constitute a small authoritative body equipped with financial expertise (CUC, 2004, p. 31). In those governance arrangements which cover composition, members are appointed by the governing board and are external to the institution (CUC, 2004, p. 31) or at least external to the institution's executive staff (HEA/IUA, 2007, p. 38). In Ireland, the audit committee should consist of at least three members and should meet at least four times a year. The Quebec guidelines suggest that at least some of its members should "possess pertinent experience in accounting or finance" (IGOPP, 2007, p. 13).

The notion of internal audit is explicitly mentioned in the Irish guidelines and should provide assurance that the university has a sound system of internal control (HEA/IUA, 2007, p. 39).

The chief executive officer

The title of chief executive officer can vary from country to country, but this function now goes beyond being head of administration and responsible for the day-to-day management of the higher education institution. Despite this fact, the position remains rather undefined in most governance arrangements, most likely due to the advisory character of the latter with regard to leadership and board members. Therefore, if the role is actually articulated, this tends to concern the CEO's relationship with the governing board. The AGB Trustee guidelines, for example, ask for support to board members (Ingram, 2004, p. 6) and the United Kingdom guidelines advocate a challenging working relationship between the CEO and the chair of the governing board (CUC, 2004, p. 20). The Irish insist more on the mutual character of the relationship as the CEO carries out the strategic decisions of the board (HEA/IUA, 2007, p. 48). The Danish guidelines underline the importance of the personal relations between the CEO (Rector) and the governing board based on the British and Swedish experiences (Johansen *et al.*, 2003, p. 31).

Ireland and the United Kingdom call for discussions and "proposals concerning the institution's future development" (CUC, 2004, p. 21) on the basis of staff/academic board consultation (HEA/IUA, 2007, p. 48). The CEO should inform the board of any eventual

mismatch between strategic planning and the institution's financial situation (CUC, 2004, p. 21).

The executive committee/governing council

Israel guidelines suggest an executive committee, which has similar duties to the CEO function. As an operational body, this is responsible for the establishment of "institutional policies and strategies, supervision of the institution's organisational structure, supervision of administrative affairs and maintenance of real property and other assets." Moreover, it appoints the president (CEO) and holds this person responsible. The CEO is *ex officio* a member of the board. The executive committee has nine to twenty-five members and stresses nationality as an important factor (some 85% of its members should hold an Israeli passport). Some 20% should come senior faculty and one member from the student body (CHE, 2004, pp. 4-5).

The secretary

Administrative positions, and especially those in direct contact with the governing board and the chief executive, are recognised as major power players whose influence far exceeds administrative duties. The Irish, United Kingdom and Scottish guidelines identify the secretary as an important and independent official who provides full information to the governing board and the CEO, including legal advice (SHEFC, 1999, p. 4; HEA/IUA, 2007, pp. 45-46; CUC, 2004, pp. 14-21). The United Kingdom describes this function as a mediator amongst the governing board, the chair and the CEO, who can anticipate possible conflict amongst these different bodies (CUC, 2004, p. 21). In the United Kingdom, dismissal or removal of this official should be a decision of the governing board as a whole (CUC, 2004, p. 14). In Denmark, although no function of this sort is explicitly recommended, senior management should report to the governing board and make sure that the latter is supplied with all necessary information (Johansen *et al.*, 2003, p. 30).

Values for governing board members and the institution

Governance arrangements pay attention to values such as probity and absence of conflict of interest on the part of board members so that they fulfil their duties in good faith. The "seven principles of public life" at the heart of the United Kingdom and Scottish guidelines are selflessness, integrity, objectivity, accountability openness (transparency), honesty and leadership. These are essential for institutional heads (CUC 2004; SHEFC, 1999, p. 2). The Irish guidelines add efficiency, "value for money" and effectiveness (HEA/IUA, 2007, p. 4). Similar values can be found in the Israeli and Australian guidelines and also in the completely independent Glion Declaration at the international level (DEST 2008b, p. 14; Glion 1999).

The Danish and the Quebec arrangements align values more closely to explicit tasks. The former ask for independence, openness, efficiency and quality, while the latter emphasise impartiality, independence and loyalty to the institution (IGOPP, 2007).

The AGB guidelines suggest the importance of good faith and moral values when meeting obligations (*e.g.* "guardians of the public trust" AGB, 2000, p. 17). Academic freedom, in particular, is a value covered by the Danish guidelines and explicitly stressed by the United

States text. This could be due to the lively discussions in the United States about what academic freedom actually means. In the Irish guidelines, academic freedom is a protected tenet that secures the position of the researcher, who, nevertheless, should demonstrate loyalty and full commitment to all of the institution's activities (HEA/IUA, 2007, p. 63).

All the reviewed governance arrangements recommend some sort of code of ethics/conduct that can provide guidance for the members of the institution. Following the model of corporate identity, it has become more important that the actors in higher education governance are aware of the fact that "anyone affects (...) the institution when speaking in public" (AAUP, 1966).

To make sure that fraud and problematic behaviour are reported and properly dealt with, detailed whistleblowing procedures are proposed in the Australian, Dutch and Danish guidelines (HBO-raad, 2006; Johansen *et al.*, 2003, p. 25). The United Kingdom guidelines include these in their explanatory part and actually provide a draft version (CUC, 2006, pp. 126-127). The Irish guidelines suggest the implementation of a "well-publicised, accessible, transparent and simple-to-use system of dealing with complaints about the quality of service provided" (HEA/IUA, 2007, p. 65).

The United Kingdom guidelines furthermore focus on student union finances, over which the governing authorities should keep control (CUC, 2004).

Participation

The participation of internal stakeholders in university governance is highly valued as well. Rather than granting these groups democratic²⁵ decision-making powers, the concept of deliberation underlies the internal relations of universities. Apart from the Israeli case, all arrangements (including the Glion Declaration) advocate this in some way. The Israeli guidelines provide for a stronger institutionalisation of positions by creating the post of "students' ombudsmen." The United Kingdom guidelines specifically ask staff and students to submit names for governing board appointments (CUC, 2004, p. 26). The most explicit are the AGB guidelines, which recommend a consensus-driven internal dialogue amongst professors, staff, students and administration (AGB, 2001, p. 6).

Academic boards are only marginally treated in governance arrangements, with the Israeli case as an exception due to its legal character. The senate consists of seventy-one members (faculty, the rector as chair and one student) and is responsible for academic affairs (CHE, 2004, p. 7). In the Danish guidelines, the academic board is assigned the crucial role of "guaranteeing academic freedom" (Johansen *et al.*, 2003, p. 30).

By creating a horizontal dialogue, the Dutch guidelines seek to broaden the participation of society at large and describe how the institution should address its responsibilities towards the public (HBO-raad, 2006, p. 14). Similarly, the United Kingdom proposes the development of links with "industry and community" (CUC, 2004, p. 17). The Danish text explicitly insists on a

²⁵ The United Kingdom, for example, expects governors nominated by particular constituencies to act as independents and not as delegates (CUC, 2004, p. 23).

“constructive dialogue and partnership” with the ministry and recognises the business sector and the region as important relationships (Johansen *et al.*, 2003, pp. 27-28).

Transparency

Transparency is crucial for a truly deliberative approach to higher education governance. In order to participate, stakeholders must have sufficient information. The majority of governance arrangements insist on transparent procedures, allowing for a lack of transparency only when it is in the best interests of the institution or the public (*e.g.* matters relating to individual members or commercially sensitive material) (CUC, 2004, pp. 14-19). Some go further than others: in many United States states the so-called “sunshine laws” oblige higher education institutions to provide transparent information to the public. The Danish and Dutch texts propose that information on meetings and decisions, as well as the interests of the governing board members, be published on the website. In the United Kingdom, this information should at least be available for staff and students (*e.g.* via intranet) (CUC, 2004, pp. 13-22-28; Johansen *et al.*, 2003, pp. 24-25). The Danish arrangements even suggest camera recordings of board meetings (Johansen *et al.*, 2003, p. 25).

Institutional transparency is made easier through Key Performance Indicators (KPI) in the United Kingdom.²⁶ and Irish guidelines (HEA/IUA, 2007, pp. 43-46). These are standardised indicators that give an overview of institutional performance. The Quebec guidelines suggest both qualitative and quantitative indicators (IGOPP, 2007, p. 18). For the United Kingdom, it is important to note that transparency is not the only reason for the publication of KPIs. These should also be used to benchmark the institution itself against other comparable counterparts (CUC, 2004, pp. 13-15).

Leadership

Leadership is a key notion within governance arrangements. However, what is to be understood by leadership itself is not clearly explained. Some see this as the ability to chair the governing board while others describe leadership not as an attribute but as a function (*i.e.* the person(s) at the top of an institution). Bennis and Nanus summarise this diversity as follows: “leadership is like the Abominable Snowman, whose footprints are everywhere but who is nowhere to be seen” (Bennis and Nanus, 1985, p. 21).

However, in some higher education systems such as the United Kingdom, this is a concept perceived as “a panacea for organisational ills” (Boyett, Currie and Suhomlinova, 2005, p. 268) leading to the creation of institutions (like the Leadership Foundation) or to a wide variety of literature on the topic which is the case in the United States.

Defining leadership through its absence opens the possibility of aligning it not to an individual but to a group or to a “contextually embedded process” (Bolden, Gosling and Petrov, 2008, p. 360). It can therefore be understood as “distributive leadership... distributed over leaders, followers, and their situation” (Diamond, Halverson and Spillane, 2004, p. 11).

²⁶ The United Kingdom has even issued separate guidelines (CUC, 2004, p. 29).

This means that, when it comes to change, “leadership is acutely context-sensitive.” “Change in colleges and universities come when it happens in the trenches; what faculty and students do is what the institution becomes. It does not happen because a committee or a president asserts a new idea” (Leslie, 1996, p. 110).

The concept of leadership can thus be seen as a problem in the governance process rather than in a particular individual. This becomes a question of how to accomplish a mission, how to work towards institutional goals or set priorities it is known that top-down structures do not work and many actors are involved in the process. This may explain why no specific arrangements for leadership in governance or for governing boards have been drafted. Leadership is influenced by a particular cultural context which also affects its links to governance arrangements. For this reason, leadership cannot have a universal definition.

The Association of Governing Boards of Universities and Colleges look at leadership from the perspective of the integrity expected of the governing board. The concept of collaborative but decisive leadership combines:

Leadership of the institution (government and president) which fosters

- a shared mutual understanding of expectations, responsibilities and institutional culture
- the development of a strategic plan
- a united front on contentious issues

Internal leadership that helps to

- engage faculty in pursuing a shared academic vision
- connect effectively with students’ needs and aspirations
- recognise the essential contributions of high-quality institutional staff

External leadership that

- engages alumni, donors and parents in a shared sense of the institution’s history, recent accomplishments and future opportunities
- establishes partnerships for common civic, economic and workforce goals with policy-makers and the business community
- builds relationships and open lines of communication with all levels of local and regional news media (AGB, 2006, p. 10).

These precise governance arrangements relate to an individual higher education system. However, like other approaches, they separate the characteristics of the leader from the other parts of the institution. In other words, if good governance is working within the institution,

leadership is working as well. Information on the personal capabilities of leaders (and what distinguishes good from poor leadership) is not an issue.

Assessing the successful implementation of governance arrangements

The impact of governance arrangements is difficult to assess, although studies on this subject have been undertaken in the United Kingdom (2006) and Australia. It is not just a question of drafting these texts, but rather of ascertaining whether the institution's leadership and members are committed to them. Evidence from higher education systems where the governance arrangements have been implemented is rather scarce and it is difficult to distinguish this area from other measures, such as overall systemic reforms carried out in certain countries including Denmark.

In the United Kingdom, the effectiveness of these arrangements was part of a broader questionnaire on higher education governance and only two questions addressed the topic directly. The majority of institutions surveyed thought governance issues were "important or very important" and governance arrangements were "a source of exemplars of good practice." Nine institutions thought it a "useful stimulus" and thirteen considered this as "a useful source of reference" (CUC, 2006, p. 2).

The Australian review has not yet finished. Responses by individuals and institutions have been submitted but the abolition of the compulsory National Governance Protocols make it questionable whether a final report will be presented in a really conclusive form. The forty-five submissions received have been somewhat critical of the "prescriptive regime" of these protocols. One reason is that they just affirm what in many institutions had been addressed anyway. Another reason is that they foster conformity, especially of governing boards, thus failing to recognise the individual culture of institutions or the diversity of these within the overall system.

Moreover, whether these policies have contributed to good governance across the sector is a more difficult question, as this objective depends heavily on the culture of the organisation and the behaviour of individuals within that organisation, thus varying from institution to institution. The Protocols are silent on the subject of a governance culture, but this is not surprising, given culture is not something that can be prescribed (QUT, 2007).

"It was not wise to apply a 'one size fits all' governance model (that extends into areas of management), particularly when the stated object of the Government is to promote diversity" (UCC, 2007).

Many institutions have asked why university governing bodies were subjected to stricter measures than would have been required under the Australian Corporations Act. As well, some institutions see an increase in costs and bureaucracy through reporting obligations and have difficulties finding qualified persons to match the specific requirements of the Protocols.

On a positive note, these Protocols do strengthen an awareness of governance within higher education providers. Some universities acknowledged that their recommendations have helped

them to improve structures and procedures, especially those related to internal audits and risk management.

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CHAPTER 4

QUALITY GUIDELINES AND GOVERNANCE

This chapter presents the range of principles, codes and grids used by quality assurance agencies for accreditation, audit or the evaluation of programmes and institutions. The chapter then explores how governance issues relate directly or incidentally in these procedures.

Quality assurance processes²⁷ and the way these are carried out by agencies differ widely. The scope ranges from institutional assessment (evaluation and outputs), to system audits (qualitative description of processes), to system accreditation (comprehensiveness of programmes/systems). However it is important to note that accreditations, and to a certain degree assessments, are more rigid than audits in the sense that they provide a yes/no answer to the concepts presented while audits concentrate on the appropriateness and effectiveness of the different quality assurance processes (OECD, 2008). This tendency is clear in quality guidelines. Furthermore, while accreditation procedures in the United States and quality assurance systems in France contain parts that explicitly address university governance in detail, other guidelines only address this in a broad way. Apart from Australia, which provides explicit examples, audits normally avoid direct recommendations and insist on the coherence of procedures. Norway, Finland, Sweden, Denmark, Switzerland (accreditation) and Russian Federation (AKKORK²⁸ audit guidelines, 2006) address governance very marginally, while Ireland and Spain keep the questions general. This does not mean that governance is not addressed during the actual individual audit visits, but rather that the resulting guidelines do not make governance recommendations. Singh (2007, p. 104) describes this problem as follows “governance-related criteria are not often explicitly stipulated in accreditation systems.”

Many of the quality assurance guidelines drafted by European countries are based on or articulated with the *Standards and Guidelines for Quality Assurance in the European Higher Education Area* (ENQA guidelines) created by the European Association for Quality Assurance in Higher Education (ENQA). They are based on demands from governments, society and higher education institutions to “adopt mutually acceptable mechanisms for the evaluation, assurance and certification of quality” (EUA, 2001, p. 7). Similar approaches were initiated at a workshop in Chiba, Japan by seventeen countries from the Asia-Pacific region and a draft of the outcomes (known as the Chiba principles) has been formulated²⁹. However, these do not address governance explicitly.

Mission statement

The majority of the guidelines reviewed insist on an institutional mission statement. This is in line with developments outlined in the first part of this paper. For an institution to follow a coherent direction, a mission or purpose is important to outline the vision of the governing authority and of those “steering the boat.” This formulation may be rather general in terms of obligations, as in the case of India:

²⁷ Even though experts such as Uvalić-Trumbić distinguish between quality assurance and accreditation (Uvalić-Trumbić, 2007, p. 60). This paper uses “quality assurance processes” as an overarching term for “various forms of internal and external quality evaluations, encompassing both audit and accreditation, and both accountability and improvement aspects” (Singh, 2007, p. 98; Vlasceneanu, 2004, p. 12).

²⁸ Agency for Higher Education Quality Assurance and Career Development, Russian Federation

²⁹ Further information on the website of the Asia-Pacific Quality Network, <http://www.apqn.org/>

“The leadership provides clear vision and mission to the institution” (NAAC³⁰, 2007, p. 13).

Alternatively, this may be an explicit measurable benchmark as in the case of South Africa: “The institution has a clearly stated mission and purpose with goals and priorities which are responsive to its local, national and international context and which provide for transformational issues. There are effective strategies in place for the realisation and monitoring of these goals and priorities. Human, financial and infrastructural resources are available to give effect to these goals and priorities” (CHE (RSA)³¹, 2007, p. 13).

This approach, also found in the United States, and to a certain degree the French guidelines (through the State-required *projet d'établissement*), concentrates governance structure around mission. The blueprint of the mostly self-defined mission can be a constraint to short-term autonomous decisions by leaders trying to act under an unrestricted “ready, fire, aim” principle (Scott, 2004). Likewise, it prevents faculty and administration from going their own way, which is a development often criticised in collegial governing models.

Institutional structure

This area is not in a straight line covered in all guidelines, some underpin expectations regarding the effectiveness of structures of the institution. For instance, South Africa guidelines embrace an “effective institutional arrangement” (CHE (RSA), 2007, p. 13). The concept of a board as the governing authority is explicit in the guidelines issued by the US regional accrediting organisations the NWCCU, the NEASC and the SACSCOC³².

Some of the quality guidelines give recommendations for the composition of the governing authority. Catalanian guidelines recommend a management team as part of the governing body (AQU³³, 2008, p. 14). The governing authority in Japan is generally described as a “democratic and effective decision-making structure” (JUAA³⁴, 2004, p. 3). In the United States, the NEASC guidelines demand that “less than one half of the board members should have financial interest in the institution” meaning “stakeholders”, “employees” and “corporate directors.” The MSCHE³⁵ guidelines are less specific, stating that “normally,” financial interest in the institution should be avoided to prevent conflict of interest (MSCHE, 2006, p. 13). In Hong Kong, the “active policy-making group” should have “appropriate representation” satisfying academic and general standards (HKCAAVQ³⁶, 2009, p. 7).

³⁰ National Assessment and Accreditation Council (India)

³¹ Council of Higher Education (South Africa)

³² North West Commission on Colleges and Universities , New England Association of Schools and Colleges Commission on Institutions of Higher Education , Southern Association of Colleges and Schools Commission on Colleges (US)

³³ Agència per a la Qualitat del Sistema Universitari de Catalunya (Spain)

³⁴ Japan University Accreditation Association

³⁵ Middle States Commission on Higher Education (US)

³⁶ Hong Kong Council for Accreditation of Academic and Vocational Qualifications

The obligations of the governing authority look similar. While they are responsible for the formulation of mission and strategic goals, they should supervise the institution. Japan and the US NWCCU guidelines make it possible for the constituencies of the institution to contribute to the formulation process involved.

Clear and effective organisational structures and decision-making procedures are a clear goal for all reviewed quality assurance procedures. India is a special case as it demands not only the implementation of effective structures but also proof of efficient action by the governing authorities (NAAC, 2007, p. 82). Both the Australian and the ENQA guidelines also recommend this efficiency which can be measured through key performance indicators. As in the United Kingdom guidelines, these should reflect important institutional statistics and be rapidly accessible for governing boards.

Most guidelines assume that some type of institutional head exists. In the United States guidelines, the CEO has this role and should be “full-time responsible” (or, in the case of the NEASC, at least largely responsible) for the day-to-day management and the implementation of the mission targets. The CEO is helped by a “sufficient number of other qualified administrators” (WASC³⁷, 2008, p. 14). In the French system, this obligation is fulfilled by the president, supported by the secretary general and administrative managers.

Academic leadership is covered in parts of the Hong Kong guidelines (HKCAAVQ, 2008, p. 10) and the United States. In the United States system, academic leadership is clearly subordinate to the CEO in decision-making processes (NEASC, 2005; WASC, 2008, p. 14; MSCHE, 2006, p. 20).

Certain notions of leadership, as found in several guidelines, are difficult to understand as they carry various meanings and may be interpreted differently by the institutions. “Effective leadership” (NCA³⁸ 2008, p. 11) can refer to the governing board, the CEO or any other head of an institution. In Australia and the United States, this generally refers to the institutional power of the CEO (which is clear in MSCHE and the NWCCU guidelines). Yet, India’s NAAC guidelines understand *leadership* as the leadership capability of the institution’s governing authority which should provide “clear vision and mission to the institution” (NAAC, 2007, p. 13). US SACSCOC stipulates that the administrative officers should have “experience, competence and the capacity to lead the institution” (SACSCOC, 2008, p. 24).

Planning

One of the key notions in the quality assurance guides is planning. This emphasis is linked to the difficulty of aligning an institution to a mission and the continuous measuring of whether aims are achieved. Hence, a new vocabulary (or better, an old vocabulary in a new context) is used to clearly articulate a planning framework. Nevertheless, this “culture for planning” remains often ill-defined at the exception of the MSCHE guidelines (MSCHE, 2006, p. 7). Although principles and their applications can be seen in each set of guidelines, the different descriptions used make distinctions difficult:

³⁷ Western Association of Schools and Colleges (US)

³⁸ North Central Association of Colleges and Schools (US)

“Purpose”, “strategic plans” and “targets” (CHE (RSA), 2007, p. 12), “sustainable practices” (NAAC, 2007, p. 13), “functions” (JUAA, 2004, p. 11), “policy formulation” (NWCCU, 2003, p. 26), “priorities” (NWCCU 2003, p. 73), planned “processes” (WASC, 2008, p. 13), “planning cycles” (AUQA³⁹, 2008, p. 107), “action plan”(AQU, 2008, p. 14).

Two of the United States guidelines address the important planning issue of timely decision-making (MSCHE, 2006, p. 13; NWCCU, 2003, p. 73). This deals with the problem raised by the NCA guidelines of a flexible approach to long-range planning processes if the environment changes (NCA, 2008, p. 14). The reflection on “what might happen if” is a key question in a fast moving environment with “changing educational, social and market demand” (NAAC, 2007, p. 25).

Deliberation, transparency and actors

Another vital concept in the guidelines is deliberation in decision-making processes. While higher education institutions develop clearer internal responsibilities and the groups of stakeholders (both internal and external) grow, it becomes increasingly necessary to develop participatory strategies that respond to the needs of these groups. Transparency is an effective measure to inform all types of stakeholders and reinforce their engagement in the institution.

Major stakeholders are students, faculty and community representatives and their degree of stakeholder involvement in decision-making processes and governing institutions varies widely.

While the South African guidelines ask for external stakeholder involvement (“professional bodies”, “potential employers” “government departments” “local communities” (CHE (RSA), 2007, p. 17) in order to assess the employability of students, the Hong Kong guidelines generally keep participation in academic decision-making processes open to “academic and non-academic staff, students, government administrators, associates from industry and professional bodies, external advisers” (HKCAAVQ, 2008, p. 17). Similarly, the German guidelines invite the participation of “lecturers”, students, “administrative staff”, “alumni” and “professionals” (Akkreditierungsrat, 2008a, p. 4).

The Indian guidelines call for “hand in hand” administrative and academic planning and request the involvement of “students, alumni, employer, community, academic peers, industry, and parents” in curriculum development (NAAC, 2007, pp. 24-65). Moreover, interaction between the institution and “individuals who have an interest in the activities of the institution and the ability to influence” is recommended (NAAC, 2007, p. 26).

The MSCHE and the Swiss guidelines are open to participation of students and faculty in issues where they are concerned (SUK⁴⁰, 2007, p. 4015). The NEASC guidelines take a similar approach for students. Additionally they identify “donors” as actors in higher education governance who could work against the institutional mission (NEASC, 2005).

³⁹ Australian Universities Quality Agency

⁴⁰ Swiss University Conference (SUK/CUS)

The ENQA and the OECD/UNESCO guidelines underline that student participation in quality assurance processes is crucial (ENQA, 2005, p. 16; OECD and UNESCO, 2005, p. 15-16).

In contrast, the United Kingdom does not explicitly address student participation but acknowledges the “overriding responsibility” of the academic board in “setting, maintaining and assuring programme standards” (QAA⁴¹, 2005e, p. 6).

The Australian guidelines underline the importance of the role of the external stakeholders, especially through partnerships and joint ventures, and call for community involvement in institutional advisory boards (AUQA, 2008, pp. 96-103-104). The US NCA guidelines explore institutional openness to connecting with “community leaders” (NCA, 2008, p. 18).

Only the Japanese guidelines explicitly highlight the need for a democratic decision-making structure (JUAA, 2004, p. 3) although they do not specify the actors concerned.

Another variation is seen in the NWCCU guidelines which do not prescribe specific student and faculty involvement, but see their participation in university governance as a whole (NWCCU, 2003, pp. 51-63). The French guidelines go even further in allowing students to become “Vice president(s)” (Cné⁴², 2006, p. 13).

The student-centred approach is becoming more visible as the student body diversifies. To best serve students, differences between groups have to be understood and addressed. The NWCCU guidelines clearly address the issue from the standpoint of non-discrimination including affirmative action which also applies to staff (NWCCU, 2003, p. 74). Others propose certain action in favour of students from low-economic backgrounds, disabled students and athletes. In India, a policy recommendation for gender equity is mentioned (NAAC, 2007, p. 81).

Another component of this student-centred approach is the student grievance mechanism. Catalonia recommends a “tutor” for students “who helps with their problems and academic doubts” and helps to arrange abroad (AQU, 2008, pp. 11-13), while the Hong Kong guidelines call for “provision for student facilities/services, pastoral care and counselling services, as well as learning support” (HKCAAVQ, 2008, p.14).

Along with students’ diversification, types and status of staff vary now considerably (part-time staff, non-academic faculty...). While Australia guidelines propose special treatment of “star performers” (AUQA, 2008, pp. 100-107) the ENQA guidelines make a distinction between good and under-performing teachers (ENQA, 2005, p. 17). As remedies, the guidelines recommend efficient recruitment process, teachers’ professional development and ways of removing underperformers from their teaching duties.

⁴¹ Quality Assurance Agency for Higher Education (UK)

⁴² Comité national d’évaluation (France), now Agency for the Evaluation of Research and Higher Education (AERES)

Values

Key values arising out of the majority of the reviewed quality assurance guidelines are “effectiveness”, “transparency” and “responsibility.” These are part of a broader set of indicators, including communication within institutions and an understanding of roles. These key values are an effort to bring order to the governance structure of an institution. Clarity and transparency can identify governance problems and thus help stakeholders monitor institutional performance. This development is fostered further through the ENQA guidelines, which call for institutional commitment to “excellence, expertise, and dedication.” ENQA understands this as the creation of a “quality culture” (ENQA, 2005, pp. 10-12-13).

The guidelines – especially the United States model – are based on integrity and involvement, meaning a commitment of all constituencies to the institution’s mission. Here “fairness”, “truthfulness” “respect among institutional members”, “honesty” and “good faith” should be encouraged. This commitment is counterbalanced by the strong guarantee of “academic and intellectual freedom” for researchers and students (WASC, 2008; NEASC, 2005; MSCHE, 2006; NCA, 2008; NWCCU, 2003).

Both the French and the NCA guidelines place importance on cultural heritage and history. They expect commitment to these areas and in the French case “continued enhancement and development of the cultural scientific heritage” (Cné, 2006, p. 26; NCA, 2008, p. 16).

The NCA guidelines go furthest in proposing that an atmosphere of “lifelong learning” and “social responsibility” should be nurtured (NCA, 2008, p. 17).

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CHAPTER 5

CONCLUSION AND DISCUSSION

The concluding chapter distinguishes governance arrangements from quality guidelines in terms of form and substance. The opportuneness of developing governance arrangements is examined given that quality assurance is expanding and increasingly includes governance issues.

Distinguishing between governance arrangements and quality guidelines

Similarity of roles

Governance arrangements concentrate on a specification and clarification of institutional roles and responsibilities (with a primary focus on the institution's governing body) while quality guidelines concentrate on the improvement of processes and interaction within higher education. Yet, as quality guidelines become more detailed, institutional structure is addressed in a very similar way to governance arrangements.

The binding nature of quality guidelines

External quality assurance is a generally binding concept involving an external agency of some kind which monitors performance in rather broad terms (as in audits) or more strictly (as in accreditation). The key words arising from the reviewed texts are “effectiveness” and “appropriateness.” Both are open to interpretation and policy influence. The reviews of external agencies are sometimes criticised for lessening autonomy and fostering homogenisation. On the basis of her European experience, de Witte (2008, p. 51) even sees the danger of a “compliance culture” that leads institutions to adapt what is proposed in order to avoid sanctions (see also van Vught and Westerheijden, 1994, p. 368; Filippakou and Tapper, 2008, pp. 94-96). Further inclusion of governance as part of quality guidelines could produce another regulatory instrument in addition to funding, planning and steering (Singh, 2007, p. 101). “Quality” is a progressive improvement-focused approach, at least in most OECD member countries. In contrast, “assurance” relates more to the notion of assertion, and so digresses from the aim of quality (see Filippakou and Tapper, 2008, pp. 92-93).

Apart from the Israeli and Australian exceptions, governance arrangements are not mandatory, They give advice to institutions which can decide how to implement the proposed structures.

As argued before, governance arrangements were seldom issued for improvement, but rather as a response to explicit mismanagement (fearing stronger state intervention) or as a guide to avoid mismanagement errors (especially for governing board members). Governance arrangements propose an approach and it is then up to universities themselves to adapt these recommendations to their own contexts, rather than accepting their standard interpretation by an external agency.

How can the autonomy/accountability balance be tackled effectively?

The review shows that governance and quality assurance issues are closely entwined.

Governance is a vital instrument, along with funding and others, to foster and sustain quality in higher education by:

- safeguarding the wise expenditure of public money spent on higher education;
- helping institutions to anticipate and tackle challenges in teaching and learning and in research and innovation;
- strengthening the synergy generated by institution-wide policies;
- securing quality in learning outcomes and in the effective production and transfer of knowledge.

Quality assurance encompasses the multi-faceted aspects of governance which is put under scrutiny by audits or programme accreditation:

- accreditation consists of appraising the academic content of a programme, its consistency with the institution's educational offering and its relevance to the job market and societal demand;
- good governance allows the programme to ensure that quality is attained at reasonable cost to benefit students and ultimately society and economic growth.

Thus, the bottom line of good governance is quality. Such interplay is not a difficulty *per se*, as both are recognised as crucial to progress and sustaining the quality of higher education. Concerns arise when institutions are confronted with nation-wide policies. The level of intervention or interference from the external steering of the system may restrict institutional autonomy, impact on academic freedom and force institutions to make decisions that contradict their identity or development strategy. The vital contribution of higher education to social cohesion and economic growth requires all governments to define a global strategy for the higher education system. Instruments to steer the system range from prescriptive regulations to sunshine laws and national frameworks.

Governance arrangements and quality guidelines are two key ways to solve the tension between state regulation and institutional autonomy:

- the former is non-binding but little developed in the higher education sector;
- the latter is widespread and may be considered as a soft regulation power due to their rather binding aspect and tendency to include governance issues.

Against this background, institutions claim their autonomy through their way of governing. Striking the right balance between autonomy and accountability can be extremely difficult. Hence, sharing good practice and the lessons learnt can be very useful for institutions.

Is there a need to develop governance arrangements?

This question is really context-dependent which excludes a standard answer. The critical point is that the issue of governance is closely bound to the level of autonomy granted to institutions and to their inherent quality culture.

Some arguments even seem to question the necessity to develop governance principles. Examples may include the following:

- governance arrangements are not the only instrument for transforming higher education. The sector has dramatically changed over the past fifty years without the particular influence of governance principles;
- respecting governance arrangements does not guarantee the prevention of mismanagement and fraud. The purpose of these arrangements is not fulfilment but rather inspiration for institutions;
- although most governance arrangements exemplify good practice, they do not provide any advice for transferability. Since this is not sufficient to improve institutional governance, additional advice and support are needed, (*e.g.* via the benchmarking of practices);
- the international reputation of an institution does not depend on the quality of its governance, so adhering to governance principles not defined by the institution itself seems meaningless.

Despite these points, alternative arguments still recommend some form of governance arrangements so as to secure and/or enhance institutional performance:

- firstly, institutions are becoming more vulnerable and are often ill- prepared to tackle the challenges of the 21st century (*e.g.* increased enrolment in higher education in growing economies, budget cutbacks in almost all countries, increasing demand for comparisons of results in research and learning outcomes);
- secondly, some institutions are facing problems that may affect the whole system (*e.g.* false declarations of publication numbers to obtain more funding);
- lastly, institutions will continue to increase their contacts with multiple stakeholders because they are challenged by globalisation and find themselves in competition and co-operation with other institutions worldwide. The interaction of academia with managers, external stakeholders and influential key players like students will dramatically transform institutional governance in the coming years. In preparation, countries may decide to ensure that appropriate and effective governance and interface mechanisms are in place.

Governance arrangements are likely to spur reflection and internal discussions. Some arguments are listed below:

- defining governance arrangements can offer an opportunity for the state and intermediate bodies (quality assurance agencies, councils for higher education, funding authorities) to collaboratively debate fair levels of autonomy and accountability so as to determine areas of responsibility. The process of defining principles has often

resulted in a better shared understanding of institutional diversity and correlated governance models;

- governance arrangements can provide a framework for reference. They can make the regulations explicit, indicate leeway for institutions and pinpoint the vital elements which actually facilitate good governance. Also, they can help institutions to exercise their autonomy effectively.

Can quality assurance adequately address governance arrangements?

Quality guidelines could play the role of governance arrangements and hence replace them. This debate relates to the specific assessment and/or improvement role of quality assurance.

However some risks do exist. Firstly, quality guidelines may be used for purposes other than those intended, mainly because these are not clearly defined, understood and accepted by all the parties (chiefly government, agencies, institutions). As soon as governance is appraised against criteria, the risk of complacency is high. The institution would logically prefer to adhere to criteria which would assure accreditation. The second risk is conservatism as institutions would not be tempted to find alternative governance models which correspond to their particular needs and cultural identities.

To avoid these risks, quality guidelines could:

- define the expectations and correlated criteria of quality assurance with regard to governance in much greater detail. They could alleviate the tension between autonomy and accountability and converge around a shared vision of higher education policy;
- demonstrate a clearer improvement focus and supplement performance-measured instruments which are sometimes alleged to be highly prescriptive and interventionist (OECD, 2008);
- play a pedagogical role by illustrating interesting governance practices (*e.g.* the robustness of internal management);
- be supplemented by other types of publications issued by the quality agency or other intermediate bodies on effective and diverse governance practices (*e.g.* the role of governance in teaching and learning as this area is poorly measured in higher education at present time).

As institutional autonomy increases, do institutions need guidelines of any kind?

Guidelines, whether for governance or quality, are likely to be criticised for their brevity, rigidity or vagueness.

Nevertheless, guidelines would seem to be justified. David Woodhouse, the INQAAHE President expressed this view when closing his organization's 2009 conference on *New Challenges to Quality Assurance in the Changing World of Higher Education*: "Most new learning begins with attention to the 'rules'. What started off by having to be read from a

manual becomes ‘the way you do things’. Guidelines might be an appropriate starting point to recall the regulations and make these more explicit, thereby helping new leaders to understand the available autonomy and its interface with accountability. Referring occasionally to guidelines as a reminder or as a collection of inspirational benchmarks might be useful for institutional leaders.

Last but not least, guidelines must never be cast in stone because higher education is a dynamic and its instruments should be regularly updated, argued and discussed.

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ANNEX I: A BRIEF PRESENTATION OF GOVERNANCE ARRANGEMENTS

7.1 Great Britain

7.1.1 United Kingdom

The *Drafting of Governance Guidelines in Great Britain* is probably one of the most useful guides in the world. However, other than in Ireland, Denmark or Israel, these are not a one-document-fits-all approach. As different stakeholders have become more professional, representative associations have been founded and have formulated their own guidelines. While the Committee of University Chairmen (CUC) deals with the good governance of governing boards, the Leadership Foundation issues *Guides for Clerks and Secretaries of Governing Bodies*, and the Association of University Administrators issues booklets on best practice in higher education governance. The United Kingdom ideally reflects the new understanding of governance as a multi-actor interplay in which every institutional actor has the possibility of influencing university governance.

The Guide for Members of Higher Education Governing Bodies in the United Kingdom (U.K. Guidelines), published in 2004, consists of five parts: The Governance Code of Practice (explaining the role of the governing board); General Principles of Governance; specific aspects of the different higher education systems in England, Wales, Northern Ireland and Scotland; case studies of current governance practices at different universities; and an annex with sample guidelines and further background information. It examines the topics in detail, especially financial issues. It is a first source of reference recommending other relevant guidelines (finance, standards, etc.). The issues addressed in the guide are similar to most others. Governing boards should be responsible for a strategic plan for the supervision of university governance, self-monitoring and an estate plan. They should further set up a sound risk management system and not interfere with day-to-day management. The main principles governing board members should be:

- selflessness
- integrity
- objectivity
- accountability
- openness
- honesty
- leadership.

Certain issues differ from the other models. The broader understanding of governance as a multi-actor power relationship is evident in the guidelines' reference to the relations between the institutions and the governing board (including the administrative position of the clerk/secretary of the board). Similarly the notion of "leadership" as a preferred ability of the chairperson, the *primus inter pares* of the board, gives this impression. The chair may be delegated authority to act on behalf of the board between meetings, but clear regulations for this should be fixed. Key decisions of the board should not be delegated at all but resolved in a special meeting. The board's transparency is assured through a publicly available register of interest that provides information on the involvement of the governing board members with other institutions (CUC, 2004, p. 22). Likewise, staff and students should have appropriate access to information.

A further unique aspect is the board's responsibility regarding the democratic and financial functioning of the student bodies. In several other countries, this would be seen as interference in student autonomy. However, student opinion is still regarded as important (at least in the pre-1992 institutions).

Statistics also play an important role in the guidelines. Governors should receive and use key performance indicators to monitor university performance. Special guidelines have been issued separately (CUC, 2004, p. 29) Likewise, information published by the board itself should adhere to present common standards (CUC, 2004, p. 28). As in most of the guides, the creation of committees is recommended and defined (remuneration, audit and nomination) in order to take pressure off the governing board.

7.1.2 Scotland

After the first version of the United Kingdom/CUC governance guidelines (1998), the Scottish Higher Education Funding Council (SHEFC) immediately issued its own *Guide for Members of Governing Bodies of Scottish Higher Education Institutions and Good Practice Benchmarks* (Scottish guidelines) in 1999. Several parts were adopted directly from the original United Kingdom guidelines. The fact that the latest CUC guidelines include the Scottish case could well render the latter obsolete as a reference point.

As the title suggests, it is divided into two parts: one concerning the guide for governing bodies and one proposing good practice benchmarks. The SHEFC stresses the voluntary character of the guidelines and recognises that the recommendations "may not apply equally and universally to all institutions" (SHEFC).

The guidelines' values lie in the "seven principles of public life" as "a generally accepted basis on which publicly funded bodies, including Institutions, should conduct their affairs" (SHEFC, 1999, p. 2). They are identical to the seven values listed in the United Kingdom guidelines above. The governing body is responsible for the institution as such and its institutional governance (meaning the strategic direction). It should consist of not more than twenty-five members, with individual three-year office terms (up to nine years in total). The majority should be made up of lay members providing "an appropriate balance of skills and expertise" (SHEFC, 1999, p. 5). It is the only one proposing a retirement age (sixty-five years). Furthermore, gender and occupation should be taken into account, even though all members

should not perform as stakeholders but support the well-being of the institution as a whole (SHEFC, 1999, p. 6). Unlike other guidelines, the governing board has to share some of its responsibilities with the senate, depending on the institution and its character (pre-1992 or post-1992 HEI) (SHEFC, 1999, p. 2).

This body is chaired by its chairperson, who ensures that “the governing body understands its strategic role.” However, his/her rights have been delegated by the governing board.

This understanding of the board as the sole legitimate authority is also visible in the insistence on the power of the principal/director. This position is responsible for the stewardship of the institutional management, which is opposite to institutional governance and hence different from the definition of governance given at the beginning of this paper (SHEFC, 1999, p. 3). Furthermore, this person should be member of the governing board. While the audit committee is required by law, a nominations committee and a remunerations committee are recommended (SHEFC, 1999, p. 7).

The secretary of the university plays a key role in alerting and advising the governing body as well as the principal/director (SHEFC, 1999, p. 4). Standing orders (code of conduct) should further clarify the formalities of the governing board meeting (SHEFC, 1999, pp. 4-5). The governing board should ensure the “well being of staff and students” (SHEFC, 1999, p. 2) although the task is not defined.

7.2 Ireland

Governance of Irish Universities (Irish guidelines), issued by the Higher Education Authority and the Irish Universities Association jointly in 2007, seeks to provide “clear streamlined and effective governance codes for Irish universities⁴³ (HEA/IUA, p. 1). Unlike the U.K. guide, the Irish document does not address the needs of a particular institution but the governance of Irish universities as a whole. It consists of three parts: the first outlines the relevant university legislation and the related legislative framework, the second sets out university codes specifying principles and best practice, while the third part contains more detailed governance arrangements. This clear distinction between a universities code and the more detailed guidelines leads to a two-step process. A university should create a code of governance based on principles and best practice and take account of the sample, but not prescriptive, guidelines as set out in the HEA/IUA document. Thus, even if all of the detailed guidelines are not adopted in a specific instance, there is a requirement to establish a code of governance. In certain cases, where a recommended practice is not followed by an institution, there is a requirement to report this fact in the routine reporting process and to explain why the practice was not accepted.

All Irish universities have accepted this code. Its reporting requirements and implementation are ongoing. The principle of university autonomy has been respected in this process and the code is essentially a voluntary one, accepted by the institutions. Thus, the

⁴³ A new Code of Governance for the Institutes of Technology sector, similar to the universities guidelines, was just approved by the HEA and is being adopted by each Institute.

vagueness of the Danish guidelines, referred to in Section 7.3, is avoided. The code itself reflects a broad understanding of governance. While it

shows an emphasis on the role of the governing authority, the principles of the code apply widely throughout the institution. The requirement to establish a code of conduct for members of the governing authority and for employees (HEA/IUA, 2007, p. 42) ensures that all the internal stakeholders have a part to play in university governance. The autonomy enjoyed by Irish universities is accompanied (partly through legislation and partly through the code of governance) by a high degree of accountability in such areas as risk management, financial matters, asset control, tax clearance, tax compliance and control of subsidiaries. (HEA/IUA, 2007, pp. 37-43). The references which informed the Irish guidelines document include many existing public guidelines, including the Combined Code of Corporate Governance and the OECD Principles of Corporate Governance (HEA/IUA, 2007, p. 71).

The basic tenets which should underpin all codes of governance are as follows (HEA/IUA, 2007, p. 4):

- openness and transparency
- selflessness
- honesty
- leadership
- fairness
- integrity
- independence
- accountability
- objectivity
- efficiency and effectiveness
- value for money.

Nevertheless, it is clearly stated that good governance should be seen as “an aid to effectiveness,” not “to inhibit enterprise or innovation” (HEA/IUA, 2007, p. 5). As in the United Kingdom guidelines, the publication of key performance indicators is advocated. (HEA/IUA, 2007, p. 43). These more detailed guidelines do not differ substantially from those in other countries except for the fact that they can act as a blueprint for individual institutional governance.

As in the United Kingdom guidelines, they stress the importance of the university’s secretary who, on the one hand, has to provide the governing authority’s members with an

independent access to information, as well as legal or other advice, and, on the other, has to make sure that the members are “fully aware of the appropriate rules, regulations and procedures.” This includes the collective responsibility for the institution (HEA/IUA, 2007, pp. 45-46). Governing authority members should avoid conflicts of interest (through disclosure of any relevant connection) and treat commercial information with confidentiality. The latter requirement also applies to former members with respect to information received while in office (HEA/IUA, 2007, pp. 46, 50-51).

Non-executive members of the governing authority should avoid interfering with day-to-day management of the institution, a requirement that applies to staff and student members, except where the latter have executive responsibilities within the institution. In addition to the requirement to ensure proper risk management processes, governing authority members are also asked to ensure that the university has sound systems of internal management and financial control (HEA/IUA, 2007, p. 46).

The chairperson⁴⁴ of the governing authority is responsible for the leadership of the authority, for ensuring that the governing authority carries out its function in a “business-like way” and observes the principles of good governance. The chairperson plays a key role in the “strategic direction of the institution” based on a “mutually supportive relationship” with the chief officer. He/she should lead a “periodic review by the governing authority of its own effectiveness” (HEA/IUA, 2007, p. 48). The chairperson also ensures that “committees which play a central role in the proper conduct of the governing authority’s business report back appropriately.” The code sets out the role of the audit committee in great detail, underlying the importance of sound financial management (HEA/IUA, 2007, pp. 52-59).

The code points to the responsibility for executive management held by the chief officer who is required “not (to) seek to determine matters reserved for the governing authority” but rather to implement its decisions (HEA/IUA, 2007, p. 48).

The Irish code specifies clearly the relationship between the law as applicable to governance and the guidelines. The text is liberally cross-referenced and the relevant legal provisions are replicated. There is also a reference to compliance with European Union directives (*e.g.* HEA/IUA, 2007, p. 42). The code thus differs substantially from other guidelines which have little or no reference to legal requirements (*e.g.* the Dutch and the Danish guidelines.)

⁴⁴ A problem arising from the legislative framework is not definitely solved. While the University Act leaves it open to the governing board whether their chief officer should remain the board’s chair after the constitutive meeting, the guidelines indirectly take a decision. In commenting that the relationship between the chairperson and the chief officer must “incorporate the checks and balances imposed by the different roles each has within an institution’s constitution” (HEA/IUA, 2007, p. 48) it is difficult to imagine the “personalities involved” (HEA/IUA, 2007, p. 48), meaning the head of the legislative and the head of the executive, working in a “constructive and challenging” relationship combined in one person. However a recommendation for two different people is mentioned neither in the code nor in the guidelines.

7.3 Denmark

In 2003 the University Boards in Denmark committee (Nørby Committee) formulated *Recommendations for Good University Governance in Denmark* (Danish guidelines) as a response to the government's New University Act. It consists of five parts: a general introduction, an explanation of basic values and legislation, features of a university, the principles themselves, and a summary. Unlike the Irish and United Kingdom models, it emphasises tradition, ethos and the importance of the university as a knowledge-producing organisation and is less formalised, especially in the first two parts. However similar issues are addressed: the size and composition of governing boards, the responsibilities in supervision and strategic planning, as well as how its work differs from day-to-day management.

The emphasis on governance in Danish universities is clearly placed on the governing board as the strategic planner while the rector is responsible for implementation and day-to-day management. Yet other governance issues, such as dialogue amongst board, stakeholders, rector and the chair of the board, the duties of the academic board and the understanding of students as "temporary employees," are clearly recognised.

Soft instruments in the form of ethical characteristics to which the governance board should adapt are:

- independence
- openness [transparency]
- efficiency
- quality (Johansen *et al.*, 2003, p. 6).

A major distinction is the detail regarding transparency issues. The guide recommends camera recording of board meetings and detailed information about the board members (*e.g.* age, other board memberships) in the annual report on the website. It also insists on fixing governance processes through a wide range of guidelines, plans and statutes by the governing board⁴⁵ (Johansen *et al.*, 2003, p. 25).

On the other hand, the authors are well aware of the dangers of overburdening the board. They warn that assigning too many functions could decrease the time left for strategy (Johansen *et al.*, 2003, p. 19). Similarly, the creation of committees is needed (Johansen *et al.*, 2003, p. 21). Remunerations should be paid on the basis of workload and the kind of work but should not differ among the different members of the board (Johansen *et al.*, 2003, p. 24). Unlike other

⁴⁵ The committee recommends long-term activities guidelines (obliged by law), standing orders for the way the board functions (obliged by law), a plan for the overall use of the estates, a plan for the introduction of new members, a general introduction to the university and the framework for its activities, guidelines and official mechanisms for whistle-blowing, a published strategy on the university's relationship with the business community and the public sector, general principles for co-operation with the local region, a plan for co-operation with universities in Denmark, general guidelines for the relationship between the board and senior management, and guidelines for senior management reporting to the board.

guides, three missions for board members are proposed: firstly, to create an awareness for the social importance of the university and the identification of possible university stakeholders (Johansen et al., 2003, p. 26), secondly, the “coherence of research *and* teaching”⁴⁶ (emphasis added; Johansen *et al.*, 2003, p. 10) within universities and thirdly, to promote the planned increase in freedom *vis-à-vis* the state (Johansen *et al.*, 2003, p. 28).

Another distinction is the great emphasis placed on student and academic participation, even proposing to consider students as “temporary employees” (Johansen *et al.*, 2003, p. 15). This is partly rooted in the Education Act which assigns at least two students and one academic representative to the board. But, it also reflects a certain understanding of deliberative university governance which holds the rector responsible for “guaranteeing that the staff and students are consulted about issues of major importance to the university” (Johansen *et al.*, 2003, p. 31).

Another difference is a recommendation for not more than eleven governing board members and an age limit of seventy for its members (Johansen *et al.*, 2003, pp. 24-34).

7.4 Netherlands

The Dutch higher education sector is characterised by a strong divide between universities and *Hoegescholen*, which are similar to colleges. While both have experienced greater freedom through systemic reforms, only the *Hoegescholen* sector has adhered to governance arrangements.

The latter have issued the *Branchecode Governace* (Dutch guidelines) in order to devote more attention to stakeholder relationships and risk management and to demonstrate their understanding of social responsibility (HBO-raad 2006, I).

Consisting of an introduction and the guidelines themselves, this text mainly address the role of the governing board (*college van Bestuur*) and the supervisory board (*Raad van Toezicht*). Legislative explanations (as in the Irish or the United Kingdom models) are not given.

The governing board, consisting of up to three executives appointed by the ministry (Huisman, 2008, p. 157), combines a legislative role with its responsibility for the formulation of a coherent strategy and an executive role in its implementation (HBO-raad, 2006, pp. 2-3). The supervisory board has a weaker position (compared to the role of the board in other countries).⁴⁷ As in other countries, it is responsible for sound risk management and supervision. Regarding mission and strategy, it controls its coherency with the colleges in accordance with the expectations of society and stakeholders (HBO-raad, 2006, pp. 6-8). Major decisions of the governing board must also be approved by the supervisory board (HBO-raad, 2006, p. 2). At least one of its members should have a background in finance (HBO-raad, 2006, p. 8).

⁴⁶ A reference to the Humboldtian ideal of the unity of teaching and research (see Krejsler, 2006, p. 213).

⁴⁷ According to Dutch law, it can consist of up to eleven members appointed by a royal decree regulating their terms and the dismissal of members (Huisman, 2008, p. 158).

Like most of the other guidelines, committees are recommended, especially for audit and remuneration purposes. There is special emphasis on the independence of the majority of the supervisory board members and the committees: they should have been neither⁴⁸ governing board members nor members/employees of a legal body (including the state) linked to the university, nor should they be related to any other institutional member. Similar to the Danish guidelines, they address measures for the protection of whistle-blowers. The length of membership on the supervisory board is restricted to three terms of a maximum of four years. Delegation of duties towards members of the supervisory board for the period between two meetings is possible. However they should be restricted to fixed tasks (HBO-raad, 2006, p. 7). Unlike other guidelines, it is up to the chairperson to secure the necessary information for the board's supervisory function.

There is insistence on transparency issues. The guidelines are quite explicit in naming the website as a publishing location. Horizontal dialogue holds the governing board responsible to inform the colleges' stakeholders and the public about how it is fulfilling its responsibility towards society (HBO-raad, 2006, p. 14).

Salary is discussed, especially the disconnection between payment for the supervisory board and the colleges' performance.

The overall governance perspective is seldom addressed. As in most of the other guidelines, only codes of ethics are recommended in order to create rules of conduct for all members of the institution.

7.5 United States

7.5.1 AGB guidelines

The governing structure in the U.S.A is quite diversified and depends on decisions taken at state level. Apart from the university bodies and the state administration, most of the States have intermediate State governing boards, State co-ordinating bodies or both. For these, the State Higher Education Executive Officers (SHEEO) has issued individual guidelines.

In terms of university governance, the Association of Governing Boards of Universities and Colleges (AGB) has drafted an *AGB Statement on Institutional Governance* (AGB guidelines) which addresses the responsibilities of governing boards quite broadly but also takes the relationship with the chief executive and the stakeholders into account. These guidelines are accompanied by a *Guide for Effective Trusteeship* (AGB Trustee Guide) addressing the potential members of governing boards directly and a more detailed *Statement on Board Accountability* (AGB Accountability Guide).

The AGB guidelines include an introduction, with facts and descriptions of governing boards, principles and standards of good governance, as well as the relationship to external stakeholders. Sole responsibility is one of the key notions carried through the text. It emphasises the fact that all other positions are delegations or nominations by the governing

⁴⁸ At least five years' difference.

board and the board is responsible for an institution's strategy and mission (AGB, 2001, pp. 4-7). Hence, internal dialogue with professors, staff, students and administration is of high importance and consensus driven (AGB, 2001, pp. 6-8). The AGB guidelines insist on clarity if responsibilities are delegated (AGB, 2001, p. 9) and the presence of the board through supervision, although absent from day-to-day management (AGB, 2001, p. 6).

The question of internal stakeholder participation is raised and supported; however a non-voting participation is favoured. The understanding of governance as a multi-power concept is clear throughout the text. Many in number, but formally without voice, the non-academic staff as well as the "non-tenure-eligible, part-time, and adjunct faculty" are recognised and are important for a fully deliberative decision-making process (AGB, 2001, p. 6). The alumni networks (absent in all other guidelines) are another important stakeholder: they have influence on university finance and even sit on the governing boards in some institutions. The chief executive should maintain direct contact with them.

The special case of multi-campus universities is addressed with the recommendation of leaving a high degree of independence to individual parts of the institution.

Overall, the AGB guidelines understand the governing board as a bridge towards the public and the state government leaders (being accountable and defending autonomy). The influence and recommendations of accreditation agencies and other associations should be measured carefully (AGB, 2001, p. 5).

In a second part called "Governing in the Public Trust: External Influences On Colleges and Universities", this problem is addressed in depth. It describes why governing boards have been installed: "Boards made up of surrogates of the citizenry were intended to ensure arm's length independence of leadership for these institutions while not being responsible for running them on a day-to-day basis" (AGB, 2000, p. 18). They should not represent particular interests but remain "guardians of the public trust" (AGB, 2000, p. 17). To ensure this, forms of external persuasion and influence are explained and five principles proposed to help prevent the promotion of particular interests:

- recommit to the primacy of the board over individual members
- keep the mission as a beacon
- respect the board as both a buffer and a bridge
- exhibit exemplary public behaviour
- keep academic freedom central (AGB, 2000, pp. 24-25).

7.5.2 AGB Trustee Guide

The AGB Trustee Guide takes a different approach. A narrative style combined with quotes elaborates ten questions concerning the work of a trustee, based on the idea that "education ...[is] deemed too important to be left entirely in the hands of governors, legislatures, faculties – or any other group with a vested interest in pleading its own cause"

(Ingram, 2004, p. 4). The issues addressed cumulate in twelve principles to be embraced by governing board members:

1. setting mission and purposes
2. appointing the president or chancellor
3. supporting the chief executive
4. monitoring the chief executive's performance
5. assessing board performance
6. insisting on strategic planning
7. reviewing educational and public-service programmes
8. ensuring adequate resources
9. ensuring good management
10. preserving institutional independence
11. relating campus to community and community to campus
12. serving as a court of appeal (very selectively and sparingly) (Ingram, 2004, p. 6).

7.5.3 AAUP guidelines

In 1966, the American Association of University Professors (jointly with the American Council on Education and the AGB) published a *Statement on Government of Colleges and Universities*. Even though this has been amended several times and was updated in 1990, the distinction between government and governance (as also explained in the first part of this paper) is still not clear and the two are interchangeable. However, an understanding of internal institutional governance is clearly recognisable since it is stated that “institutions of higher education produce an inescapable interdependence among governing board, administration, faculty, students and others.” Ethical conduct is expected of the university's members and former members through a call for appropriate behaviour: “Anyone affects (...) the institution when speaking of it in public.”

Going beyond other governance arrangements reviewed, this model not only takes the university's faculty into account and stresses the inclusion of students in decision-making processes but promotes a very consensus-oriented approach. It recommends collective-decision making to avoid confusion or conflict, involving internal stakeholders and fostering internal transparency: “the broadest possible exchange of information and opinion should be the rule for communication among the comments of a college or a university. Likewise, the president and board should have confidence in each other and in the faculty.”

No mission-setting responsibility or strategy is mentioned but the individual history of the institution should be taken into account. Moreover, the concept of students differs from the more employment-oriented approach of today. The educational process has to be structured so that students “will be stimulated by it to become independent adults, and that they will have effectively transmitted to them the cultural heritage of the larger society” (AAUP, 1966).

7.6 Israel

An interesting case is Israel’s *Guiding Principles for the Organisational Structure of Universities* (i.e. Israeli guidelines). These were issued by the Council of Higher Education (CHE) in 2003 and combine both binding and voluntary aspects. The CHE is a buffer body between universities and governments created in 1958⁴⁹ and hence has authority over universities. The existing law also dating from 1958 is vague in formulating directives for the universities. It grants full autonomy⁵⁰ to accredited universities but leaves certain decision-making powers to the CHE. Hence, the Israeli guidelines combine law and good governance recommendations.

More explicitly than any of the other reviewed guidelines, the Israeli model dismisses the democratic structural ideas of the late 1960s by stating that “management of institutions of higher education in general, and of universities in particular, requires a coherent managerial and academic hierarchy” (CHE, 2004, p. 2).

Yet, in reality, the “coherent hierarchy” is more complicated than in other countries. Israeli universities must adhere to a triple board system consisting of a governing board of trustees,⁵¹ an executive board of between nine and twenty-five members (responsible for mostly financial issues) and an academic board (the Senate with a maximum of seventy-one members). Key persons are the chair of the governing board, the president /chief executive officer, the rector/vice-president for academic affairs and an undefined⁵² “executive director.”

The governing board members are seen as “representatives of the public” (CHE, 2004, p. 3). Therefore, internal stakeholders consist of only 25% of the members (20% faculty and 5% administrative staff) and simultaneous membership in faculty, administrative or technical unions is not permitted (CHE, 2004, p. 3).

Similar to other guidelines, the nationality of the governing board members plays a minor role and is an internal matter. On the other hand, the executive board has to consist of at least 85% Israelis. Likewise, the president has to be of Israeli nationality and a resident when taking office. (CHE, 2004, p. 9).

⁴⁹ Minister of Education and Culture (1958), The Council for Higher Education Law, 5718 – 1958, State of Israel, Israel, [Translated, unauthorised version].

⁵⁰ “An accredited institution shall be at liberty to conduct its academic and administrative affairs, within the framework of its budget, as it may think fit” (Ministry of Education and Culture, 1958, p. 3).

⁵¹ The higher education institutions are free to choose the name of their bodies.

⁵² This may be due to translation difficulties in the unauthorised English version of the Principles.

In line with other guidelines, a committee culture is evident. The Israeli model calls for an audit committee; a search committee for the appointment of board members, an academic appointment committee, a research committee and a co-ordinating committee fulfilling tasks for the Senate.

A “steering from a distance” approach (which characterises most of the reviewed guidelines) is only marginally developed in the Israeli case. This may be because the CHE (an the intermediate institution) puts the ministry at a distance or because of the clearly legal nature character of the management principles which gives a very minor role to guiding values.

Governing board members should “carry out their functions faithfully, with integrity and dedication” (CHE, 2004, p. 6) but other clear indicators such as quality, efficiency or transparency are rarely mentioned. While the president should uphold the institution’s quality, and an academic quality supervisory system should be established, efficiency is mentioned only in the introduction as the overall aim of the guidelines. Trust in the good behaviour of board members is very clear and they have accountability and confidentiality obligations in accordance with the Companies Law of 1999. Yet, regarding the overall members of the university, this trust is reflected through codes for ethics and faculty conduct (as in the Danish and Irish guidelines) an ethics code and a faculty code of conduct. It is compulsory to appoint a student ombudsmen which is an interesting supervisory function but not precisely defined.

The stronger control of the CHE can be likewise seen in the university mission: it is founded on the “dissemination of knowledge” and other non-academic activities have to be authorised (CHE, 2004, p. 2).

7.7 Canada (Quebec)

The Quebec guidelines (*Report of the Working Group on University Governance*)⁵³ are drafted in a different style than the guidelines discussed above. They are based on a thorough working group of the Institut sur la gouvernance d’organisations privées et publiques (IGOPP) with twelve recommendations to target problems rather than good governance principles. This can be due to the strong autonomy enjoyed by most Canadian universities or the rather weak position of the IGOPP compared to the HEA in Ireland or the CHE in Israel. As universities themselves are free to structure their own governance mechanisms, the issues addressed are similar to the Israeli ones. The mission of the university is kept quite broad: the three elements are higher education, research and service to the public, as well as recognising the university as a culturally diverse institution. Yet, the key principles concern mainly the governing board and transparency. The working group proposes reducing governing board members to between twelve and twenty (ideally fifteen), consisting of mostly external members (60-66%) and limiting their term to nine years. Good governance principles for board members are based on the Civil Code of Quebec:

- impartiality

⁵³ For translation reasons, the quotes and references are from the English unauthorised version, and verified in the French version.

- independence
- loyalty to the institution.

The working group calls for more legitimate and credible election processes and fewer authorities, combined with better inner university co-ordination and transparency in financial issues.

Like other guidelines, a committee culture is advocated with good governance guaranteed in universities through at least three committees: audit, governance and ethics, and human resources (including nominations).

There is an executive committee, to which tasks for the period between two meetings can be delegated, similar to delegation to the Chair in the United Kingdom guidelines. However the working group cautions against too many committees, as these “may dilute the role and responsibility of the board” (IGOPP, 2007, p. 12).

Like most of the guidelines, a code of ethics is supported. This again reflects guidelines as an implicit governance instrument and recognises the influence of all university members on its organisation.

7.8 Australia

In Australia, the role of the Commonwealth governance guidelines⁵⁴ has been controversial. After the Australian Labour party came into government in 2007, the compulsory aspect of the existing guidelines – the National Governance Protocols (NGP, Australian guidelines) – was abolished (DEST, 2008a, p. 51; DEST, 2007a, p. 45). The guidelines were then aligned to funding support options.⁵⁵ In 2008, the Group of Eight Universities said: “The protocols impose a one size fits all approach to university governance”⁵⁶.

However, Australian universities have introduced individual good governance arrangements that were shaped by the National Governance Protocols.⁵⁷ The NGP consists of three parts, formulating eleven protocols for institutions eligible for all government grants, eleven protocols for institutions eligible for only some of the government grants and higher education workplace requirements. Apart from the incentive for their implementation, the NGP are quite similar to other reviewed guidelines. They address the supervisory function of the governing board, the need to formulate a statement of primary responsibilities, a clear corporate and business strategy, sound risk management and detailed restrictions on the composition of

⁵⁴ The structure of higher education institutions normally falls within State rather than Commonwealth authority. The NGP were an initiative to streamline the regulations in different Australian States to a certain degree.

⁵⁵ 2.5 to 7.5% increase in funding by adhering to the protocols.

⁵⁶ Go8 (2008), Go8 on Removal of National Governance Protocols, Group of Eight Ltd., Canberra, www.go8.edu.au/index.php?option=com_content&task=view&id=176&Itemid=180 accessed 31 October 2008.

⁵⁷ In some cases, by corporate guidelines as well.

the governing board. Its membership should not exceed twenty-two persons and should consist of a majority of independent external members, including one member with financial and one with commercial experience⁵⁸ (DEST, 2008b, pp. 14-15). Furthermore systematic procedures should guarantee that members have “Needed skills, knowledge and experience, an appreciation of the values of a higher education provider and its core activities of teaching and research, its independence and academic freedom and the capacity to appreciate what the higher education provider’s external community needs from that higher education provider” (DEST, 2008b, p. 15).

Guiding ethical principles:

- to act always in the best interest of the higher education institution
- to act in good faith, honestly and for a proper purpose
- to exercise appropriate care and diligence
- to avoid improper use the position
- to disclose and avoid conflicts of interest.

Unlike other guidelines, explicit workplace regulations show a certain political character by diminishing the influence of staff unions in university governance and by shifting wage negotiations towards direct employer-employee negotiations. Third party involvement should only be allowed “at the request of an affected employee” and higher education providers should “promote fair and flexible arrangements” (DEST, 2008, p. 20). Wages can hence be seen as a governance instrument for aligning employees with university policies by the introduction of a “performance management scheme”, rewarding “high performing individual staff” and “managing poor performing staff” (DEST, 2008b, p. 21). These workplace regulations have been implemented under the new government (DEST, 2007a, p. 13; DEST, 2008a, p. 13).

7.9 International guidelines

To our knowledge, no governance arrangements exist on the international level so far. However some declarations have been published which very broadly refer to the issues addressed in the higher education governance arrangements above and try to foster a change in direction or embrace values supposedly under threat.

7.9.1 Magna Charta Universitatum

The *Magna Charta Universitatum* (Magna Charta) was published by the Rectors of European Universities 1988 in Bologna. It represents the fundamental principles which the participating universities saw as “now and always” supporting the “vocation of universities”

⁵⁸ Demonstrated by relevant qualifications at a senior level in the public or private sector (DEST, 2008b, p. 14).

and was based on a long process arising from within the university (Magna Charta Observatory, 1988, p. 1; Monaco, 2002, p. 11⁵⁹).

The Magna Charta sees the university rooted in the “European humanist tradition,” obliged to “attain universal knowledge” on the basis of different cultures and their interdependencies. In this tradition, research and teaching are inseparable due to a constant adaptation to advances in scientific knowledge and should be “morally and intellectually independent from all political authority and economic power.” These criteria should guide areas such as teacher recruitment and student freedom. It opposes certain changes which have taken place since 1988 and stresses the importance of the university as an “autonomous institution” with their different organisation structures resulting from “geography and cultural heritage” (Magna Charta Observatory, 1988, p. 1). It recommends that institutions encourage student and teacher mobility, a policy for equivalent status, titles and examinations without harmonisation and the “mutual exchange of information and documentation” (Magna Charta Observatory, 1988, p. 2).

7.9.2 Glion Declaration

The Glion Declaration issued in Switzerland by twenty university presidents from Europe and the U.S.A in 1998 arises out of a similar tradition as the Magna Charta but sets a stronger focus on professional education and the transformational processes in higher education.

They recommend that institutions “encourage flexibility, entrepreneurship, experiment and breadth within their organisational structure” even if this means a strain on “existing hierarchies and structures” and formerly “strong departments.” One of the objectives to be pursued by higher education institutions should be “new intellectual alliances within the university and new partnerships outside” because scholars have so far been too “slow to apply their skills to pressing social issues” and to recognise the need for their “professional service to the public good.” Stakeholder participation and accountability for its output should be further encouraged. They should support a “creative learning environment” to cultivate a “student-friendly” atmosphere, including new forms of teaching. Students should be educated, “highly skilled,” “broadly educated,” “self-motivated” with a “thirst for life-long learning,” “aware of their heritage” and “ethically responsible.” Institutional values are equally broad:

- integrity
- excellence
- rationality
- civility

59 Monaco, F. R. (2002), “The Setting up of the Magna Charta Observatory of Fundamental University Values and Rights,” in Magna Charta Observatory (ed.) *Autonomy and Responsibility, The University's Obligation for the XXI Century*, Proceedings of the Launch Event for the Magna Charta Observatory 21-22 September 2001, Bologna University Press, Bologna, pp. 11-15.

- openness
- responsibility (Glion, 1999).

ANNEX II: QUALITY GUIDELINES – INDIVIDUAL ANALYSIS

8.1 OECD/UNESCO guidelines

The OECD/UNESCO guidelines identify five stakeholders in quality assurance and address their involvement in cross-border education: government/sub-national bodies, higher education institutions, the student body, quality assurance agencies, academic recognition bodies and professional bodies. Three main key principles are visible within the guidelines:

- transparency
- communication and co-operation
- comparability.

While the recommendations themselves address individual stakeholders, similar issues namely transparency, accessibility and comprehensibility are handled in the following manner:

- the government for agencies (OECD, 2005, p. 13)
- the higher education institution towards students (OECD, 2005, p. 14)
- the agency towards higher education institutions (OECD, 2005, p. 17)
- academic recognition bodies towards holders of qualifications and employers (OECD, 2005, p. 19)
- professional bodies towards holders of qualifications (OECD, 2005, p. 20).

Higher education institutions, agencies and academic recognition bodies should build up networks through which they can exchange good-practice experiences and help foster mutual recognition of degrees and their comparability (OECD, 2005, pp. 15-17-18). Communication and co-operation with other stakeholders are important (OECD, 2005, pp. 15-17-18).

Similar to the governance arrangements, they serve as reference points for more individual guidelines on the international level and recommend participation in UNESCO's regional conventions (OECD, 2005, p. 13).

Students are seen as an important actor in advising their peers and promoting quality assurance (OECD, 2005, pp. 15-16).

8.2 *Standards and Guidelines for Quality Assurance (ENQA guidelines)*

The *Standards and Guidelines for Quality Assurance* (ENQA guidelines) in the European Higher Education Area have a strong impact on higher education governance structures. Several issues, addressed in the governance arrangements, can also be recognised in the quality framework which ENQA wants to foster in Europe. A very distinct notion is the emphasis on a “quality culture” (ENQA, 2005, pp.10-12-13) within higher education institutions. However, this is not defined explicitly other than stating that this should be a “culture which recognises the importance of quality” (ENQA, 2005, p. 15). This may be due to the fact that there is no “single monolithic approach to quality” (ENQA, 2005, p. 10), yet culture does contribute to its very important role within the institution and hence its influence on university governance. This influence can be seen in the basic principles, which stress institutional issues similar to the governing guidelines:

- responsibility
- safeguarding the interest of society
- effective organisational structures
- transparency
- visible accountability processes (ENQA 2005, p. 13).

Similar to the analyses regarding the usage of governance arrangements, quality is seen as a means to “justify (...) institutional autonomy” (ENQA 2005, p. 13) and to “provide public confidence in institutional autonomy” (ENQA, 2005, p. 15). This shows the bias of the guidelines themselves: on the one hand, they try to underline a subsidiary principle regarding internal quality assurance (out of respect for institutional autonomy), but, on the other hand, external quality assurance processes pose a major threat to institutional autonomy. To “encourage the development of higher education institutions” (ENQA, 2005, p. 14), these guidelines take an even stronger stance towards explicitly verifiable institutional autonomy than governance arrangements.

A policy statement should define the responsibilities of organisational units, the formulation of a quality assurance system and the relationship between quality and teaching (ENQA, 2005, p. 15). Hereby “commitment at all levels of an institution” (“excellence, expertise and dedication”) is expected to have programmes with “clear and explicit intended outcomes” (ENQA, 2005, p. 16). This is underlined by a policy recommendation concerning teacher performance, which in the governance arrangements was matched for explicitness only by the Australian National Protocols. “Poor teachers” should be provided with “opportunities to improve their skills to an acceptable level” and if this is not possible “have the means to remove them from their teaching duties if they continue to be demonstrably ineffective” (ENQA, 2005, p. 17).

The public role of universities is recognised by publishing “up to date, impartial and objective information on programmes” (ENQA, 2005, p. 19). For feedback purposes, there are several stakeholders: “employers, labour market representatives and other relevant organisations.” Students should likewise participate in quality assurance activities (ENQA, 2005, p. 16).

8.3 INQAAHE Guidelines of Good Practices

One aim of INQAAHE’s mission is to “develop and promote standards of professional practice in quality assurance”. The professional practices that INQAAHE believes should be embedded in all quality agencies are set out in the Guidelines of Good Practice in Quality Assurance.

The Guidelines of Good Practice are the work of quality assurance agencies from over 65 countries. These agencies are dedicated to ensuring that higher education students throughout the whole world have access to high quality education. The Guidelines are designed to be used by all quality assurance agencies, whatever their stage of development may be.

The original Guidelines of Good Practice were published in 2003 and revised in 2006. The revision reflects the experience of the institutions, programs, and reviewers who have used the 2003 version. It is intended to continue the INQAAHE process of permanent improvement. The *Guidelines* contain four sections:

- The External Quality Assurance Agencies (EQAA): Accountability, Transparency and Resources
- Institutions of Higher Education and the EQAA: Relationship, Standards and Internal Reviews
- EQAA Review of Institutions: Evaluation, Decision and Appeals
- External Activities: Collaboration with Other Agencies and Transnational/Cross-Border Education

8.4 United Kingdom

The United Kingdom Quality Assurance Agency for Higher Education provides a collection of booklets (UK Quality Guidelines). Even though most of the content deals with programme provision and best practice for quality assurance processes, certain governance issues are addressed. The student has the role of a client who is entitled to high quality education. Hence feedback structures have to be implemented which on the one hand protect the whistle-blower, and on the other hand take complaints seriously (QAA, 2004, p. 27; QAA, 2000a, p. 6). If a complaint is upheld, institutions should ensure that appropriate remedial action is implemented. To ensure this process, a legal framework should be implemented ensuring standardised treatment (QAA, 2000a, p. 7). Furthermore, regular monitoring and evaluation of complaints as well as the support of a person of the whistle-blower’s choice “at all stages of the complaints” should be secured (QAA, 2000a, p. 8). The institution must act in a fair and reasonable manner and avoid conflict of interest with the persons involved (QAA, 2000a, p. 8).

Apart from strengthening the right of the student in university governance, the overriding responsibility in terms of setting, maintaining and assuring programme standards is clearly to be found with the academic authority (*e.g.* senate or academic board). This institution should properly define and exercise any delegation of powers (QAA, 2000b, p. 6).

However, this particular responsibility is decreased as programme formulation has to be compatible with institutional goals and missions, which, in the United Kingdom, are not under the responsibility of the academic authority (QAA, 2000b, p. 6). Therefore individuals would be entitled to make serious claims against the academic authority on this latter basis.

Of course, this “overriding responsibility” is questioned by the external quality assurance itself. Here, a rather new actor in university governance (*i.e.* the external examiner) plays a major part in quality assurance. The examiner monitors “various roles, powers and responsibilities” and a set of programmes for which she/he provides competence. Even though this role is advisory, it is directly responsible to the head of the university, thus decreasing the overriding responsibility of the academic board in setting, maintaining and assuring programme standards. Furthermore, the appointment procedure should be defined explicitly by the institution to avoid conflict of interest (QAA, 2000a, pp. 6-16).

8.5 France

The *French Handbook of Standards for Quality Management in French Higher Education Institution* published by the “Comité national d’évaluation” (Cné, now Agence d’Evaluation de la Recherche et de l’Enseignement Supérieur) clearly states the relationship between quality and governance. While the first two parts of the handbook address education and research policy and thus governance only marginally, the third part contains similar recommendations for governance arrangements (as above) and deals with a governance structure that fosters quality within the institution.

The institution should support specific groups meaning not only students with disabilities but also top-level athletes, mature students, part-time students, new students and international students (Cné, 2006, pp. 12- 24).

It is explicitly stated that statutes of the institution should “allow for the nomination of one or more vice-president(s) from among the student body” and that student “involvement in the operation of the institution is specifically acknowledged” (Cné, 2006, p. 13).

But it is not only the students who should become involved in university life. The university should also get involved in student life.

The handbook recommends an institutional policy contributing to “ensuring the students’ quality of life” through providing student service (co-operation with the CROUS student service provider), the cultural and athletic life of students as well as preventive medicine (Cné, 2006, p. 13). This is monitored by a unit responsible for the production of surveys on student life (Cné, 2006, p. 28).

The third part entitled *Management of the Institution* (Cné, 2006, p. 19) does not address management in on a day-to-day basis only but more in the sense of governance. While the

executive work rests with the president and supported by the secretary general, the administrative managers and a management team, it is up to the councils to have “debates on the future directions of the institution” (Cné, 2006, p. 21). Thus, there is insistence on a democratic form of the debate which is demonstrated through the deliberative approach to the university development plan: “widely discussed especially within rated councils and academics, research and service departments” (Cné, 2006, p. 22).

A booklet for staff, codes of conduct, an annual activity report and quite detailed budgeting rules should also be produced. Managers are newly created actors in university governance who should participate in the decision-making processes, while technical and administrative staff should participate in internal debates (Cné, 2006, p. 23).

In terms of policy development, the handbook is more rigid than the guidelines. It recommends a “glonacal”⁶⁰ outreach strategy to the local professional environment, institutions and relevant organisations on national and international levels. Local communities are “invited to participate in the executive and advisory bodies of the institution” (Cné, 2006, p. 24).

The handbook recommends a “skill management policy” (Cné, 2006, p. 26) and a “policy for the integration of teaching and technical and administrative staff” (Cné, 2006, p. 25).

This text also insists on “ensuring the conservation, enhancement and development of its cultural and scientific heritage” (Cné, 2006, p. 29) as well as a welfare policy within the institution (health, safety, staff dialogue) (Cné, 2006, p. 26).

8.6 Germany

In Germany, quality assurance recommendations for institutions are still at an early stage. Until now, quality assurance only addressed the external accreditation of study programmes and not the system itself. Due to high costs, the German Conference of Education Ministers (Kultusministerkonferenz, KMK) decided to switch to a system of accreditation. This means that the quality assurance processes of an institution are tested for coherence rather than its individual programmes. The guidelines have been already drafted by the Akkreditierungsrat,⁶¹ and remain rather vague.

In terms of governance, decision processes, competencies and responsibilities regarding studies, teaching and internal quality assurance has to be clearly defined and published within the institution (own translation, Akkreditierungsrat, 2008a, p. 5). Moreover certain stakeholders (lecturers, students, administrative staff, alumni and professionals) have to be involved. Change should be fostered through incentives (Akkreditierungsrat, 2008a, p. 4).

The accreditation agencies themselves are normally more specific in their demands. Out of six accredited agencies⁶², only one has already published guidelines. Additional issues

⁶⁰ “glonacal = *global + national + local*” (Marginson, 2004, p. 177)

⁶¹ A sub-government institution responsible for the accreditation of accreditation agencies.

⁶² ACQUIN (Bayreuth), AHPGS (Freiburg), AQAS (Bonn), ASIIN (Düsseldorf), FIBAA (Bonn), ZEvA (Hannover) (Akkreditierungsrat 2008b).

addressing governance are the leadership – normally the head – of the internal quality assurance system by some sort of institution and the implementation of an evaluated internationalisation concept within the faculties to which they must adhere. Similar to the French guidelines, cultural support for student life is recommended.

8.7 United States

The United States have five major agencies responsible for the accreditation of institutions and their programmes. These verify whether the different structural issues are consistent with a framework to ensure quality within the higher education system.

8.7.1 WASC

The Western Association of Schools and Colleges issued the *WASC 2008 Handbook of Accreditation* (WASC guidelines). This contains a very clear concept of how a higher education institution should be run. As a broad vision, dedication to higher learning, the search for truth and the dissemination of knowledge guide the actors in higher education governance. The accredited university combines stringent decision-making processes and clear responsibilities with a “deliberate set of quality assurance processes at each level of institutional functioning.”

The “clear and consistent organisational structure” (WASC, 2008, p. 13) is dependent – like all other reviewed quality guidelines – on the formulation of the institution’s mission and on institutional capacity. Institutional integrity is exercised by an “independent governing board or a similar authority”, a full-time chief executive officer and a sufficient number of other qualified administrators (WASC, 2008, p. 14). Thus “the institution’s leadership creates and sustains a leadership system at all levels” that supports effective decision-making (WASC, 2008, pp. 5-13). This hierarchical governance structure is regulated by the demand for its high performance, appropriate responsibility, accountability (WASC, 2008, p. 5), sound business practice as well as timely and fair responses to complaints and grievances (WASC, 2008, p. 6). Faculty, staff and students are protected by the institution’s commitment to academic freedom, enabling them to “share their convictions and responsible conclusions with their colleagues and students in their teaching and writing” (WASC, 2008, p. 6).⁶³

Decision-making in the WASC guidelines means significant faculty involvement and the inclusion of stakeholders, including alumni, employers, practitioners, and others defined by the institution in the assessment of educational programmes (WASC, 2008, p. 16).

8.7.2 NEASC

The New England Association of Schools and Colleges Commission on Institutions of Higher Education (NEASC) has issued accreditation standards (NEASC guidelines). Like the WASC guidelines, it also formulated specific standards which address institutional governance, but is more detailed (in the style of the French guidelines). The third standard deals explicitly

⁶³ The latter point is especially interesting for higher education governance discussion on the “academic bill of rights” by David Horowitz.

with “Organisation and Governance” and has strong similarities to the governance arrangements reviewed earlier.

As in other quality guidelines, the “institution’s organisational structure, decision-making processes and policies” should be “clear and consistent with its mission and support institutional effectiveness.” More precise than the WASC guidelines is the composition of the governing board as the legally constituted body responsible for quality and integrity: “fewer than one half of the board members should have financial interest in the institution.” This formulation concerns stakeholders, employees or corporate directors. Hence, conflicts of interest should be avoided and work should be performed in honesty and good faith. The board should review the institutional policies, monitor the fiscal solvency and approve major initiatives against the backdrop of the institution’s mission. The CEO of the institution should preferably be a full-time staff member who is responsible for day-to-day management and academic leadership.

Compared to other guidelines, the internal communication processes are rather undefined, leaving room for the governing board’s interpretation of “the board establishes and maintains appropriate and productive channels of communication among its members.”

This, however, is qualified by the external communication policy, providing “complete, accurate, accessible, clear and sufficient” information to the public so that it can “make informed decisions about the institution.”

As in the other guidelines, faculty should have a substantive voice and the student view should be considered in “those matters in which students have a direct and reasonable interest.”

The faculty’s main aim is the fulfilment of the institution’s mission. However, the academic freedom “of all faculty regardless of rank or term of appointment” and of students should be fostered.

An interesting point which weakens institutional autonomy is the composition of the student body. The institution should enrol a “student body that is broadly representative of the population the institution wishes to serve” which could make the introduction of a financial aid policy necessary. Apart from this fact, the governing board retains “appropriate autonomy in all budget and finance matters” “taking internal control mechanisms, risk management, timely financial reporting” and “ethical financial oversight into account.”

The institution has to be aware of the impact of gifts from prospective donors and ensure that fund-raising does not interfere with mission.

On the one hand, leadership expects that the members of the institution (including the board itself) act responsibly and with integrity in its support. This means adherence to published integrity policies as well as to:

- truthfulness
- clarity

- fairness
- academic honesty.

On the other hand, leadership should foster an atmosphere where issues of integrity can be openly considered (NEASC, 2005).

8.7.3 MSCHE

The Middle States Commission on Higher Education has elaborated its *Characteristics of Excellence in Higher Education* (MSCHE guidelines) on a similar basis to other two quality guidelines for American universities. Yet the structures proposed and the processes discussed are more detailed. In a first part, it discusses standards for accreditation (including leadership and governance) and, in a second part, presents these standards in a more detailed and regulatory way.

The mission statement and clear responsibilities in decision-making processes are key issues (MSCHE, 2006, pp. IX-X). These take place in a pyramid-like structure fostered by a culture of planning. Starting from the mission statement (to which every part and every process in university governance should adhere), more precise goals have to be formulated. Strategies must be articulated to show how to reach a certain objective and finally a variety of plans⁶⁴ have to “promote the coordination of resources.” These processes should be reviewed on a regular basis (MSCHE, 2006, pp. 1-8).

This top-down structure is counteracted by a rather lax role for the governing board compared to the other guidelines. The governing body is not concentrated in one board but can consist of different bodies responsible for “academic quality, fiscal and academic integrity, academic planning, assets, and the financial health of the institution” (MSCHE, 2006, pp.12-13). This absolute responsibility contradicts the claim that governing bodies should have only “sufficient independence” in the governing structure to “assure the academic integrity of the institution” (MSCHE, 2006, p. 12).

There is an emphasis on collegial governance structures and the need for timely decision-making. The governing body members of higher education institutions should “*normally* have no financial interest in the institution” (emphasis added; MSCHE, 2006, p. 13). This is quite openly formulated. The CEO reports on the university’s internal functioning and responsible for institutional leadership and day-to-day management. The governance body decides on the terms of the CEO’s election. An academic CEO and administrative leaders complete the heads of administration. The MSCHE guidelines are fully aware of the influential role played by the administration in university governance. They are critical about the “assignment of multiple functions”, demand “clear documentation of the lines of organisation and authority” and stress the need for feedback from students (MSCHE, 2006, p. 20).

⁶⁴ “An institutional (strategic) plan, (...) an academic plan, financial plan enrolment plan, capital facilities master plan, and technology plan” (MSCHE, 2006, p. 5).

For decision-making processes, the usual deliberate approach is called for, including faculty, council/senate as well as students in matters for which they are directly responsible or directly addressed (*e.g.* curriculum, student grievance). The concept of students and researchers as clients and employees of the institution is evident.

Sound ethical practices

These are:

- academic and intellectual freedom
- respect among institutional members
- honesty and truthfulness in advertising.

8.7.4 NWCCU

The *Accreditation Handbook* (NWCCU guidelines) published by the North West Commission on Colleges and Universities contains accreditation standards which are dealt with in a legal manner. Each of the nine standards has detailed points.

Governance issues are addressed only in the “mission and goals, planning and effectiveness” standard, the student standard and in the standard explicitly addressing governance and administration.

The institution should be structured around a mission statement, leading to goal setting, policy formulation and planning (NWCCU, 2003, p. 26). The mission is not as clearly aligned to the governing board as in the other U.S.A guidelines. It gives the option of either having it “derive from, or (...) widely understood by, the campus community” and then requires the governing board to adapt this (NWCCU, 2003, p. 26). The planning process should occur through a participatory approach which includes university constituencies (NWCCU, 2003, p. 27).

The client approach to student participation in higher education governance is not as clearly visible as in other guides. In fact, the NWCCU guidelines leave this open for definition, recommending that the institution provide opportunities for students to participate in institutional governance (NWCCU, 2003, p. 51). This applies in the same way for faculty: “Faculty participate in academic planning, curriculum development and review, academic advising, and institutional governance” (NWCCU, 2003, p. 63).

The governing board is responsible for broad institutional policies. Among the board members is “adequate representation of the public interest and/ or the diverse elements of the institution’s constituencies” but not a “predominant representation by employees of the institution.” The full-time chief executive officer has a rather strong role, having the formal delegation of authority of the board and providing leadership in defining institutional goals, establishing priorities and developing plans (NWCCU, 2003, p. 73). A third figure comes into play, namely the president, whose role is not clearly defined. Nevertheless she/he sits on the board as an *ex officio* member but not as the chairman (NWCCU, 2003, p. 72). The importance

of timely decision-making processes, as seen in the MSCHE guidelines, is likewise stressed (NWCCU, 2003, p. 73, 2003).

The document includes affirmative action in the selection and promotion procedures of staff (NWCCU, 2003, p. 74).

8.7.5 SACSCOC

The Southern Association of Colleges and Schools Commission on Colleges (2008) produced very brief and clear accreditation guidelines (*The Principles of Accreditation: Foundation for Quality Enhancement*). The references to governance are few and refer mostly to the structure and clear guidelines for the processes involved. The governing board is the policy-making body of the institution and responsible for the mission statement and supervision. It should consist of more than five members of whom the majority has no interest in the institution apart from their roles as governing board members. Likewise it should be free of external interest in any other form. It supervises and selects the chief executive officer (SACSCOC, 2008, pp. 15-19). As in the other guidelines, the organisational structure should be clearly defined while administration officers should have “experience, competence and capacity to lead the institution” (SACSCOC, 2008, p. 24). The mission statement, including its goals, is the overriding precept and the main aim for faculty.

In terms of accountability, institutional audits (SACSCOC, 2008, p. 18) should take place and quality should be maintained through a quality enhancement plan (SACSCOC, 2008, p. 19).

8.7.6 NCA

The shortest of the United States quality guidelines (NCA guidelines) are issued by the Commission of the North Central Association of Colleges and Schools, Higher Learning Commission (NCA). Even though the document emphasises effective leadership and makes the board responsible for the mission, the structures (CEO, administration, etc.) are not defined. Rather a commitment of “people within the governance and administrative structures, activities and processes” towards the mission (especially through effective communication) is strongly stressed. The “codes of belief or expected behaviour” support this mission and highlight integrity. Apart from self-evaluation, fiscal honesty and honest presentation to the public (which can be found in the other United States quality guidelines), it addresses a future perspective (NCA, 2008, pp. 11-12).

By defining the future as “shaped by societal and economic trends” the institution has to take a multicultural society into account, perform environmental scanning, be supportive to innovation and change and protect its history and heritage (NCA, 2008, p. 13). The NCA guides suggest that the future is rather insecure and propose a flexible approach to long-range planning processes if the environment changes (NCA, 2008, p. 14).

Apart from heritage, history is important for the evaluation of the university’s plans and for the governing authorities as well. An evaluation criterion is whether the organisation has “a history of achieving its planning goals.” Interestingly, issues such as lifelong learning or social

responsibility, which normally do not figure within guidelines, are raised (NCA, 2008, pp. 16-17).

The institution should be receptive to community leaders, as regional integration is considered critical (NCA, 2008, p. 18).

8.8 Japan

The *University Standards and Explanation* (Japanese quality guidelines) issued in 2004 by the Japan University Accreditation Association⁶⁵ differ a great deal from its United States counterparts. While they are less detailed in describing governance structures, they insist on the uniqueness of the university within society and its honourable mission:

“...contribute to academic progress and social advancement through the cultivation of capable human resources, creativity, and the utilisation of new knowledge and technologies, and the succession and development of academic culture giving full respect to academic freedom” (JUAA, 2004, p. 2).

This is linked to the improved welfare of humankind and the realisation of a better global society (JUAA, 2004, pp. 2-4-8). The mission therefore demands active contribution to society (JUAA, 2004, p. 12). This includes using intellectual resources to globally and rapidly disclose “their research findings to international academic journals and magazines,” “granting knowledge and technologies to developing countries” and finally exchanging “information and friendship with outside researchers and international students” (JUAA, 2004, p. 8). Furthermore, an explicit promotion of “diversification and individualisation on campus” is called for. An individual university’s mission and appropriate goals can be formulated so as to take the “characteristics and individuality of each academic faculty and graduate course” into account (JUAA, 2004, pp. 2-5). While the United States quality guidelines see the university as a whole and the faculty more as an entity which realizes institutional mission, the Japanese quality guidelines place great value on researchers because the Japanese society views these people “as groups of intellectuals” (JUAA, 2004, p. 4).

The governance structure itself is only distinguishable between a “democratic and effective decision-making structure” and an appropriate and “proper administrative organisation” fulfilling its “functions smoothly and effectively” (JUAA, 2004, pp. 3-11). The only direct governance recommendation is to “accommodate staff members with deep understanding of the purpose and goals of educational and research activities” in the administrative organisation and to “maintain cooperative relations with the faculty” (JUAA, 2004, p. 9).

Similar to what is advocated in the French quality guidelines, Japanese universities should assume major responsibility for students beyond providing an adequate study environment. It should hence “cultivate the richness of human values and develop the quality and capability of each student sufficiently through campus life” (JUAA, 2004, p. 7).

⁶⁵ This is not the only approved quality agency to conduct accreditations of colleges and universities in Japan (e.g. NIAD-UE), but unfortunately the only one from which we could find English documentation

8.9 South Africa

The institutional audits of the South African Council of Education, undertaken by the Higher Education Quality Committee (HEQC), are clarified in the *Institutional Audit Manual 2007* (South African quality guidelines). Governance issues are marginally addressed while the guidelines concentrate on teaching and research. They stress an “efficient and effective institutional arrangement” (CHE (RSA), 2007, p. 13). A mission, in combination with an “academic planning framework,” should lead to the formulation of strategic plans and the achievements of goals and targets (CHE (RSA), 2007, p.12). As in most of the other guides, constant self-evaluation and assessment are quality assurance instruments. Internal and external peer review guarantee similar standards for study programmes. Moreover, institutions should engage in benchmarking (CHE (RSA), 2007, pp. 18-25).

The guidelines call for “access to students from previously disadvantaged groups” (CHE (RSA), 2007, p. 14). Institutional/faculty/professional rules should be put in place, contributing to the idea of governance by including all university members within a framework of ethical values and performance indicators (CHE (RSA), 2007, p. 19).

“Professional bodies, potential employers, government departments and local communities” should verify the relevance of programmes for employment purposes (CHE (RSA), 2007, p. 17).

8.10 India

The Indian Institutional Accreditation, addressed in the *Manual for Self-Study. Universities* (NAAC guidelines) by the National Assessment and Accreditation Council (NAAC), explicitly highlights governance and leadership. However, it is constructed more like a wish list than an explanation of actors and strategies. As in several other guidelines, an overall mission for higher education institutions is assumed: “The institutions have a significant role in human resource development and capacity building of individuals, to cater to the needs of the economy, society and the country as a whole thereby contributing to the development of the nation” (NAAC, 2007, p. 12).

On the institutional level, however, the institutional leadership function – which is not defined – should provide “clear vision and mission to the institution.” The institution is to have “sustainable practices for governance and leadership.” Effective leadership to build the organisational culture means setting values – *e.g.* truth and righteousness (NAAC, 2007, p. 13) – and demonstrating efficiency. The latter especially seems to be a problem in India, when the self-evaluation process asks “What percentage of the management council’s resolutions were implemented during the last year?” (NAAC, 2007, p. 82).

Institutional governance should be sensitive to “changing educational, social and market demand,” “promoting an ambiance of creativity innovation and improving quality” as well as “inclusive practices for social justice and better stakeholder relationships” (NAAC, 2007, p. 25).

The guidelines suggest that all constituencies and decision-making processes of the institution should be governed by “principles of participation and transparency.” This means that “academic and administrative planning in the institution should move hand in hand” (NAAC, 2007, p.24).

The student body is categorized as “socially backward,” “economically weaker” and “differently abled.” Gender balance among students divides the student body by sex. Even though the recruitment of students (and staff) from the “disadvantaged communities” is addressed, the mention of castes is avoided (NAAC, 2007, pp. 80-81).

Stakeholder inclusion is also recommended. The guidelines suggest that the institution should interact with “groups or individuals who have an interest in the activities of the institution and the ability to influence the actions, decisions, policies, practices or goals of the organisation” (NAAC, 2007, p. 26). These groups include “students, alumni, employer, community, academic peers, industry, parents” (NAAC, 2007, p. 65).

8.11 Hong Kong (China)

The Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ) has issued the *Guidelines on institutional review for the purpose of seeking CAP 320 Registration* (HKCAAVQ guidelines). Its Annex provides eight criteria for review purposes and these address governance issues quite broadly.

Similar to other guidelines, a mission should be formulated by the institution, yet it is not as binding for the institutional structure. It should examine how strategic goals are supported by different policies (HKCAAVQ, 2008, p. 10).

The governing body of the institution should consist of an “active policy-making group” which is “ultimately responsible for making management and academic decisions and ensures sufficient resources for viable and sustainable development (...) on an ongoing basis.” Furthermore “appropriate representation” which satisfies academic and general standards should be supported. This body, however, should consist of senior management teams as well as other committees using “appropriate management tools for decision-making” (HKCAAVQ, 2008, p. 7). Academic leadership is also mentioned as a criterion, though it is not defined clearly (HKCAAVQ, 2008, p. 1).

Participation in academic decision-making processes should be open to stakeholders. Explicitly mentioned are “academic and non-academic staff, students, government administrators, associates from industry and professional bodies, external advisers and examiners, and the wider community” (HKCAAVQ, 2008, p. 9). In particular, consultative and collaborative ties with industry and local and off-shore operators of higher education are a priority (HKCAAVQ, 2008, p. 12).

A strong insistence on planning, similar to some of the U.S.A quality guidelines, is stressed throughout the guidelines. This limits most of the strategic, academic and staff plans quite rigidly to a 3-5 year time frame (HKCAAVQ, 2008, pp. 7-8-10-13).

Quality assurance and assessment systems should be implemented and benchmarking taken into account (HKCAAVQ, 2008, pp. 9-15-16).

8.12 Catalonia (Spain)

In the framework of the quality audits in Catalonia (Spain), the Agència per a la Qualitat del Sistema Universitari de Catalunya (AQU) published *Guidelines for Self-Evaluation* (Catalonian quality guidelines). In six standards (combined with best practice examples), governance issues are widely addressed. Compared to the other guidelines, a clear mission for the institution is not laid out. However, “a strategic plan or other documents in which it has defined long, medium and short-term goals” and which lead into “action plans” should be established (AQU, 2008, p. 14). The management team responsible for their formulation should meet frequently. There are no suggestions made for its composition but its role must be clearly defined – including the functions of its members – and publicly available (AQU, 2008, p. 14). In terms of procedures, it should support the “continuous enhancement of the institution” (AQU, 2008, p. 9). The management team should publish an annual report, supervise the curriculum and maintain regular contact with “representative institutions and entities within the socio-economic context of the region” (AQU, 2008, pp. 9-14-17).

The community plays an important role in the Catalonian quality guidelines. It should participate in the formulation of the medium- and long-term goals and be regularly informed about the “goals, plans and results” of the management team’s work. This includes a committee with representatives from the socio-economic environment of the region examining the adequacy of the study programmes offered. Another best practice recommendation is an “extensive portfolio of companies that collaborate in placement/work experience programmes” and that “members of the institution [assuming the higher education institution] should consider being “part of the representational bodies of various institutions and entities in the socio-economic context” (AQU, 2008, pp. 9-10-13-14-17). Therefore, transparency is a key issue in the guidelines with a strong focus on available information for the community concerning organisational structure and programmes offered (AQU, 2008, pp. 8-9).

The guidelines recommend that “all students in the institution” should “have a tutor who helps them with their problems and academic doubts.” Furthermore, provision for study abroad should be available and student feedback on this experience should be obtained and analysed for administrative purposes. Adequate numbers of well-qualified teaching staff should be employed, while the management team should ensure that staff training activities take place at least once a year with internal discussion sessions for follow-up (AQU, 2008, pp. 10-11-13).

8.13 Australia

The Audit Manual Version 5.0 by the Australian Universities Quality Agency (AUQA) does not provide direct standards for institutional audit but offers a clear list of examples of key topics and policies which institutions should consider while preparing for audit and which provide evidence of the achieved institutional outcomes.

Under the topic of governance, examples of key policies and processes include structures and instruments that ensure all key aspects of a quality institution (including academic

autonomy, independent inquiry, integrity of academic programmes and self-management). The Australian quality guidelines still cross-reference the National Governance Protocols but do not give recommendations on the structure or roles of the governing body. Other examples of key processes are delegated functions that are followed up and appropriate reporting mechanisms to the governing body and its subcommittees. As in the United Kingdom quality guidelines, key performance indicators are mentioned to provide statistical support to the governance body (AUQA, 2008, p. 106). A “well managed risk strategy” and regular assessment should provide a strong base for the “strategic approach to building research capacity” for innovation (AUQA, 2008, p. 100). Benchmarking and the “systematic monitoring of trends” should provide a framework for comparison (AUQA, 2008, pp. 97-101).

Another example of key policies and processes is leadership which provides the strategic plan for approval by the governing body. The institution, on the other hand, should provide “appropriate structures to facilitate competent management.”

The issue of planning is addressed through cycles and processes to cover implementation, monitoring and improvement (AUQA, 2008, p. 107).

The Australian quality guidelines link recruitment policy to strategic plans and missions.

AUQA’s framework suggests that institutions should consider incentives to retain star performers among researchers and the potential for diversification amongst academic staff. Likewise “minority/equity students” with special needs are identified within the student group (AUQA, 2008, p. 96).

External stakeholder involvement is mentioned through the development of partnerships and joint research programmes, as well as through collaborative development of courses/programmes with external organisations. To enhance this, institutions should consider internal quality assurance deliberations which include community representatives on institutional advisory boards and in activities (AUQA, 2008, pp. 103-104).

ANNEX III: MAJOR ACTORS IN GOVERNANCE ARRANGEMENTS

Listed below are the items featured by the governance arrangements under scrutiny. This list is not aimed at presenting ideal guidelines but provides the key items and dominant questions that have been raised by their authors.

Governing/Supervisory Board

- Clear responsibilities
 - formulating an institutional mission or/and strategic plans and policies
 - support the executive in its work
 - avoid overloading the work of the board
 - draw lines between day-to-day management and strategy formulation
 - uphold its independence
- Committees
 - delegate authority to committees
 - delegate duties only if there is an advantage
 - clearly explain what can be delegated and to whom
- Members
 - decide on the number of internal/external stakeholders involved
 - establish clear rules for remuneration
 - decide on the role of members: are they stakeholders or representatives of the public?
 - decide on whether specialists (finance, etc.) are needed
 - make sufficient information available to the members and if appropriate use key performance indicators
 - avoid conflicts of interest
- Chair

- define the role clearly
- Transparency
 - decide what should be available to the public
 - assure clear internal transparency for sufficient deliberation, trust and support for the institution's mission
 - standardise available information and improve its readability
- Supervision
 - risk management system
 - sound financial accountability
 - self-evaluation
 - supervision of the institution
 - internal quality assurance system

Head of Institution/CEO

- a clearly defined role
- clearly defined tasks as head of the institution
- a clear election/selection process of appointment
- accountability to the governing/supervisory board

Academic Board

- a clearly defined role
- clear responsibilities

Institution

- to ensure deliberation so that all constituencies have been consulted in decision-making processes
- to identify actors in university governance and, if necessary, propose policies (e.g. affirmative action)
- to establish grievance and whistle-blowing procedures

- to define values (such as academic freedom and consideration of a code of conduct)
- to determine clear delegation of authority and limits of discretion for positions and their accountability structure
- to promote consistency and transparency in internal actions and decision-making by comprehensive internal policies and procedures, *e.g.* committee review, moderation processes for assessment

External Stakeholders

- clearly articulated relationships with the community and industry
- definition and evaluation of policies towards external stakeholders (*e.g.* donors, alumni).

The guidelines themselves make explicit which parts derive from the law and which are recommendations. Various best practice examples may also be useful to help each institution to find its own optimal direction.

Bibliography governance arrangements and quality guidelines

9.1 Governance Arrangements

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Governance and quality guidelines in Higher Education

A REVIEW OF GOVERNANCE ARRANGEMENTS AND QUALITY ASSURANCE GUIDELINES

The need for good governance has dominated the debate on the effectiveness of higher education. The need has increased with growing institutional autonomy and the expansion of university missions. In several countries, this development has been accompanied by the emergence of guidelines for establishments, drawn up on the initiative of governments or university organisations. Since the start of the millennium, most countries have created national or regional quality assurance systems and prepared codes or principles that encompass institutional governance.

The report explores why governance and quality have become a crucial issue for higher education and traces the historical evolution. The report then reflects on the major theoretical approaches developed by researchers over the past 10 years, including the main university governance models. The report examines a selection of nation- or region-wide governance arrangements and quality assurance guides, codes and set of principles designed by ministries, funding authorities, quality assurance agencies, rectors' conferences and associations of institutions.

The report examines 11 governance arrangements and 25 quality guidelines issued by authorities (funding councils, ministries, associations) and quality assurance agencies from OECD and non-OECD members (Europe, the United States, Canada, Japan, Australia, China-Hong Kong, South Africa, Russia, India and Israel), including international guides such as the European quality standards and guidelines.

Lastly, the report discusses the distinction between governance arrangements and quality guidelines, as well as the possible need to define appropriate guidance for institutions. A selection of governance arrangements and quality guidelines are in annex.

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