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Good governance in the spotlight

In the United Kingdom the funding councils hold the governing bodies (not the Vice Chancellors) accountable for the funds that they award to their institutions. This places a heavy burden of responsibility on those governing bodies. The collective of heads of governing bodies, the Committee of University Chairmen (sic), has just produced two publications which will help all governors to understand their roles and how to fulfil them.

The first is a new edition of the CUC Guide for members of governing bodies. This one is different from its predecessors in that it contains a voluntary Code of Practice along the lines of one drafted in the recent Lambert Report on business-university collaboration (VC-Net 43). The Code has 17 points, including a statement that "a governing body of no more than 25 members represents a benchmark of good practice". All the 'new' UK universities have a statutory limitation of 24 members, while the traditional institutions have nearly all been reducing the size of their Boards in recent years so that only two now have more than 40 members. Other topics covered by the Code are the conduct of members, a summary of the governing body's primary responsibilities, the relationship with the chief executive, the composition of the governing body and how its members are selected, appointed and then inducted. The Code confirms the importance of performance reviews both of the institution in achieving its strategic objectives and of the effectiveness of the governing body itself and recommends that the results of both exercises are widely published. The provisions of the Code overlap to some degree with the Governance Protocols that have recently been promulgated in Australia; however, a key difference is that the UK code is voluntary while the Australian protocols are mandatory.

The CUC Guide is complemented by a consultant's report on good practice in six key areas of governance; recruiting, supporting and informing new governors, how the governing body is involved in decision making, relationships with the Senate or Academic Board, optimum committee structures, oversight of commercial activities, measuring the effectiveness of the Board and reviewing institutional performance. The report is based on a survey of current practice in the UK and lists many ideas for governing bodies to consider. It also debates the question of how good practice is defined. Is it what government says it should be? (the compliance approach) Is it what is 'fit for purpose' in a particular environment? (performance against specific objectives) Or is it what external professional guidelines say it should be? The authors firmly adopt a fitness for purpose approach, so that what is good practice for one institution may not be good practice for another. This supports the voluntary approach adopted by the CUC in promulgating their Code.

Source: Guide for members of governing bodies in the UK. The Committee of University Chairmen is published in hard copy by HEFCE (publication 2004/40) and is also available at www.shef.ac.uk/cuc/pubs.html. The report by CHEMS Consulting on good practice in governance also can be found on the same web site.

Measuring institutional performance

For seven years the University of Toronto has produced a comprehensive annual report for its governing body on its performance. This year's report is an impressive example of what can be done by tapping into national and international performance data and then analysing trends over time compared with peer institutions - where information is available.

The Office of the Vice President and Provost has compiled a 104 page report providing performance information in a very large number of fields. Starting with student demand and acceptance rates, moving on to retention, degree completion, employment rates and then student satisfaction, the report then covers library resources, class sizes, staffing ratios, employment equity, finance, research performance, commercialisation activity and student diversity.

Toronto compares itself with its peers in the Canadian G10 grouping and with the leading public research institutions in the USA, using statistics from bodies such as the Association of Research Libraries, the Higher Education Data Sharing Consortium and the Association of University Technology Managers.

Edinburgh University has taken a very different approach by developing a balanced scorecard of key indicators based on its nine strategic goals and then using comparative data (where available) from its peers in the Russell Group of universities. The results are published on its planning unit's web site and present an intriguing range of indicators grouped under four headings:

- Organisational Development Perspective - items such as proportion of female appointments to chairs, numbers attending staff development events, numbers of staff on fixed term contracts, numbers of research grant applications submitted annually per member of staff;
- Stakeholder Perspective - international student numbers, proportion of students from state schools, percentage of students from ethnic minorities, percentage of column inches press coverage that is positive, staff percentages in grade 5 and 5* RAE units of assessment;
- Financial Perspective - percentage of income from non-formulaic funding sources, administrative costs as a percentage of academic operating costs, numbers of commercialisation licences signed, ratio of current assets to current liabilities, maintenance and utilities cost per square metre;
- Internal Business Perspective - students per open access computing seat, proportion of papers available online for committee members, income per square metre of space, capital expenditure as a percentage of total income, backlog maintenance spend needed to conform to disability legislation and room utilisation.

All these figures are published for the last three years and add up to a broad picture of Edinburgh and its aspirations. In due course the university expects to be comparing itself internationally with peers such as MIT and Toronto.

Sources: The University of Toronto 2004 Performance Indicators for Governance can be accessed via the website of the Office of the Vice President and Office at www.provost.utoronto.ca/English/page-6-9162-1.html The web site of the Planning Department of Edinburgh University contains a wealth of statistical information including its Balanced Scorecard results and is at www.planning.ed.ac/BSC/0304BSC.htm

International League Tables

Since governments are increasingly hoping to see their universities recognised as being world class, demand is emerging for reports that rank universities from different countries. This has been recognised by the Times Newspapers in the UK which has bravely - some would say rashly – launched a listing of the world's top 200 universities.

The basic problem is a shortage of reliable comparative data. In 2003 researchers at Shanghai Jiao Tong University's Institute of Higher Education attempted a similar study and could find only four possible indicators – numbers of Nobel laureates since 1911, numbers of highly cited researchers in 21 subject areas, numbers of articles in 'Nature' and 'Science' and the number of articles cited in the two main citation indices. Using these they created a listing of 500 'top' universities. Only 15 Commonwealth institutions were placed in the top 100.

The Times concedes that there is a problem with data – "so few indicators translate reliably across borders", but has a go nonetheless. Any ranking based on citations favours institutions based on the sciences, but it suggests that this advantage will diminish when other criteria are introduced later. The Times has used five indicators: a peer review survey of 1,300 academics in 88 countries, which is weighted at 50 percent of the score; a measure of research impact taken from various ISI/Thomson Scientific indicators gets 20 per cent; a ratio of faculty to students is allocated another 20 percent; and the remaining 10 percent is based on the numbers of international students and international faculty attracted to the institution.

The Times results are very different from Shanghai Jiao Tong. While Oxford and Cambridge are still the only non-USA institutions in the top 9, as many as 36 Commonwealth institutions figure in the first 100, including institutions from Singapore, Hong Kong, New Zealand and Malaysia. Australia does particularly well with 11 universities in the World's Top 100 and the UK gains 14. Thus, The Times may have made many politicians and officials happy, despite the inherent weaknesses in the data and the methodology.

Source: Times Higher Education Supplement of 8th November 2004. Commonwealth analysis by the ACU.
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The editor, Svava Bjarnason, and author, John Fielden, are always pleased to receive comments on the usefulness and content of this briefing service. News from other Commonwealth countries, which might be of wider interest, is also most welcome. They can be contacted by e-mail on vcnet@acu.ac.uk or by fax on +44 (0)20 7387 2655.