

**INQUIRY INTO THE GOVERNANCE OF NSW
UNIVERSITIES**

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Partially Confidential

**Submission to the New South Wales Parliamentary Inquiry
into Governance of Universities in NSW**

The central point made in this brief submission is that it is critical to separate the systemic from the particular factors that led to the public debacle at the University of New England (UNE) during 2008. This parliamentary inquiry is rightly focused on the systemic nature of any deficiencies in university governance, and it is with the systemic deficiencies in university governance that this submission is concerned.

The corporate nature of university governance and management is itself a — or perhaps *the* — fundamental factor determining a great deal of what occurs within the walls of Australia's universities. In this sense, the so-called 'National Governance Protocols', by the time they were introduced by the Howard Government, were a *reflection* of a corporate and managerialist mentality that had already substantially taken hold of Australia's universities. The legislative initiative of the Rudd Labor Government to remove the Protocols (although hitherto unsuccessful) is a welcome action, but removing the Protocols would be a largely symbolic gesture. What is needed is a more thoroughgoing debate about how corporate values ever got to have anything to do with a university, and a debate about what our society thinks of these values.

One way to demonstrate convincingly that the Protocols overlay an already existing corporate approach is to cite for the public record some events that took place within the governing body of the University of New England over late 2004 and early 2005. During this period a group of people on the UNE Council laid the

groundwork for removing the election process for graduate members of the Council, so as to replace it with an appointment process. (It was not enough for these people to already have a clear majority of appointed positions of Council, or to see elected members of Council routinely excluded from membership of important committees. What they desired was, first, the abolition of the election process underpinning UNE-graduate positions, and, after a time no doubt, the abolition of elected positions by other constituencies, i.e. staff and students.) This attempt ultimately failed. In no small part it failed because a public campaign was waged by concerned alumni, former members of Council, a former chancellor of UNE, and friends of the University. Public pressure was brought to bear on the Council to listen to the views of those disagreeing with Council's arguments – about complying with the Protocols (when the Protocols stipulated no such thing), about the need to appoint people with financial or corporate expertise, et cetera – and the result was the rarely witnessed event of good sense prevailing. To my knowledge, UNE would have been the only university in Australia to take the action of abolishing elections for these positions. With Southern Cross University, it was the only institution even *considering* such action. Foremost among those pushing to abolish the election for alumni Council members were the then Chancellor, John Cassidy, and the then Vice-Chancellor, Ingrid Moses.

[Omitted by resolution of the Committee]

Elected Council members have complained of being blocked by a gate-keeping mindset that prevents their access to relevant documents. Unfortunately, this has not been peculiar to the Cassidy period, though it did worsen in that time.

Coming back to more recent events, and turning to the immediate future, some people might be tempted to view the events of 2007 and 2008 as an aberration — that there was something quite peculiar about John Cassidy’s approach that similar problems could not happen again. I think that this is a mistaken view. And I am certain that it is foolish to think that that UNE’s governance problems are behind it. The point to keep in mind is that — aside from some particularly outrageous audacity — Cassidy fitted all too well into the corporate culture of the governing body of the institution, *whereas his behaviour should have been utterly repudiated from the beginning*. The remarkable aspect of Cassidy’s tenure is that he was allowed to start and then finish his five-year term. In early 2004 (shortly after it had elected someone it thought could bring money to UNE — again, an instance of corporate-driven behaviour), the Council should have realized that it had seriously erred.

[Omitted by resolution of the Committee]

There are possibly two reasons for such social autism coming about: first, the proportion of appointed positions on governing bodies is too great; and, second, the appointment process lacks transparency. The perception of the UNE community has for several years been that the external appointed group of Council members simply has no idea of what the situation is ‘on the ground’ at the University. Furthermore, far from attempting to spend any real time at the institution, the group has seen its main role as shoring up the numbers for what the chancellor wants. Indeed, when one views the attendance record of external members, one is struck with how often they flew in (or were present by telephone) for the confidential session of Council meetings (that is, the contentious items) and then flew out (or hung up) once their vote was counted.

In the managerialist and neoliberal environment of contemporary society and, sadly, our universities, the trajectory of a governing body appears to be either to back its management to the hilt (come what may), or to involve itself in day-to-day operational matters and risk interference. The former occurred at UNE under Pat O'Shane; the latter occurred under John Cassidy. In either case, the result — if not also the intent — is that another layer of management is added. In either situation, management becomes thicker (in both senses of the term) and impenetrable. It is another irony of the present era that as Council has assumed more of a role in the approval of policies, which would at one time have been seen as none of its business, those policies have been more poorly thought through and the policy process less transparent.

The proper role of a governing body is neither to back the senior managers when they are found to be deficient *nor* to involve itself in operational or day-to-day management matters. The proper role of a governing body is to steer a university in the broadest terms: that is, to ensure that the decisions of the executive are in accordance with relevant legislation; to see that there is accountability within the institution; to set the most fundamental of parameters; and to oversee the awarding of degrees. Any other role assumed by a governing body would need justification.

The problems concerning the governance of universities cannot be understood in isolation. The underfunding of universities intersects with the corporate and managerialist mindset and thereby gives rise to particular implications. One of these is the obvious problem of the increasingly questionable quality of higher education. (And the more that quality education is put at risk, the *more* likely it is

that inane activities are forced on the staff. It is as if there are some people wanting to fool themselves that if we fill in enough forms the fall in educational quality will not occur, or at least will not be noticeable. In truth, 'higher education' institutions are now riddled with this mindset.) A less obvious, but no less important, implication of this environment is that universities will have a propensity to depart from established norms in order to secure public monies. An example of this occurred following the Howard Government's Higher Education Workplace Relations Requirements (HEWRRs), when several higher education institutions, mainly over 2006 and 2007, dispensed with numerous systems thus far contained in and pertaining to collective agreements, policies, and policy development. (Examples of such systems or principles include references to unions and representation, commitments to meaningful consultation before and during workplace change, detailed employee grievance/complaint mechanisms with specified procedures, and appeals processes overseeing dismissal, redundancy and grievances/complaints.) What makes matters worse is that the corporate executives of universities used the political situation of the HEWRRs to gain the temporary funding increase, and later (that is, at this present point in time) have refused (are refusing) to put back into new collective agreements the conditions that had previously existed prior to the HEWRRs funding. The important point is that they quite readily do this because they have internalized so much of a corporate mentality: we (the elites) know best, consultation gets in the road, unions are an impediment, appeals are an unnecessary encumbrance, et cetera. **[Omitted by resolution of the Committee]**

The main point of this submission is that, although there are some available reforms that would improve the governance of universities, it is unlikely that much improvement overall can take place until universities become a critic of

managerialist thinking and behaviour. The submission here is *not* that the deficiencies of university governance have caused the dysfunction that now permeates much of the University of New England; but the deficiencies of governance and the University's problems do have a common cause. Each set of deficiencies stems from a belief held by those in power that they have all the answers, and that they are accountable to no one. This would be a dangerous idea even if there were (a scintilla of) ostensible evidence to support it. When the available evidence suggests the direct contrary, that the managerialist and neoliberal mindset has inflicted much damage on universities (and on society more broadly), the situation is perilous.