

Reforming Irish University Governance

January 2012

Background

Once most of the world's best universities were in Europe

- Governing board members drawn from within
- Many board members
- Rectors and Deans elected

Now they are in the US¹

- Governing board composed of external members almost exclusively
- Limited number of board members
- Corporate approach to governance and management
- President and Deans appointed

European Governance Trends

- Influenced by US²
- External membership of governing boards increasing
- Corporate approach to governance and management being introduced

European Reform

Denmark and Finland have led the way with radical reform of university governance.

In 2003 Denmark enacted legislation designed to modernise university governance and management^{3,4}

- Size of governing authority (Board) limited to 11 members
- External majority (6 members)
- US corporate approach to governance and management
 - Board appoints and dismisses Rector
 - Rector appoints and dismisses Deans
 - Deans appoint and dismiss Department Heads

Finland followed in 2009 with a view to introducing similar reforms. (Some were frustrated by a successful legal challenge)

¹ <http://www.timeshighereducation.co.uk/>

² The Boards of both public and private universities in the US are composed in almost all cases of external members. Internal membership, if there is any, is usually confined to that of the university president.

³ University Evaluation 2009, Evaluation Report, Danish University and Property Agency, Bredgade 43, DK - 1260 Copenhagen, Denmark

⁴ http://internationalbusiness.wikia.com/wiki/Denmark%27s_University_Education#University_Act_of_2003

Danish University Reform, 2003⁵

- Denmark has eight universities – They operate under the 2003 University Act.
- Under the 2003 University Act, the status of the universities changed from government institutions to “independent institutions under public-sector administration”.
- The aim of the 2003 Act is to strengthen
 - teaching
 - research
 - knowledge exchange
 based on a strengthening of the institutional framework of the universities.
- The aim of the Act is to increase the universities’
 - prioritisation
 - decision making capacity
 within a framework where academic self-government is maintained while ensuring that the universities remain independent of special interests.

The Danish University Board

- The Board is the highest authority of the university.
- The tasks of the Board comprise among others:
 - Approving the university’s budget
 - Approving the accounts
 - Entering into a development contract with the Minister
 - Employing and dismissing the rector.
- The Board has no authority in individual cases regarding other employees of the university or students.
- The Board comprises a majority of external members, i.e. persons who are not employed within the university.
- The Board elects a chair from among its external members.
- The internal members of the Board are elected by and from the academic staff of the university, including PhD students, the technical and administrative staff and the students.
- The external members are selected on the merit of their personal qualifications.
- The board members are appointed for a period of four years (students for a one-year term).
- The external members may be re-appointed to serve an additional four-year period.
- The University Act stipulates that, together, the members of the Board must contribute to the promotion of the university’s strategic aims to ensure a composition of the Board which is so broad-based as to avoid a one-sided representation of specific competencies, interests and experience.
- Rector, Pro-Rector and the University Director participate in board meetings as observers.

⁵ Extracts based on: University Evaluation 2009, Evaluation Report, Danish University and Property Agency, Bredgade 43, DK - 1260 Copenhagen, Denmark.

External Board Members

- The external members are selected on the merit of their personal qualifications. (See Appendix A for an example of the profile of those external members selected for the board of one Danish university)

An amendment to the Danish Universities Act will come into force in 2012. It stipulates that the selection process for external board members be undertaken by two separate committees

1. Nomination Committee
2. Appointment Committee

There is some flexibility for individual universities in determining membership of the committees. It is understood from the leadership of one particular Danish university that the process is likely to proceed as follows⁶

- The Nominations Committee is likely to be composed of the Board itself, which will receive candidatures, discuss these and nominated candidates to the Appointment Committee for selection.
- The Appointment committee is likely to be composed of the chairman of the Board together with two external representatives appointed by the Board of the European Consortium of Innovative Universities (ECIU) and the Board of the university's Alumni Association.

⁶ Personal correspondence with members of Danish university leadership

Governance of Irish Universities

Current Situation

The 1996 Irish Universities Act was intended to introduce reforms to the governance of Irish universities, however due to circumstances in the Oireachtas (the Government lacked a Seanad majority) significant amendments were introduced at the insistence of university senators. Governance structures of Irish universities diverge from best practice in the US and in EU countries, such as Denmark and Finland, where reforms have been introduced.

Characteristics of Irish university governance requiring attention

- A majority of membership is internal
- Membership is large (ranging from 25 at DCU to 41 at UCD)⁷
- Most members are unlikely to have prior experience of corporate governance

Proposed Reform of Irish University Governance

Introduce reforms based on university governance reform experience in Denmark, Finland and on US best practice in public universities

Proposed Composition of University Governing Authority Board

Board of 11 members (6 external)

Five Internal members⁸

- The chief officer
- One member of the academic staff of the university who is a Professor or Associate Professor, elected by such staff
- One permanent, full-time member of the other academic staff of the university elected by such staff
- One permanent, full-time employee of the university who is not a member of the academic staff of the university elected by such staff
- One student of the university who is an elected officer of the Students' Union or other student representative body in the university recognised by the Board

Six External members

- External members are selected on the merit of their personal qualifications and expertise and chosen so as to ensure that the overall composition of the Board is sufficiently broadly based and balanced that it is in a position to address the university's strategic goals.
- Selection Process:
 - As specified for introduction in Denmark in 2012
 - Nomination Committee and an Appointment Committee established by the Board.
 - Chair and majority of Appointment Committee membership external.

⁷ Governing authority membership based on IPA entries 2012: DCU 25, TCD 27, NUI Maynooth 29, UL 34, NUI Galway 39, UCC 39, UCD 41

⁸ Text based on Irish Universities Act, 1997.

Chair

- Elected by the Board from external members

Term

- 4 years
 - renewable for a further 4 years in the case of external members
 - confined to one year in the case of the student member
- Staggered terms

Terms of Reference

- Based on Danish legislation

Composition of First Boards

- Composition of first Boards determined by a Commission appointed by Ministry for Education and Skills and composed of
 - The chief officer
 - One nominee of outgoing Governing Authority
 - Chair of HEA
 - Chair of Forfas
 - Chair of Arts Council
- Commission chaired by external member elected by Commission

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