

# **On University Governance**

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#### **Introduction**

The recourse to governance was an important milestone in the evolution of authority in modern society. However, governance continues to be vaguely understood and has remained loosely defined as against government, management, and administration. Before analyzing university governance and its impact, one should clarify what governance as such means and which is the field of its application. Therefore, in my intervention, I will first circumscribe university governance by indicating the conditions of its appearance (1), the connotation of governance (2), and its specific difference among the forms of leadership (3). I further examine good governance (4) and indicate the limits of governance (5), the uses of its legitimate application (6), as well as the impact of university governance on quality (7). Then, I characterize different patterns/modeling of governance (8), to conclude with lessons resulting from an experience of it (9). My aim is to clarify university governance, the field of its successful use, and the advantages brought, particularly in the quality assurance of activities in universities.

#### **1. How university governance took shape**

University governance has been a result of the changes which occurred in modern society [see Andrei Marga, *Guvernanță și guvernare: Un viraj al democrației?* (Compania, București, 2013, pp.12-36)] during the eighties. The background of this development was represented by a change in the management of companies, communities and organizations, due to a new understanding of the person who is governed/led – namely, not only as an object of decisions, but also as a participant in the elaboration of decisions – and a new profile of the decision maker. Governance was part of the democratization of decisions.

The massification of higher education, especially after 1968 – by the increase in the number of students and teachers, the multiplication and diversification of universities, the new faculty geography, and the reorganization of departments – has had an impact on university management also. Performance has become dependent not only on the quality "of central decisions", but also on "local initiatives", "power" being thereby inevitably redistributed.

By placing universities in the service of "industrial society", and, more recently, of "knowledge society", it has become a condition of their existence to contribute not so much with ultimate truths, but with useful knowledge for the economy and administration, not primarily with people of culture,

but with specialists in technology, economy, administration. By virtue of their autonomy, universities have come to take decisions by themselves, but only after an inside and systematic reorganization.

Above all, universities have been pushed to highlight all factors that increase performance. The globalization of the economy and communications has expanded the market of product capitalization, including university products. Higher education institutions no longer remained mere extensions of the old national cultural projects, but entered an intensified competition on global markets.

University governance was the answer to all these new situations. It was also a direct response to the need for reorganization as a result of changes in education policy. In European countries, for instance, concern with the widening of "access" to higher education prevailed after 1968, and after 1989, this concern was heightened in Central and Eastern Europe. In the late 90s, however, the issue of "efficiency" of higher education joined the proscenium. The old theme of "university autonomy" was complemented with that of "responsibility", and, more recently, with the theme of "accountability" in the use of resources. As mentioned in the *Magna Charta Universitatum* (1988), universities are institutions that are not effective unless they enjoy autonomy. Most governments have integrated this truth both in legislation that encourages assuming autonomy, responsibility and accountability practice, and in policies towards the use of higher education institutions as actors of development programs.

What followed – the transition to project financing, differentiating funding sources, periodic evaluations of university programs by specialized agencies, putting in the forefront the development of professional skills in students, the credit transfer system, and more – are actually components of a vision of universities as part of economic, administrative and social programs. For instance, the *Conference on Higher Education Governance between democratic culture, academic aspirations and market forces* (Strasbourg, 2005) viewed the governance of higher education systems in terms of work force training, active citizenship and democratic mentality, personal development and "knowledge society" support. "Transparency", "accountability", "adaptation" and "participation" were proclaimed principles of governance. Universities, both as a system of higher education, and taken individually, were expected to adopt this approach. Within this framework, an organizational meaning of governance has gained ground. And this meaning still needs clarification.

## **2. The connotation of governance**

Now, let's see what is meant by governance through some eloquent examples.

Following the Madrid Convention (1980), signed by the Council of Europe, the question of equipping border regions with competent border cooperation (CBC) capacity was raised. Governance was here equated with the regions' autonomy of action. (Claude Marconi, Muriel Thoen, *La Coopération*

*transfrontalière*, DFLA, Paris, 2011, p.91). Obviously, governance redistributes the power of decision in the management of a company so far as to claim autonomous units should work together in achieving its objectives. The World Bank, however, has drawn attention to the fact that "governance" brings results only within a solid "government" when it pointed to the fact that "effective public sectors in the world were generally characterized by a strong central capacity to formulate macroeconomic and strategic policy "(World Bank, *World Development Report*, 1997). By way of example, the formation of cross-border cooperation areas has indisputable reasons, even if regionalism as ideology remains to be discussed.

The European construction is another experience of governance. It is an example of how important the recommendation of "international integration" through "material, economic, financial and trade interdependence in the postwar decades of Europe was" (see David Mitrany, *The Progress of International Government*, Yale University Press, 1933). It's actually an experience of the prevalence of "governance" over "government". Governance here means a form of authority disconnected from the central power and placed as result of analyses and surveys in the field of decentralized decisions. Governance is connected to the reinterpretation of communities in terms of functions, thus reducing the weight of central authority, and their operation in terms of ensuring the welfare, thus diminishing the commitments that transcend the horizon.

After the completion of the East-West ideological conflict, governance was discussed in the context of the United Nations concerns to find a framework for a new management of the international situation. Following the historic turn of 1989, it was the following: "traditional nation-states are now included in a global governance, multi-leveling, wherein the plurality of public and private actors interact competitively in a refined dimension of territorial power, in which not only the United States, but also the global regional processes have become very salient" (Cesar de Prado, *Global Multi-level Governance: European and East Asian Leadership*, UNU Press, Tokyo, New York, Paris, 2007, p.4). In response to the dominant neoliberalism, the search for a "different globalization, accompanied by an appropriate governance" began, amid strengthened governance, statehood and sovereignty (Pierre de Senarclens, Ali Kazancigil, eds., *Regulating Globalization: Critical Approaches to Global Governance*, UNU Press, Tokyo, New York, Paris, 2007, p.2). Governance was understood as coordination of the many participants/actors in international life, acting in accordance with their decision-making autonomy in order to achieve common objectives.

We can, of course, extend the list of examples, but the cases already mentioned offer an insight into what governance is. Some equate governance with "managing the country's resources" and in this way they extend it too much. Others rightly realize that in the case of governance we deal only with "the manner in which the social and economic resources of a country are managed, while power is

distributed" (B.C. Smith, *Good Governance and Development*, Palgrave Macmillan, New York, 2007, pp.3-4). I argue, even based on the examples just mentioned, that, although it has a common ancestry with "government", "governance" stands for "another way of managing", which is different from the one represented by government.

Both are forms of leadership, but while government assumes central authority and its mandatory provisions, governance focuses on decentralizing authority and the independent movement of its components, as well as on the synergies resulting from it. Governance is – if we were to give a definition – the leadership which correlates, in a way capable of generating synergy, autonomous actions of different factors in an enterprise or organization of any kind (industrial, financial, cultural, educational, political) in order to achieve previously established goals. It is detectable not so much at the level of mandatory provisions (from laws to detailed regulations) of government, as at the level of a set of rules that structure the life and activities of communities under conditions of autonomous initiative – which is reflected in language, behavior codes, norms, institutions, and laws.

## **2. Governance, government, management**

Governance has crossed the threshold of universities in the eighties, as an imperative of their reorganization, and constantly won in precision ever since. By virtue of their nature as institutions, of their autonomy recognized by most modern constitutions and the cultivation of academic freedom, universities quickly became advocates of the transition to governance. Therefore, they continue to be concerned about refining governance. However, the very notion of university governance still needs clarification.

Governance often includes human capital, training graduates for active life, the importance of leadership, targeting scientific research, the importance of student opinion, accountability, the role of stakeholders, university values (see Jürgen Köhler, *Higher Education Governance: Background, Significance and Purpose*, 2009 ). Of course, almost everything in a university has to do with governance. Therefore, it is tempting for those who reflect on universities to leave nothing out when they discuss governance. Some talk of university governance as "constitutional forms and processes through which universities govern their affairs" and insist upon the multilevel character of governance (Michael Shattock, *Managing Good Governance in Higher Education*, Open University Press, 2006, p.1). To consider the university in terms of governance means, in this approach, to ask four questions: 1. how is such an institution – be it public or private –organized and governed; 2. how does it develop its strategy and policy and how does it translate the environment and/ or its operational systems into action; 3. how does it cooperate with foreign partners; 4. how is it legally regulated (P. Kwickers, "Governing governance: law and network-organization process-design", in *The International Journal for Education Law and Policy*, volume 1, 2005 no.1-2, pp.73-102 ). Obviously, in

this understanding, governance is extended beyond government, which it includes here. Some say explicitly that "governance means governing plus something else, namely, public policies, institutions, a system of economic relations or a role for non-governmental sector in the state's business" (B.C. Smith, *op.cit.*, pp.3-4).

Like I said, almost anything in a university has to do with governance, but not everything actually pertains to it. Governance has to do with the rules related to the autonomous operation of various components in order to grant the necessary synergy to reach the expected objectives. It interferes with government, management, administration and legislation, but it is still something distinct. Here are the differences.

"Government" may use "governance" in university management and may encourage the use of "governance" inside the university. But, while government inevitably means organization and domination, governance remains oriented towards correlating the actors through rules; while the government will, if necessary, have recourse to the application of the measures in force, governance includes rules that are not under government control; while government is led by bosses, governance depends on leaders. Implemented in a system of higher education or within a university, governance however depends on the government in multiple aspects: legislation, financing, establishing management rules (at least in public universities). Therefore, it is normal that, when reflecting on governance, academics should discuss, taking into account the value the autonomy of universities and academic freedom, how to materialize governance, i.e. decentralization and fostering autonomous initiatives. But it is unrealistic to leave outside examination the dependence of governance on government.

Governance is different from "management". While management uses the knowledge of the rules that structure a university but, in order to achieve the goal works with predetermined benchmarks, governance does not take predetermined milestones; while management operates monologically, governance resorts to communication and even dialogue.

Governance is also different from "administration". A university administration is favored to have knowledge of governance, but it takes decisions on the horizon of the established project. It converts the rules of governance into tools, but governance is broader than the surface elements to which the administration resorts. Normally, the administration operates under the laws, while governance is only partially taken up in the legislation, because it uses, in addition to legislation, moral motivations, behavioral habits, traditions and, in fact, everything that moves people's behavior in a community.

#### 4. Good governance

The term „appropriate governance " has been used for the governance which has a self-correcting capacity to prevent serious dysfunctions (Jagdish N. Bhagwati, „Globalization and Appropriate Governance”, in Anthony B. Atkinson ... *WIDER Perspective on Global Development*, Palgrave Macmillan, New York, 2005, pp.94-100). The term "good governance", originated in the development theories, covers what the authors have set as a condition for the success of a company. Both – the appropriate and the good governance – are operational terms that need further development if they are to be used in higher education and universities. In any event, governance is an appropriate one, after it was proved to be a good one. When is governance a good governance and what happens if it is unsuccessful?

Some authors believe that governance is good if it satisfies their value options. For example, assuming the market economy, the minimalist state, the free trade (B.C. Smith, op.cit., p.5) is considered an evidence of good governance. Experience shows that this is not enough for a governance to be good. I think we should go further and say that a governance is good if it brings about the results for which it was installed, because options can be put to test in terms of their consequences. We may proceed by analogy with government: government is good if its results contain technological advance, economic productivity, wellbeing, justice in society, political freedom, civility relations; similarly, governance is good if it ensures the autonomy of components, their specific movement, their synergetic action, and higher yield. In the case of universities we have the same situation.

In some areas, there were formulated criteria of "good governance". For example, in "territorial governance", among the criteria suggested were the "harmonious or conflicting relations between the elected ", "the types of intercommunal/municipal governance," "the divergent or synergistic relations of the elected officials with the economic and social actors", "the relations with the higher public powers", „a territorial vision", " the understanding of a possible project of territories", "the existence of a coordinator and the network people" (Gerard-Francois Dumont, *Diagnostic et gouvernance des territoires. Concepts, méthode, application*, Armand Colin, Paris 2012, pp.76-86). If we think of a university, then we may consider the cooperation of internal components, the interactions with the environment, the return on activities, creating synergy, competitiveness of training and the scientific research, the capacity of self-analysis and to design its own development indicators of good governance. Moreover, if we evaluate the governance of a system of higher education, we will then have to add to these indicators its capacity to support the development of the society to which it belongs.

We still have at hand the analysis of the costs of "unsuccessful governance" or the pathologies of governance. In the same way as government fails if it does not ensure an acceptable technological level, sufficient economic production, wellbeing, justice, political freedom for its citizens, criticism is indispensable, so governance fails if it cannot ensure general autonomy for its components transparency of decisions, democratic debate, satisfaction of the public interest, responsibility for results, dynamic performance, competitiveness of the whole. Governance is subject, in its turn, to the criteria that separate success from failure.

## 5. Governance criticism

Let us return to university governance. From the beginning, there are answers to be given to at least two questions: What is a university? What does university governance involve? The first one is important because, in practice, universities are understood on the basis of questionable analogies. The answer to the second follows from the answer to the first question.

If we take as a basis for reflection the history of university and the experience of relevant universities we can say without fear of error that the university is not to be treated as a company, because it works explicitly on the values of autonomy and academic freedom. It is not to be assimilated to a civic association either, since it is subject to obtaining performance involving rigorous organization. If we want to make analogies we can say that the university (taken literally, so not only as an institution of higher education!) is a corporation of a peculiar kind. It is an open corporation which promotes itself in society due to a "mission" that could not be delegated – to train specialists at the highest level of knowledge, to increase knowledge and improve people's living conditions – and to multiple "functions": a formative institution for spreading and enhancing knowledge; competitive scientific research center; formative institution for sharing and implementing knowledge; place of technological innovation; court of critical assessment of situations; forum of debate for actions concerning civil rights, justice, and reforms (Andrei Marga, „Die Mission und die Funktionen der Universität heute“ in Andrei Marga, *Bildung und Modernisierung*, Cluj University Press, 2005, pp.274-280). "The true university" – to take *The Magna Charta Universitatum* central term – implies all these orientations.

In this view, the components of a university can be distinguished as follows: personalities holding the professorships, other teachers, departments, research institutes, faculties, students, administrative services and management bodies at various levels, the senate, the board of trustees, the alumni organization and rector. Any university allocates, already by its statutes, certain powers to each component, while inside the university a government is exercised by the Rector's office, assisted by the senate, the board of trustees, and the board of administration. This is done according to an autonomy which, in its most demanding versions, includes capacities of self-organization, capacities

to create and use resources, to organize education, to initiate and promote scientific research, to exercise authority in their own space.

Today, government in universities and higher education systems is increasingly dependent on promoting governance, i.e, on the approach that aims at creating a synergy by stimulating the autonomous movement of each component. The assumption is that only by replacing government with governance to the greatest extent possible, a university is capable to turn to good account its full potential. It is available in the relations both within a university, and within a system of higher education.

People expect much from governance, and some even think that governance could completely replace government. Consequently, as a counterpart, a critical approach to governance, without any conservative tendency, took shape. There are a few noteworthy arguments of the critics of governance: a) governance is opposed to administrative hierarchies, but it is disconnected from the "public interest" (Renate Mayntz, "Government Failure and the Problem of Governance", in Jan Kooiman, ed., *Modern Governance. New Government-Society Interactions*, London, Newbury Park, New Delhi, 1993, pp.9-20) and gives priority to what is sold on the market; b) governance is "multilevel" (local, national, regional, global), but their actors are not their citizens and their representatives, but their stakeholders; c) governance cultivates negotiation and trade, but "being focused on technical efficiency, not on democratic effectiveness" (Ali Kazancigil, *La Gouvernance: Pour ou contre la politique ?*, Armand Colin, Paris, 2010, p.37) leaves out deliberation and public debate; d) governance favours short-range solutions, being less interested in the long-term consequences of solutions. It expands participation in decisions, but dissolves responsibility.

Criticism of university governance is no less resolute. Under governance, universities are no longer expected to provide the instruction and education of new generations, but to create "human capital". "Education is called to intercede in creating core competencies, necessary in the competition on the open market" (Richard Münch, *Global Eliten, lokale Autoritäten, Wissenschaft und Bildung von unter dem Regime PISA*, McKinsey & Co, Suhrkamp, Frankfurt am Main, 2009 , p.30) and is forced to serve contextual economic programs. As a result, Europe is talking about a degradation of education, from the famous *Bildung*, so enthusiastically defended by Humboldt, going through what Adorno incriminated as *Halbildung*, to the *Unbildung* confronted by the educators of our time (Konrad Paul Liessmann, *Theorie der Unbildung. Die Irrtümer der Wissensgesellschaft*, Piper, Munich, Zurich, 2008). In terms of governance, education would break the traditional search for truth ( p.70 ) and would dissolve into a training of simple skills to adapt to contexts.

## **6. Governance benefits**



When it aims to replace government and wants to cover everything, governance takes a risk, and its criticism should be taken into account. It does not follow, however, that we must give it up. Governance has a legitimate field of application which should be well circumscribed. "Method of non-political coordination, it is not equipped to coordinate the action of the institutions and state machines. It is more appropriate to social relationships and market in configurations in which the border between political and market spaces is porous" (Ali Kazancigil, op.cit., P.72). On the public arena, governance replaces the old *politics* with the promising *policy*. Public policies in multiethnic assemblies, multicultural communities, city administration, in general, public policies that aim at mobilizing all stakeholders are better served by governance. In higher education systems and universities – in the circumstances of a multiplication, i.e. a diversification of faculties and departments, of the need to interact with the economic, administrative and cultural environment, to ensure functional autonomy and promotion of values – governance is a better solution. It harnesses more than anything "informal relations", weakens rigid hierarchies, spreads the atmosphere of negotiation, creates space for expression for "local players", even if in this way those who decide become less visible and impose their options through more subtle mechanisms. The consequences university governance are often positive: more university traditions are cultivated, diversification of the types of universities to according to the needs of development of their respective zones, which means, an orientation towards practical consequences, towards measurable results, extended opportunities for institutional profiling and personal affirmation, opportunities for various talents. Therefore, the issue is not to reject university governance, but to make it work for desired results within a framework created by a good government.

But how to get there? If we take a look at the current university geography, we can say that university governance has optimal results when it makes the following premisses meet: a) a sound legislation – governance is successful only where legislation is guided by a valid vision with regard the allocation of rights and is led by the public interest to make a step forward ; b ) a good governance – governance is successful only where it is exercised on the basis of precise statutes by personalities who enjoy professional and civic prestige; c ) a good personnel policy: governance is successful only where meritocracy directs in an uncompromising way the selection of the personnel; c ) a better informed academic community : decentralization and democracy always depend on the level of information of those involved, but, today, we can also say that their good information is dependent upon the decision makers themselves.

## **7. University governance and quality**

Today, quality assurance is part of the efforts of universities to cope creatively to the "challenges" triggered by the transition to the "knowledge society", the "expansion of education" and the "massification" of the traditional academic education in the "globalized economy", the emergence of a

"deschooling society" by the multiplication of the education bidders in the expansion of the "open university" in the proliferation of the "constructive learning" and the "moral challenges" to the transition from the training of individuals to the education of free individuals and responsible persons. "Quality of education" now includes, besides meeting the traditional indicators, the meeting of the expectations of those who finance institutions (*stakeholders*), the qualification of the young people to study and make a career outside their country of origin, the development of their capacity to find an employment (*employability*). The quality criteria (see an extended analysis in Andrei Marga, "European Quality Assurance in Higher Education. Proposals", in Andrei Marga, *University Reform Today*, Cluj University Press, 2005, pp.336-350) also include the assumption of the university autonomy as a tool to enhance their performance, explicit assumption of the mission and functions of the university, nondiscriminatory access to studies, quality of the curricula, qualification of teachers and researchers (faculty), permanent feedback from students and those involved and openness to dialogue, flexible organization, quality of infrastructure, stimulating allocation of resources, systematic auditing, quality self-assessment, and orientation towards innovation.

What is the contribution of governance to ensure quality ? It is easy to see that universities are essentially interactive institutions – i.e. institutions in which not so much hierarchical relations, but interactions lead to meeting the mission and their functions. The scope of a university depends on the interactions among and between academic leadership and various components of the university, faculty, faculty and students, academics and representatives of economic, administrative and cultural milieu, as well as on the level of internationalisation of the university. And these interactions can be brought into forms capable of generating high performance only by recourse to governance. Almost all quality criteria can be met at a competitive level by making use of the ability of governance to generate synergy.

## **8. Models of governance**

Governance has already registered many modelings. The most discussed, being also more attractive, remained the "corporate governance". This model was well received by economists as a solution to increase organization and safety of investments and economic process from the perspective of investors and participants. The enthusiasm was so great that "corporate governance" was at one time equated with "all the mechanisms by which a company is managed and controlled". Subsequently, it was characterized, more moderately, as "the application of fundamental democratic principles within an organizational typology, such as a company". More recently, (see Nadia Albu ..., *Guvernanța corporativă în România. Percepții și Perspective*, Bucharest, 2011) "corporate governance" is considered to be the "assembly of the rules of the game" through which components are managed internally and are supervised by the board in order to protect the interests of all the parties, but it also indicates the distribution of rights and responsibilities among different participants in a company, and

it equally promotes the rules and procedures for making the right decisions in the unity". Three distinctive functions of governance are now revealed: protection of the interests of the parties involved in the activity of a company, distribution of rights and responsibilities, and establishment of rules and procedures for decision making.

Within certain limits, corporate governance may be inspiring for universities. A university can use governance after adding, however, two complements pertaining to the interactional nature of the academic institution and its discursive tradition. Namely, only a meritocratic distribution of rights and responsibilities, and also rules and procedures for decision making open to deliberation bring about an atmosphere in which those who are involved see their interests protected and participate in creating the synergy generated by governance. Only then governance is a "shared governance", most capable to motivate people.

Now we are able to do a step forward assuming „the shared leadership". Based on the experience of certain American universities (see James Duderstadt, *University for the 21st Century*, University of Michigan Press, Ann Arbor, 2000) the formula is very promising. „In shared leadership, administrators and faculty are asked to approach leadership challenges much more collaboratively, rather than sequentially" (Peter D.Ekel, Adrianna Kezar, *Presidents Leading...*, in Philipp G.Altbach, Patricia J. Gumpert, Robert O. Berdal, *American Higher Education in the Twenty-First Century. Social, Political, and Economic Challenges*, The Johns Hopkins University Press, 2011, p.305). Under some conditions, such a step could be beneficial for the institution.

## **9. Lessons of experience**

In 1997, I delivered a conference on governance in Ottawa where I defended the thesis that, after 1989, in the countries of Central and Eastern Europe, the type of governance adopted explains better than other factors the different rhythms of the transition from oriental socialism to open society, and that in the countries of this region this type was that of "populist governance" (Andrei Marga, "Governance Now. Participation and Efficacy" in Andrei Marga, *University Reform Today*, pp.48-66). I conceived of governance as a set of rules and systems of rules that structure the lives of communities, which can be identified in language, habits and codes of conduct, norms, laws and institutions. Language is what creates reality for social actors; general views on the natural, social, and private world motivate action; the interpretations of history legitimize rules and roles; the framework of decisions motivate action; institutions ensure the functional unit of the community. I then distinguished between governance, which I called "democratic populism", and the one I called "democratic pluralism", and I spotted their characters in the following indicators: the role assigned to private ownership, the role attributed to the State, civil society and the market as a regulator of the economy, the recognized autonomy of the public sphere and the evaluation of political diversity, as well as the assessment and the role of minorities, the interpretation of globalization, the support given

to social criticism , and the role given to social research in decision making, the individuals who take decisions and how they adopt them. I do not insist here on the detailed characteristics of the "populist governance". I would just mention that it involves the relativization of the importance of private property, in fact an extension of the role of the state in the economy, the public sphere, the colonization of the latter by private groups, favoring political unity at the expense of diversity, considering political minority as circumstantial, the interpretation of globalization as a threat, the cultivation a social criticism which does not bother the holders of power, the combination of power monopoly with mass mobilizations.

I emphasize, however, that from the experience of this governance at least three lessons are to be learned. The first is that governance yields results within a structured government and clear regulations. If that government is established only after the installation governance, there will be difficulties related to the fact that the two processes become confusing. The second is that governance itself is more functional if, besides the autonomy of action of the components of a system, the different competencies of action are well defined through proper regulations. Otherwise, governance risks to become chaotic and to produce poor results. The third is that the governance gives the best results when those involved have at their disposal as much information as necessary and are motivated to participate in decisions and to assume them. Communication which excludes outside barriers outside, but also in communication itself, is the way to achieve a "shared governance", which is more adequate.