

EXECUTIVE SUMMARY

The governing body is responsible for ensuring the effective management of the institution and for planning its future development. **It has ultimate responsibility for overseeing all the work of the institution.**

This Good Practice Guide is set out under five key areas of good governance core principles and practice. These are generic. They can, and should, be applied to all institutions. The implementation of this Guide may vary according to the size, mission and type of institution. In particular, implementation may be constrained by a low degree of autonomy of the governing body from the funding government or private trust, especially during times of reform and transition. However, the core principles embedded in this Guide, we believe, are the same for any governing body, institution, private trust and funding government wishing to demonstrate that it is practising good governance.

A PRIMARY ACCOUNTABILITIES OF GOVERNING BODIES

Good governance requires all higher education institutions to have an **effective and accountable** governing body.

The governing body of an institution is collectively responsible for overseeing the institution's activities, determining its future direction, and fostering an environment in which the institutional mission is achieved.

The **primary accountabilities** of governing bodies are:

- a **To approve the mission and strategic vision** of the institution, long-term business plans and annual budgets; ensuring that these meet the interests of stakeholders, including students, employers, local communities, government and others representing public interests.
- b **To ensure the establishment and monitoring of proper, effective and efficient systems of control and accountability** (including financial and operational controls, risk assessment and management, clear procedures for managing physical and human resources including for example, handling internal grievances and for managing conflicts of interest).

- c **To monitor institutional performance and quality assurance arrangements**, which should be, where possible and appropriate, benchmarked against other institutions nationally and internationally (including accreditation and alignment with national and international quality assurance systems).
- d **To put in place suitable arrangements for monitoring** the head of the institution's performance.

B OPENNESS AND TRANSPARENCY IN THE OPERATION OF GOVERNING BODIES

Strong governing bodies promote **transparency and openness** in support of the high ethical standards expected to ensure public trust and institutional integrity. For example, by:

- a Publishing an annual report on institutional performance, including the identification of key individuals and a broad summary of the responsibilities and accountabilities that the governing body delegates to management, or those that are derived directly from the instruments of governance.
- b Providing as much information as possible to students, faculty, the general public and potential employers on all aspects of institutional activity related to academic performance, finance and management.
- c Ensuring that all reported information, including that conveyed in marketing campaigns, is truthful (if there are legal or commercially sensitive reasons for not providing information these should be made publicly known).
- d Maintaining a register of interests of members of its governing body that is publicly accessible.
- e Conducting proceedings of governing bodies in as open a manner as much as possible (and permissible by statutes), including the review of the governing body and any reports on the outcomes of such reviews.
- f Detailing student admission information to ensure public trust and confidence in the integrity of the processes used regarding the selection and admission of students using clear and transparent criteria, procedures and processes.
- g Ensuring that vacancies are widely publicised both within and outside the institution.

The general principle applies that students and staff should have appropriate access to information about the proceedings of their governing body.

C KEY ATTRIBUTES OF GOVERNING BODIES

High performing governing bodies have a keen sense of their role, responsibilities, ethics and duties. They understand clearly the high standards and quality expected by those inside and outside the institution, and how they should carry out their duties to safeguard the mission, objectives and reputation of the institution on whose governing body they serve. The following are the key attributes of high performing governing bodies:

SIZE OF GOVERNING BODIES

The size of the governing body is such that it is able to carry out its primary accountabilities effectively.

SKILLS, EXPERIENCE AND COMPETENCES

There is a balance of skills, experience and competences among governors - sufficient to enable the governing body to meet its primary accountabilities and to ensure the confidence of its stakeholders and constituents.

INDEPENDENT MEMBERS

Normally, governing bodies have a majority of independent members, defined as both external to and independent of the institution. Committees of governing bodies also benefit from the inclusion of independent members. Autonomous institutions are free from direct political interference in order to ensure academic freedom.

APPOINTMENTS

Appointments to the governing body would be managed by an independent committee (such as a nominations committee) normally chaired by the Chair of the governing body, using rigorous and transparent procedures, including the preparation of written descriptions of the role and the capabilities desirable in a new member, based on a full evaluation of the balance of skills and experience of the governing body.

CLARITY OF RESPONSIBILITIES

There is clarity in relation to the role and responsibilities of the Chair of the governing body, the head of the institution and the administrator serving the governing body.

The **Chair of the Governing Body** is responsible for the leadership of the governing body, and is, therefore, ultimately responsible for its effectiveness. The Chair ensures the institution is well connected with its stakeholders.

The **Head of Institution** is responsible to the governing body for advice on strategic direction and for the management of the institution.

The head of the institution is accountable to the governing body, which makes clear, and regularly reviews, the authority delegated to him/her having regard also to that conferred directly by the instruments of governance.

The **Administrator** (the secretary, the registrar, the clerk etc.) must support the governing body and is responsible for ensuring compliance with all procedures. S/he should also make sure that papers are supplied in a timely manner with information in a form, and of a quality, appropriate to enable the governing body to discharge its duties effectively. The administrator will also be responsible for recording the governing body's conclusions in a form that will aid their effective implementation.

All members must have access to the advice and services of the administrator to the governing body. The appointment and removal of the administrator is a decision of the governing body as a whole.

COMMITMENT

Governing bodies must meet sufficiently regularly and normally not less than four times in a year, in order to discharge their duties effectively.

Effective members of governing bodies must attend regularly and participate actively.

CONDUCT

All educational establishments, whether publicly or privately established, contribute to the public good. Individual members, and governing bodies themselves, should at all times conduct themselves in accordance with the standards of behaviour that the public should rightfully expect such as: *selflessness, honesty, integrity, objectivity, accountability, openness and leadership.*

Governing bodies, and individual governors, exercise their responsibilities in the interests of the institution as a whole, and not as representatives of any constituency, company or organisation.

D EFFECTIVENESS AND PERFORMANCE REVIEW OF GOVERNING BODIES

High performing governing bodies keep their effectiveness under regular review and ensure that their members are properly inducted and receive opportunities for further development as deemed necessary.

Effectiveness is measured against both an institution's statement of primary accountabilities and its compliance with these guidelines. Structures and processes will be revised accordingly, as part of the governing body's ongoing regular review processes.

In reviewing its performance, a governing body should reflect on the performance of the institution as a whole in meeting its long-term strategic objectives and its short-term indicators of performance/success.

Where possible, governing bodies should benchmark institutional performance against such indicators of performance and success of other comparable institutions.

E REGULATORY COMPLIANCE

Governing bodies ensure compliance with the statutes, ordinances and provisions regulating their institution, including regulations by statutory bodies, such as the AICTE and UGC, as well as regulations laid out by the State government and affiliating university (if any); and, subject to these, take all final decisions on matters of fundamental concern to the institution. The regulatory compliance includes demonstrating compliance with the 'not-for-profit' purpose of education institutions.

From experience in India, and elsewhere, **effective governance** is most likely to be prevalent when it is **an integral part of the acts and statutes that considers both autonomy and accountability.**