Chapter 1

UNIVERSITY GOVERNING BODIES IN AUSTRALIA: ISSUES AND CONTEXT

...there is also a body called the 'Council', which consists of men
who are firmly convinced that they are business-like.
(Microcosmica Academica, Cornford 1908)

Focus of the study

Australian university governance is facing new challenges, subject to demands for greater control and accountability by governing boards and for commitment to internal management reform (DEST 2003; Maiden 2003). These demands disguise a lack of empirical evidence on university governing boards, referred to in this study as councils.[1] For example, little in a research sense is known about the extent to which university governing board members embrace the tenets of corporatism or managerialism (Bessant 1995; Harman 2002; Meek 2002). Although a sense of values and mission has been identified as significant in the governance of not-for-profit organisations including universities (Smith 1995; Steane & Christie 2001), the extent to which traditional university values resonate with members of Australian university governing boards has not been explored in recent times. Similarly, there has been scarcely any study of the effect of the Australian structural reforms of the 1990s, such as the creation of new universities, on university board members' preferred governance models.

My research addresses some of these issues, and specifically the repertoires of ideas and associated governance models that public university governing body members in one part of Australia use to make sense of their governance functions.

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[1] Most university governing bodies in Australia are called a 'council' although a few are referred to as a senate.

Through an examination of the ideas expressed by members of five Australian university governing boards, my study aims to show how analysing these council members' 'repertoires of legitimation' (Boltanski & Thévenot 1991, 1999) can increase understanding of the ways board members interpret the principles and practices of university governance.

Governance may be seen as a shared aspiration and a shared frustration, simultaneously construction and critique - a series of imperfect and contingent attempts to steer, by external means and by self-regulation, a state of affairs in order to achieve desired ends (Hunt & Wickham 1994; ANAO 1999; Edwards 2000b; Bevir & Rhodes 2001). The practices of governance pervade society - at the level of the state, within the market, in structuring fields or sectors, at the level of individual institutions or organisations, in small groups and even, in governance of the self (Burchell, Gordon & Miller 1991; McTaggart 1999).

Considered more specifically, governance is often understood as the governance functions of a board, as in much writing on 'corporate governance' and as contrasted to 'management' or executive functions. Since the 1990s, there has been an explosion of interest in corporate governance, driven by the widespread adoption by governments of codes of corporate governance, interest in corporate ethics and the potential for new regulatory regimes (OECD 1999, 2003). Professionalisation of this field of research is demonstrated by the number and range of journals and journal articles on topics related to corporate governance and the establishment of numerous university research centres in corporate governance (see for example ECGI 2003).

Recent corporate collapses, such as that of the Enron corporation (Lavelle 2002; Kelly 2003) and the collapse of HIH Insurance in Australia (Gettler 2002), have focused public attention on the responsibilities of governing boards and on factors that empower or disempower a board in its scrutiny of an enterprise's operations. Reporting on recent Australian experience, researchers comment: 'Corporate governance has never been so topical or important' (Kiel & Nicholson 2003: 189). These developments have prompted

the Australian Stock Exchange to issue Principles of Good Corporate Governance and Best Practice Recommendations (ASX 2003). In a related development, new Corporate Governance Standards have also been developed by Standards Australia (SA 2003). Best practice in institutional governance is no less significant for universities, which have budgets in the order of tens or hundreds of millions of dollars. In the Australian university sector, boards are increasingly under scrutiny as their leaders come under attack or institutions face reputational and financial problems (Contractor & Noonan 2001; Ellingsen & Ketchell 2001; Madden 2002; Ketchell 2003; Buckell 2003).

One definition of the main function of governance is 'to question, challenge, test and refine the organizational story' (Bradshaw 2002: 475-476). In this view, governing boards act as a 'community of interpretation' for institutional aspirations (Smith 1995; Abdo 1998, 2002). Both internationally and in Australia, higher education has undergone major changes in the past two decades. Successive waves of government and technological change, plus the impact of globalisation, are re-shaping universities and university systems worldwide (Goedegebuure et al. 1994; Meek 2003a). At the institutional level and in response to significant changes of the 1980s and 1990s, universities in Australia and elsewhere are adopting a new institutional form, that of the 'enterprise university', characterised by new forms of governance and new power relations (Slaughter & Leslie 1997; Marginson & Considine 2000; Bertselsen 2002).

Universities are being asked, on an ongoing basis, to show greater responsiveness and accountability by universities to students (customers), to business and to government (Tierney 1998; Birnbaum 2000). At the same time, a reaction against the 'corporatisation' of universities finds its voice in the defence of higher education 'as both a public good and as an autonomous sphere for the development of a critical and productive democratic citizenry' (Giroux 2003:22).

Motivating and paralleling the changes to international and Australian higher education is the cluster of concepts collectively known as economic rationalism (Burchell 1996) including the 'new public management' or 'managerialism' in public sector agencies (Hood

1991). University governing bodies in Australia are constituted through the discursive practices of members of the institutional field named 'Australian universities' but also, and increasingly, through discourses from the field of government, at both State/Territory and Federal Government levels (VDET 2002a, 2002b; DEST 2002d, 2003). In Australia, where universities have been viewed as essentially public sector institutions since World War II, the collection of international public sector reforms referred to as 'the new managerialism' have exerted significant shaping effects (Hughes 1992; Weller, Forster & Davis 1993; Yeatman 1996; Meek 2003b). These reforms are characterised by Deem (1998: 47) as the 'adoption by public sector institutions of organisational forms, technologies, management practices and values more commonly found in the private business sector'.

The impact of managerialist business practices on universities is starting to be assessed both nationally and internationally (Harman 2002; Meek 2003a, 2003b). As yet, however, there has been little examination of whether the language of 'business' provides a new dominant discourse for university governing boards, in the form of either 'hard' or 'soft' managerialism (Trow 1994). Similarly, there has been little systematic study of the ways in which a focus on efficiency in university governance, characterised as 'corporate governance', intersects with processes of 'participatory governance', or has produced improved governance practices (Edwards 2000a, 2002b).

My thesis is that board members of university councils in Australia use not one dominant discourse to express their ideas about the principles and practices of university governance but rather several distinct repertoires or systems of value - of business, of the community, of traditional university values and of professionalism. Analysis of these repertoires, each of which implies a different 'logic of action', illuminates our understanding of the values that drive governance behaviours and why board members interpret governance functions in different and sometimes contradictory ways. Such an analysis can also be used to assess the extent of the influence of 'managerialist' ideas on university governance, and in particular the view that universities should be regarded as no more than a particular type of business.

The underlying idea is that concerns over Australian university council performance can be considered by reference to the presence of multiple (often unexamined) discourses of governance as well as to the lack of empowering factors for better board performance. It is suggested that identification of repertoires could provide a useful means for boards of all types to examine their own ways of working while at the same time opening up opportunities for new dialogues.

Key concepts are that these repertoires of university governance can be applied simultaneously or separately, depending on the circumstances, that they form the background against which specific issues are debated and, importantly, that they are likely to colour the ways that councils approach matters such as strategic planning, accountability and the discharge of their role to oversight the operations of the institution.

The theoretical basis for my research is provided by the sociology of Pierre Bourdieu, coupled with the discourse analytical method of interpretative repertoires (Wetherell & Potter 1988; Wetherell 1998) and recent work on 'regimes of justification' (Boltanski & Thévenot 1991, 1999; Lamont & Thévenot 2000). In this context, a repertoire refers to a 'value set' or a cultural tool kit for ascribing value that comprises 'a culturally familiar, recurrent or habitual line of argument comprised of recognizable themes' (Wetherell & Potter 1998: 400), possessing its own internal logic. Related ideas are those of frames or multiple images of organisation (Morgan 1986), writings in organisational sociology and 'logics of action' (DiMaggio & Powell 1983; March & Olsen 1998; Fligstein 1998, 2000), and actor-network theory, which aims to demonstrate how multiple 'objects' are enacted in discourse (Law & Hassard 1999; Dugdale 1999).

University governing bodies, or councils, occupy an interesting position in regard to Australian university governance. They operate across the boundaries of fields, considered as institutional sectors, by mapping a wider range of interests onto the field of 'universities' or 'higher education'. In Australia, each public university is governed by:

...a university council (sometimes called the Senate) which is responsible for the overall strategic direction of the university. University councils are chaired by the Chancellor and include as members the Vice-Chancellor (President), representatives of the academic staff, general staff, students and external members nominated by State Parliaments or council itself. (AVCC 2000)

The composition of councils symbolically represents the interface between universities and society while also representing internal governance structures - the executive, the Academic Board and what may be called the 'community of scholars'. To this extent, any one council can be seen as a microcosm, a small group that aims to weld together diverse concerns and discourses around 'governance' to achieve something for its university.

My study takes a new approach to the analysis of governing boards. By viewing governance as a locus of discursive struggles over different value sets, it becomes possible to analyse the impact on 'practical politics' (Heffernan 1997) of the repertoires of key ideas revealed in discourse by governing board members. In contrast, earlier research has frequently analysed boards through the use of board typologies, e.g. the authoritarian board, the participatory board, the laissez-faire board (see, for example, Kogan et al. 1984; Wood 1985; Kerr & Gade 1989; Carver 1990; Murray, Bradshaw & Wolpin 1992). Such studies, although useful for highlighting differences in board orientation, mask internal differences among board members. Further, they do not explain whether the board style that emerges is a result of a conscious collective decision or whether more subtle 'shaping' processes are at work, including social practices from the wider external environment. Other work on not-for-profit boards has emphasised the impact of structural differences among board members, such as income, gender, political orientation and professional background (see for example Miller, Weiss and MacLeod 1988; Bradshaw, Murray & Wolpin 1996; Stone, Hager & Griffin 2001). One weakness of both these approaches is that neither allows for much movement of attitudes among board members, as the typologies or attributes are presented as fixed.

The starting point was my interest in discovering how council members themselves viewed the role of university governing boards, in the light of a stated Federal

Government position favouring 'corporate' boards (Hoare 1995; DEST 2002d) together with the emergence of a managerialist culture within universities (Bessant 1995; Meek 2003a). It is clear that different council members are likely to express different views about preferred governance models. However, individual views are not necessarily expressive of only one fixed or essential attitude; any one university governing body member could conceivably invoke a range of concepts drawn from divergent conceptions to explain her or his ideas.

Those studies that have aimed to shed light on governing body operations by 'asking the board members themselves' have often drawn out a range of possible interpretative categories through descriptive research (e.g. Wood 1985; Miller 2002). With a few exceptions (such as the 1996 study by Daley, Netting & Angulo), for the most part such research has not clarified the methodological assumptions made with respect to the language used by interviewees, assuming that language 'acts as a neutral, transparent medium between the social actor and the world' (Wetherell & Potter 1988: 168).

Acknowledging these points, the approach I chose takes a 'discursive turn', seeking to identify the different conceptions of governance manifested through the language of council members and how these conceptions relate to broader issues in governance. Some other studies (e.g. Kogan et al. 1984; Deem 1995; Daley, Netting and Angulo 1996) have explored this theme, and my research aims to add to this body of work by exploring, in a formal and theoretically defensible manner, how the discursive practices that operate at the local level of governance can shed light on the wider place of universities in Australian society.

At the same time, by focusing on patterns of interpretation across a range of individuals, I hope to present a more nuanced and dynamic picture of the interplay between various concepts of governance than that presented by a static set of models or by merely identifying the political actors involved.

A related interest is the extent to which university governing boards in Australia reflect various theoretical governance models and the extent to which they adopt good governance practices, as described in normative texts and international 'prescriptions' for university boards. A further question is whether the factors that empower or disempower boards in other sectors (Lorsch & MacIver 1989) are also present in Australian university governance.

Aims and significance of the research

My research has the following general objectives:

- To uncover and analyse the interpretative repertoires that members of selected Australian university governing boards use when describing governance concepts and the different 'regimes of justification' or 'orders of worth' (Boltanski & Thévenot 1991, 1999) or 'logics of action' (Fligstein 1990; Bacharach, Bamberger, & Sonnenstuhl 1996) that are invoked; and

- To demonstrate how an understanding of the repertoires used in 'governance talk' can assist us in better understanding how board members interpret governance principles and functions and thus how governance is enacted.

From these research objectives and from an examination of the literature, I derive five specific research questions:

1. If Australian university governing bodies form a 'community of interpretation' (Abdo 1998), which interpretations of 'a university' are significant in terms of board governance?

2. How do the interpretative repertoires that are identified map onto theoretical governance models? For example, are both corporate and stakeholder models of university governance supported or does one form dominate?

3. In what ways do these repertoires show the influence of managerialism, in either a 'hard' or 'soft' form (Trow 1994; Meek 2003a)?

4. What are the political implications of different repertoires of legitimation in terms of conflict or collaboration among university governing board members?

5. What does the presence of these repertoires suggest for improving the 'culture of governance' within university councils?

I believe this study is significant for several reasons. Firstly, it provides an empirical investigation of the ways in which members of Australian university governing boards (councils) talk about their governance tasks. If asked to describe the role and purpose of their board, how do individual board members respond? How is governance constituted in formal discourses about governance? Do board members express a view of councils as being essentially the same as corporate boards? There is little current systematic research on the ways that Australian university councils view their roles or of the dimensions of any differences in views among council members (Edwards 2000a, 2002b). One consequence is that we know very little in a research sense of how university councils are likely to respond to changes in government policy for universities or attempts by governments to reframe higher education. My research therefore addresses a gap in our knowledge of university councils and their views of their responsibilities.

My examination of council members' discourses about governance charts the extent to which there is a collective language of university governance in Australia and the extent to which governing body members bring distinctively different concepts to their understanding of the governance function. Such an investigation highlights the disjunctures, and the points of tension or of cohesion that impact on governance practices within universities.

Given that discourses are active in constructing a social reality by offering definitions and categorisations which are linked to wider social and cultural structures, relations and

processes (Fairclough 1992), they are intrinsically value-laden. Certain versions of the world are presented as legitimate, while others may be silenced or challenged (Weedon 1987). My research aims to elucidate these discourses and practices that are regarded as 'legitimate' for members of university governing bodies and those that are marginalised. In doing so, it provides evidence of changes in enunciative modalities (Foucault 1972), i.e. in 'what can be said' about governance and of the differing legitimacy claims that are thereby advanced.

I suggest that a reflexive understanding of the different repertoires, and their underlying value sets, coupled with some findings from the research literature on boards, may assist council members to generate a stronger culture of governance, through 'strong relationships and shared understandings' (Edwards 2003b: 6).

Governance in general can be seen as a series of attempts (and failures) to 'control or manage any known object' (Hunt & Wickham 1994: 78). In this sense, it is closely related to questions of power, autonomy and interdependence. Firstly and most obviously governance moulds internal patterns of dependence within organisations. Secondly, governance also shapes wider patterns of independence and interdependence between a field, the state and society. In the case of universities, it 'is where the academic disciplines are joined to other social institutions, where universities become externally referenced and collectively conscious' (Marginson & Considine 2000: 7-8).

My research aims to shed light on societal responses to governmental policies which have moved Australian higher education to a 'mixed mode' (market and non-market) of provision and coordination (Marginson 1993; Gallagher 200a). It therefore offers a basis for greater understanding of the dynamics between government agenda-setting and institutional implementation in relation to governance. If there are felt to be few differences between the boards of corporate entities and those of universities, there may be seen to be few differences between universities and (quasi-government) businesses. Arguments made in respect of council roles thus have the potential to reinforce broader policy positions. In this regard, my study sheds light on the influence of managerialist ideas on university

governing bodies. It also offers a baseline measure of the extent to which an emerging culture of professionalism in university governance, discussed below, has developed over the past few years.

If teaching and research programs are the academic heartland of universities, governing bodies can be regarded as 'swinging seats' in a political terrain of relations (material and symbolic) between universities and their societies and the other fields within these societies. That is, the form and style of university governance play a part in shaping individual institutions while also acting as markers for broader changes in the relations between universities and their societies. The mapping of repertoires is therefore likely to reflect wider logics available to construct and sustain the interface between universities and their communities, including the logics of managerialism, and whether universities are viewed as either business enterprises or instruments of a wider public purpose.

An examination of council members' ideas of governance roles can shed light on questions of council effectiveness and empowerment. Do council members themselves talk of councils as powerful, purposive bodies or as essentially 'rubber stamps'? This question is also addressed. Differing models may also dictate preferred council practices, for example in the conduct of meetings, working parties outside meetings, and the content of discussion.

Governing bodies may not discuss among themselves the ways in which they conceptualise governance, although they may reflect on their roles from time to time. My research, in asking governing body members to talk about their approaches to various governance concepts of itself constitutes an injection of reflexivity. If my thesis suggests any productive measures for university council members, the first and foremost of these is to open a space for reflexive discussions about the differing concepts and values that council members bring to their governance functions.

Finally, my study is significant in adding to an emerging, but still underdeveloped, literature on the conceptualisation and analysis of board governance, especially as it

applies to not-for-profit organisations established for charitable, religious or public purposes. This study shows that conceptions of governance of Australian universities do not fit neatly under one theoretical model but actually use a mix of several different models. In addition, the identification of repertoires suggests opportunities for future research on the extent to which differing 'value sets' coexist among boards of not-for-profit institutions and how different repertoires impact on the conduct of organisational governance and oversight.

Methods of data collection and limitations imposed

This qualitative study analyses ways in which university council members talk about university governance. Data were collected by interviewing a purposive sample of 56 governing board members across five of the eight universities in the State of Victoria, Australia's smallest mainland State but the second largest in terms of population. The methodology and the field settings are further elaborated in Chapter 4.

My research does not does not attempt to provide a comprehensive account of university governance in Australia, or even of university governing boards. Rather, it aims to improve understanding of how governing body members themselves construe their roles and responsibilities, and the underlying governance principles which are important for them in organising their ideas about council. However, it does not examine the practices of council members and may not fully reflect the concepts of governance that are used to justify a particular position in an actual debate or discussion. A more comprehensive analysis of university governance in Australia could use multiple methods of data gathering, including responses by a broader sample of council members.

Context for the study: the Australian university system and the agenda for governance reform

The context for my research is the situation of Australian universities, understood as both their location in a shared societal space and as the position in which they find themselves after more than a decade of significant internal and external change. In this section, I describe some structural features of the Australian university system, together with a brief

account of the major reports on university governance, and other developments, including the emergence internationally of a professionalising normative discourse of good governance practices.

As noted above, developments in the role and organisation of both Australian and international higher education over the past two decades have been extensively documented (Gallagher 2000a; Meek 2003b). Significant among the changes are the 'massification' of higher education and changing student characteristics; the emergence of global markets in higher education; and changes to funding structures, including the diversification of universities' income streams.

The establishment of a Unified National System of higher education in Australia in the 1990s, coupled with increased competition, institutional amalgamations and a focus on instrumentalism in education (Marginson 1993: 124) are additional features of the local context. For the purposes of my research, the following constructs are important characteristics of the changes:

- An increased number of universities in Australia, especially those 'new universities' created in the 1990s;

- The establishment of 'dual-sector' (non-degree further education and degree-awarding higher education) institutions in the State of Victoria, together with ongoing amalgamations;

- Stronger corporate management and the growth of managerialism in universities;

- A strengthened role for the state (Australian Federal Government and State/Territory Governments) in directions to universities

- Increased reliance by universities on non-government income

- Federal and State Government demands for strengthened public accountability requirements for universities (Hoare 1995; VDET 2002a; DEST 2002d; DEST 2003)

- Federal Government calls for diversity within the tertiary sector and, more recently, suggestions of a special role for regional universities (DEST 2002c; Harman & Selby Smith 2002).

Australian universities, as with most universities internationally, occupy a manifold position in relation to the state and to society. In one sense, both public and private universities in Australia are seen as located in civil society, as distinct to belonging in either a public (government/state) sector or a private (market) sector. 'Public' universities are formally established under statute and largely funded by government, but increasingly reliant on the market for income and are still shaped by the traditions of the (independent) institutions of civil society. A small number of 'private' universities are mostly funded by tuition fees but are subject to government regulation, while their internal structures, government and traditions resemble those of the public universities.

In another sense, Australian universities are in a society that is now permeated by the state but riddled with 'public/private' fracture lines:

> Sometimes they appear to be operating under Ministerial direction, at other times they are more like independent schools. The degree of autonomy also varies between institutions, with the older universities enjoying more real independence over time. Like the relationship between market and non-market production, the shading between the public and the quasi-private character of universities tends to ripple and shift over time. (Marginson 1993: 45-46)

There are currently 39 universities in Australia's higher education system, of which 37 are public institutions. The Australian public universities have their own enabling legislation and, for the most part, are established under State and Territory Government legislation as semi-autonomous statutory organisations, with councils as their legally recognised governing boards. A significant, but decreasing, part of universities' income is provided by the Federal (Commonwealth) Government, which has responsibility for the public funding of universities. This dual structure creates multiple lines of accountability. In addition, universities are subject to the requirements of State and Territory and Federal

legislation in relation to matters such as Occupational Health and Safety, Equal Opportunity, privacy and workplace relations.

In both public and private institutions, the overall governance of the university is by a board (council, Senate) of external 'lay' members and internal staff and student members. Such boards appear as a typical form of not-for-profit governing board, but with a flavour self-governance added through the presence of staff and students. Their composition has been pluralistic, including both direct and 'symbolic' stakeholder representation, academic staff and external appointees. Shared governance has been a structural feature of Australian higher education, all universities providing some form of Academic Board as a second layer of governance responsible for academic standards. One notable feature is that the major paymaster, the Federal Government, is often not represented, although there have traditionally been State Parliamentary representatives.

In 2003, the size of the governing bodies of 38 Australian universities (37 public and 1 private) ranged from 13 to 35, with an average size of 21. On average, 35% of council members are elected, 18% are ex officio and 47% are appointed, mostly by State or Territory Governors, Parliaments or Ministers or by councils themselves (AVCC 2003a). Since 1990 and more markedly since 1995, there has been a noticeable reduction in the size of many councils, due in part to reviews and legislative changes in some States (Wood & Smith 1992; SADETFE 1996; Edwards 2000a; VDET 2002a). This reduction in size over the past decade or so continues a trend away from the very large councils evident in the 1970s and beyond, when some councils had memberships of between 40 and 60, including a substantial representation of graduates. Most university councils are broadly similar in terms of the classes of membership appointed or elected, although the reduction in size has usually been at the expense of staff, student and alumni membership (Edwards 2000). The strong isomorphism evident among university councils in Australia has also been tempered by specific local circumstances, as when council membership increases through the short-term representation on councils of members from merged institutions following amalgamations.

The Chair of the governing body, called the Chancellor, may be elected or appointed. (The CEO or President, is called the Vice-Chancellor.) Although there was remarkably little written on the roles of Australian university governing bodies before the 1990s, important questions concerning their accountability have been raised from time to time (Harman & Selby Smith 1976; Wood & Smith 1992).

Among the manifestations of change in the Australian university sector were a series of government demands for improved university governance in the 1990s, and some actual changes to the size of governing boards (Hoare 1995; SADETFE 1996). While the impact of these changes on actual governance practices has been studied to a small extent (e.g. Meek & Wood 1997; Marginson & Considine 2000), in terms of empirical research on Australian universities, their governing boards remain among the least studied of university 'groups'.

Notwithstanding the lack of empirical research, the governance of Australia's universities has come under increasing scrutiny by both Federal and State Governments since the 1980s (see Meek 2003b for an account). The Federal Government's 1988 White Paper (Dawkins 1988) outlined an agenda for reform of Australian university governance, offering the following assertions in regard to governing bodies:

> ... Broadly representative governing bodies allow a range of inputs to policy making in the higher education system, and provide an essential element of public accountability. Such bodies operate most effectively where their roles and responsibilities are clearly defined in relation to those of senior management, and where managers are held clearly accountable for their actions. On the other hand, there are some governing bodies which are too large for effective governance, and too often a tendency for members of governing boards to see their primary role as advocates of particular interests.....

> For a governing body to do its work effectively, it should aim to have each member identify with and actively contribute to the policy-making, accountability, review and public advocacy roles that are essential to institutional success. Size is an important consideration here: a governing body cannot operate effectively where the membership ranges up to 50, as occurs in some institutions. the governing body will only operate more effectively where the number of members is substantially lower than this. An appropriate guide to size and composition can be drawn from boards of large private sector organisations while, at the same time, recognising the need for wider community

involvement in public institutions. On this basis, an appropriate size for the governing body of a higher education institution would be in the range of 10 to 15 members... (ibid.: 102-103)

There was little direct government attention in the years 1988-1995 to encourage institutions to implement these recommendations; issues over council roles were largely sidelined during a flurry of institutional amalgamations and new funding arrangements. The Australian Vice-Chancellors' Committee did provide a policy statement on payments to members of council and continued to report on the constitution of governing bodies of Australian universities but otherwise gave little formal advice to its members on issues concerning university governing bodies. During this time, however, the AVCC continued to offer a training and induction course for new governing board members.

In 1995, the Higher Education Management Review Committee of Inquiry, chaired by David Hoare, was established by the Australian (Federal) Government to 'examine and advise on the management and accountability requirements for ensuring Australia has a high quality, efficient and effective higher education sector' (Hoare 1995: 104). The release in late 1995 of the Committee's Report gave further impetus to governance proposals first voiced in the White Paper, suggesting that university governing bodies should generally be smaller, more focused on 'trustee' than 'delegate' roles and concerned primarily with issues of accountability and strategic planning. By implication, corporate governance structures are suggested as the preferred model for Australian public university governing bodies. Also, by implication, it is internal staff and student members of council who operate as delegates. The extent to which external members of council act as delegates is not questioned.

The Hoare Committee's Report makes external accountability the first of three primary roles for university governing bodies and goes on to state: 'Accountability seeks to ensure that funds are spent for the purpose for which they are allocated. It also seeks to ensure value for money by focusing on effectiveness...and efficiency...' (ibid.: 42). The other two primary roles are strategic planning and performance monitoring.

The Committee makes a number of other recommendations including a suggested maximum size of 10-15 members, a clear majority of external independent members, the appointment of members for their expertise in issues such as financial and strategic management and the establishment of separate fora to determine stakeholder opinions, particularly for staff and students (ibid.). Striking features of these recommendations are:

- The adoption of a concept of accountability focused almost exclusively on managerial and financial accountability;

- The proposal that certain classes of stakeholder not necessarily be represented on governing bodies, although universities are said to be accountable to them; and

- The assertion that corporate boards provide the preferred model for Australian university governing bodies.

The Hoare Committee recommendations for changes to university councils are embedded in a rhetoric of improved council effectiveness and university performance. In making these claims, an ideological position is advanced, a fundamental presuppostion being that private sector-oriented boards will be willing to ensure the implementation of downsizing and previously 'unacceptable' management efficiencies, as part of a broader government agenda of public sector reform and promotion of competitiveness.

A review of governance of the three universities in South Australia, released in February 1996, made a number of recommendations that resulted in reductions in the size of councils and changing relativities in their composition (SADETFE 1996). Shortly after, the Victorian State Government also completed a review of university governing bodies in that State (Storey 1997), which also resulted in significant changes in 1998 to the size of councils of the older universities.[2]

These various reviews suggest a number of research questions, including the extent to which governing body members themselves agree with and enact a focus on the three

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[2] A further review of university governance in Victoria was completed in 2002.

primary roles identified by Hoare (Edwards 2000a), the impact of changing membership composition and whether universities have responded in other ways to recommendations for improved governance.

The next major review of higher education in Australia produced in 1998 the report 'Learning for Life' (West 1998). The review however said little directly about university governance, instead endorsing the Hoare Report recommendations and offering the view that those universities that had not done so should consider the Hoare Report recommendations as soon as possible (ibid.: 111).

In April 2002, the Federal Minister for Education, Science and Training released an overview paper 'Higher Education at the Crossroads' as part of a new review of the Australian higher education system (DEST 2002a). Among the topics placed 'on the table' were governance and management, introduced by a quote on public universities that states:

> ...we can no longer pretend that the detached, amateurish academic leadership model is sufficient. Nor is it any longer sufficient to rely on politically selected lay boards for their governance. Like other major institutions in our society, we must demand new levels of accountability of the university for the integrity of its financial operations, the quality of its services, and the stewardship of its resources. (Duderstadt 2000, quoted in DEST 2002a: 28)

A second quote signals an ongoing intention on the part of the Federal Government to re-position university governing boards as corporate boards. The placement of these quotes in the overview paper is worth noting: the Federal Government, which is not in a position to legislate for most universities, simultaneously shows some support for and distances itself from the positions being advanced, positioning as 'for discussion' texts that delegitimise both academic and lay governance in favour of a corporate governance model.

A further paper discusses in more detail the roles and composition of governing bodies and the issue of 'trustee' versus 'delegate' roles, that is, the requirement that members of

governing bodies act in the 'overall interests of the university' rather than as 'primarily representatives of the groups who have elected them' (DEST 2002d: 21). The major questions raised are whether university enabling legislation needs to be changed to clarify the roles of councils or further reduce their size, the matter of remuneration and ways to encourage good practice.

In a parallel development, in May 2002, the Victorian Government completed a review of university governance, with particular emphasis on the governance of commercial activities and protecting the public interest in Victoria's universities (VDET 2002a). This comprehensive review makes a number of recommendations for improving governance, in the context of concerns over universities' commercial activities and the risks of these to mainstream provision of higher education. The review recommends specifically that additional training for council members be provided through the Victorian Office of Higher Education, that more comprehensive provisions protecting against conflicts of interest be enacted for some universities, that all universities improve their risk management and that universities establish better oversight of controlled entities.

Overall, these texts aim to draw attention to the pragmatics of council governance, where council performance acts as a lever for seeking greater accountability to government, and away from the symbolic elements of governance. At the same time, a growing willingness for public discussion and dialogue around the roles of university councils in Australia is evident. Recommendations from these Federal and Victorian Government review papers are echoed in submissions to the Federal Government's 2002 review of higher education, notably in regard to the need for greater attention to risk management and for a final resolution of the 'trustee' versus 'delegate' question (Smith 2002; University of Adelaide 2002). However, other submissions, many from staff and students draw attention to the need for participatory and inclusive practices of governance (CAPA 2002; UNAS 2002).

One development over the past few years has been an increase in the professionalisation of university governing bodies in Australia. In 2000, the then Department of Education, Training and Youth Affairs produced a benchmarking manual for Australian universities

(DETYA 2000) that included governance benchmarks and there is evidence that most Australian universities have used these benchmarks in preparing for audit by the new Australian Universities Quality Agency. Recent audit reports show that universities had much explicitly and formally identified the roles of council and generally committed to, or implemented, reviews of council performance and effectiveness (AUQA 2003). In addition, the last few years have seen a number of international study tours offered for members of university governing bodies (CHEMP 2003) and good practice guides for institutes of further education (ATII 1996).

A turning of the tide in regard to the professionalisation of university governance is also evident in the hosting by the Australian Vice-Chancellors' Committee of a National Conference on Governance in late 2002 (AVCC 2002). Various speakers highlighted issues such as an ongoing lack of proper induction and review processes, poor communication between the executive and council, and continuing debate over the role of staff and student members of council (Foley 2002; Graebner 2002). Suggestions for a National Protocol on University Governance (Shergold 2002) and for professionalised training (Marshall and Cameron 2002) for governing body members indicates that there was active consideration of the imposition of new regulatory provisions and skills requirements for council members. The increased emphasis on regulatory solutions for university governing boards is mirrored in wider demands by various commentators for improved controls over directors of public companies (Gettler 2002; Kelly 2003).

The final report from the 2002 Federal Government Review (DEST 2003) mandated two significant changes to university governance, contingent on the passage of legislation addressing a package of related reforms. The first change, foreshadowed in 2002, is the linking of increases in Federal Government funding to the adoption of a set of National Governance Protocols. The second change is the establishment of an Association of Governing Bodies of Australian Universities, similar to the Association of Governing Boards of Universities and Colleges in the United States. In response, the AVCC produced its own set of revised Governance Protocols. These Protocols, which represent a

consensus view of good practice for university governing boards in Australia, are reproduced at **Appendix A**.[3]

My research interviews, conducted some time before these reforms, indicate that council members were seeking a greater professionalisation in university governance well before Australian university management or governments took action. As I note in the next section, Australia has not been at the forefront of government-led changes to university governance.

The international context

Australia is not alone in experiencing government and other pressures on university governing bodies, not least because questions of governance are intimately linked to issues of autonomy. Where government authority over university systems is high relative to the 'Anglo-American' system (Anderson & Johnson 1998), and especially in Europe, changes to higher education systems have generally involved the granting by the state of greater autonomy at an institutional level, in return for a greater focus on internal governance and management (Scott 1996; Mora 2001; Askling 2001; Amaral, Jones & Karseth 2002; Meek 2003a, 2003b; Coaldrake, Stedman and Little 2003). In some countries, as in the Netherlands, the power of the executive has been increased relative to representational structures (Maassen 2000b; de Boer & Goedegebuure 2001; Neave 2001).

Higher education in the United States of America has a long tradition of both private and state governing boards and professional institutions supporting good practice among those boards. Recent signs are that governance continues to be a priority within the American education system, not least because of tensions over the effects of managerialism on shared governance and university autonomy (AAUP 1996; AGB 1996; Trow 1998a; Rich & Merchant 2003). The Association of Governing Boards of Universities and Colleges (AGB) maintains a substantial program of professional development and guides to good

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[3] The legislative changes for these and other major reforms to the financing of Australian higher education were passed by the Australian Federal Parliament in December 2003.

practice for university trustees, while the American Association of University Professors may impose sanctions on institutions where academic governance is threatened (AAUP 2003).

In other university systems comparable to Australia's, the 'modernising' of management and governance is positioned by governments in the United Kingdom and in New Zealand as one of the challenges for their respective higher education sectors. In this context, university governance is increasingly being reconfigured as 'corporate governance'.

Reforms to university governance over the past decade in the United Kingdom have been led by concerns over strategic directions (Dearing 1997) and accountability, the latter in response to a series of financial and other scandals in several universities in the early 1990s that indicated poor oversight and judgement by governing bodies (see Shattock 2002a, 2002b for good summaries). In response to issues faced by other universities, the Committee of University Chairmen (CUC) produced in 1995 a Guide on Governance, which has been updated several times since. While the Guide is just that, it is now linked to formal funding and accountability structures through HEFCE and Scottish High Education Funding Council requirements for universities to demonstrate in their accounts a statement on governance. In addition, CUC has produced several other reports on the status and effectiveness of university governing bodies and new guidelines on performance reviews (CUC 2000a, 2000b, 2001, 2002). As an example of current practices, a summary by the Scottish Higher Education Funding Council of Good Practice Benchmarks for governing bodies (SHEFC 1999) is reproduced at **Appendix B**.

In New Zealand, the Tertiary Advisory Monitoring Unit (TAMU) has issued extensive guidelines for members of the councils of tertiary education institutions including a statement of ministerial expectations, a detailed 'balanced scorecard' for performance management by councils, and guidelines on good practice in reporting to councils (TAMU 2001a, 2001b, 2001c). The current position and recommendations for improvements have been comprehensively reviewed by Edwards (2003b), who proposes the establishment of a

national protocol on governance and other recommendations similar to those proposed for Australian university governing bodies (DEST 2003).

In the United States, United Kingdom and New Zealand, therefore, a professionalised discourse of practices of good university governance is present (Coaldrake, Stedman and Little 2003). The signs are that this discourse is emerging in Australia and will, in turn, be used to inform future developments in other nations. The reports of various bodies in the UK, New Zealand and the USA and other nations (UHK 2003), together with the Victorian Guide to Best Practice in TAFE Councils (ATII 1996), the DETYA benchmarking manual for Australian universities and the accounts of good governance for public sector institutions of the Australian National Audit Office (ANAO 1999, 2003) exhibit a number of similarities. Looking across these various guidelines and benchmarks, some common principles are:

- That the role and responsibilities of the Board should be clearly and formally defined (Henderson 1990; ATII 1996; ANAO 1999, 2003; SHEFC 1999; CUC 2000a, 2001; TAMU 2001c; Edwards 2003b; SA 2003);

- That the role and responsibilities of the Chair and the Secretary should be formally defined and that the Chair should have a role in preparing governing board agendas (CUC 2000a);

- That delegations from the board to the CEO should be formally defined (SHEFC 1999; TAMU 2001c; Edwards 2003b);

- That there should be a formal induction program for new members and that job descriptions be prepared for each council member (Henderson 1990; SHEFC 1999; DETYA 2000; CUC 2001; TAMU 2001c);

- That Standing Orders for the governing body should be produced, including processes for the removal of members (SHEFC 1999);

- That council should regularly review its own performance and/or the performance of members (ATII 1996; DETYA 2000; ANAO 1999, 2003; SHEFC 1999; CUC 2000a; TAMU 2001a, 2001c; SA 2003);

- That a register of board members' interests should be maintained and members be required to declare conflicts of interest (CUC 2001; TAMU 2001a);

- That the governing body should formally adopt and monitor a range of financial and non-financial performance measures (TAMU 2001c);

- That the governing body ensure that a risk management strategy is adopted and monitored (SHEFC 1999; TAMU 2001c; SA 2003); and

- That governing body members are familiar with requirements to act with diligence in good faith in pursuance of the functions of the institution (Henderson 1990; ATII 1996; ANAO 1999, 2003; SHEFC 1999; CUC 2000a, 2001; TAMU 2001a, 2001b).

I return in Chapters 9 and 10 to the consideration of where Australian university governance is positioned in relation to this expanding professional discourse. One implication of my research is that professionalising the practices alone will not necessarily lead to better understandings or outcomes. If we do not at the same time take account of the different models or frames that council members apply in considering governance in a university context, the benefits of professionalisation may not be fully realised.

Structure of the thesis

Chapter 2 reviews the literature of various types of governing boards, both normative and theoretical. After an overview of theoretical models and some consideration of issues in corporate governance, research on not-for-profit governance, including school and university governance, is considered. One conclusion is that the few existing empirical research studies on the impact of changes to higher education on university governing boards do not provide a coherent framework through which to assess the ways in which dominant, normative ideas are accommodated or resisted in practice through the invocation of alternative understandings.

Chapter 3 establishes the conceptual framework for my research, which relates Bourdieu's concepts of field, habitus and capital to the methods of critical discourse analysis. This framework offers a means to map the ways in which changes in external environments

may diffuse into and across institutions within a specific field. It is argued that Bourdieu's sociology can be related to existing theoretical models of governance and to work on 'regimes of justification' (Boltanski & Thévenot 1999) and that his sociology has some insights to offer in regard to governing boards. Approaches to critical discourse analysis are then outlined, with reasons for my choice of the method of 'interpretative repertoires' (Potter & Wetherell 1987; McKinlay, Potter & Wetherell 1993; Wetherell & Potter 1988, 1992) as a way of understanding how the 'same' object, i.e. governance, may be constituted differently in text. It is suggested that this method can complement Bourdieu's sociology to refine an understanding of the ways in which accounts are legitimised in practice.

Chapter 4 describes the specific research methods used for this study. To examine my five research questions within the framework described in Chapter 3, I used semi-structured interviews with 56 members of five governing bodies of public universities, comprising one third of members of governing bodies in the State of Victoria. I explain the reasons for selecting three main concepts of roles, accountabilities and expectations for my interview questions. Some features and qualifications of this approach are discussed, including the assumption that most interviewees would seek to establish legitimacy and justification in their accounts of university governance. In this chapter, I also describe the methods used for transcription and analysis of interview material.

Chapter 5 provides an overview of the views expressed by council members, as a guide to the reader of the range and emphases of the issues raised by council members, and the repertoires subsequently identified. Differences among university council members' ideas about the roles and accountabilities of councils as a whole and their individual roles and accountabilities are discussed. While a strong degree of correspondence exists between members' views and normative accounts of council roles, there is greater divergence among ideas of a council's overall purposes and significant differences among external members, staff and students over how governance should be exercised. Difficulties in characterising a university council are exhibited in the broad range of views about the

similarities between university councils and other boards. Most interviewees state a belief in the value of education while also expressing diverse ideas of a university as a producer of graduates, a creator of social capital or 'a place apart'. Tensions in varying ideas of what a council 'should' do and in interviewees' ideas about the roles they and others should play are noted.

In this chapter, the expectations of council held by interviewees, the problems and difficulties they report, their recipes for improvements to council and ideas about governing body power are explored. Stated expectations of the Vice-Chancellor and Chancellor exhibit ambivalence and frustration in some cases together with a general sense of increasing power on the part of the executive. Some members seek an increase in council power as a counterbalance, calling for actions to professionalise the role of councils. Interviewees' ideas about accountability suggest a dynamic interplay among accounting to oneself, accounting to constituencies including local communities, and accounting to government. From these responses, four main repertoires are identified, each with its own form of justification and internal logic.

Each of these four repertoires is examined and demonstrated in Chapters 6 to 9. Chapter 6 considers the repertoire of 'business', where the university is framed (Morgan 1986) as essentially a business or commercial venture and where efficiency in governance is valued. In Chapter 7, the 'community stakeholder' repertoire is considered, in which universities are presented as essentially public organisations, with duties of responsiveness to wider community expectations and norms of public participation. Chapter 8 discusses the 'university community' repertoire, with its appeal to traditional ideas of a university. It is argued that each of these three repertoires employs a particular 'logic of action', which generates differing ideas about the roles and accountabilities of university councils, roles of individual council members and council processes. By contrast, in Chapter 9, the repertoire of 'professionalisation', which naturalises normative prescriptions of good practice in governance, is examined.

In Chapter 10, findings from my research are drawn together and considered in the light of the five research questions stated earlier. One conclusion is that the field of 'university governance' is characterised by intertextuality and the use of multiple logics of action by individuals and among individuals. It is argued that each of the repertoires identified above offers a significant way of interpreting university governance. The failure of hegemonic closure around the idea that universities are no more than a particular type of business is noted, although it is suggested there has been some colonisation of 'governance talk' by the language of managerialism. The repertoire of 'professionalisation' also contributes to this movement. However, there is considerable resistance, and this may be related to the habitus of council members but also to the need to legitimise universities through means other than the purely commercial. Overall, the study affirms the significance of organisational and wider societal values in not-for-profit governance.

A further conclusion is that the three repertoires of values can be mapped onto theoretical models of 'agency', 'stakeholder' and 'managerial hegemony' respectively and onto the various forms of capital identified by Bourdieu. I also describe how the each of the repertoires interacts with the others in ways that may be oppositional or supportive.

Of note is the extent to which universities, for most council members, are inescapably 'public' institutions, and should thus confirm to wider norms of public governance, including stakeholder representation. For regional universities, the strength of links to the local communities, and a more immediate sense of accountability to those communities, are features that have not otherwise been widely explored.

It is proposed that, in parallel to the professionalisation of council practices, university governing body members be encouraged to develop reflexive understandings of the ways in which they appeal to differing regimes of justification in forming and describing their views on university governance. The development of an improved culture of governance in Australian universities could, it is suggested, combine the identification of repertoires with other insights from the research literature on board life cycles, accountability and power relations. The chapter concludes by offering some suggestions for future research.

Chapter 2

REVIEW OF THE LITERATURE

*Profit, nonprofit, and governmental governing boards have
much in common. They are alike in that they all bear
ultimate accountability for organizational activity and
accomplishment... They are unlike in how they are situated
in the larger context of political-economic life.... They differ
greatly in the strength of the traditions that drive their
methods. (Carver 1997: 5)*

Introduction

This chapter reviews relevant literature on governing boards, beginning with an account of major theoretical models. Current issues for corporate, not-for-profit and public sector boards are examined next, with a particular focus on studies that have addressed the views and values of governing board members. In later sections of this chapter, research on university governing bodies is considered, further to the discussion in Chapter 1 of the emerging professionalised discourse on university governance.

The concept 'governance' has a broad range of meanings (McTaggart 1999), clustered around concepts of order and collective action (Stoker 1998) at various levels of organisation, from the global to the micro-organisational. One definition of governance at the organisational level is: 'processes by which organisations are directed, controlled and held to account' (ANAO 1999:1). In this sense, governance 'encompasses authority, accountability, stewardship, leadership, direction and control exercised in the organisation' (ibid.).

Until recently, much writing on 'governance' was concerned with the roles and functions of corporate governing boards. An exception is the literature on higher education, which has traditionally considered governance in the wider sense of organisational control and authority (Baldridge 1971; Gade 1992). Over the past few years, however, 'governance'

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is increasingly treated as a concept that embraces the range of external and internal organisational processes through which appropriate control is exercised, as in the definition above, and especially in the public sector (Ewalt 2001; Neave 2001; Hess & Adams 2002). In this regard, it has some similarities with Foucault's account of governmentality as increasingly internalised processes of control (Foucault 1978, reprinted in Burchell, Gordon & Miller 1991).

The word 'governance' also features prominently in the context of development studies and international regulatory regimes, where it is taken as referring to the processes for managing relationships among organisations and groups in order to eliminate corruption and establish the conditions in which markets can operate fairly (OECD 1999, 2003). Critics of unchecked globalisation however criticise this use of 'governance', with its generally positive connotations of order and legitimacy, as a tool of neo-liberal strategies to promote western capitalism at the expense of local economies and civil society (Jessop 2001; Bourdieu & Wacquant 2001).

Even in its broadest uses, therefore, 'governance' is not a context-free or uncontested concept. This understanding forms the backdrop to the studies discussed in this chapter.
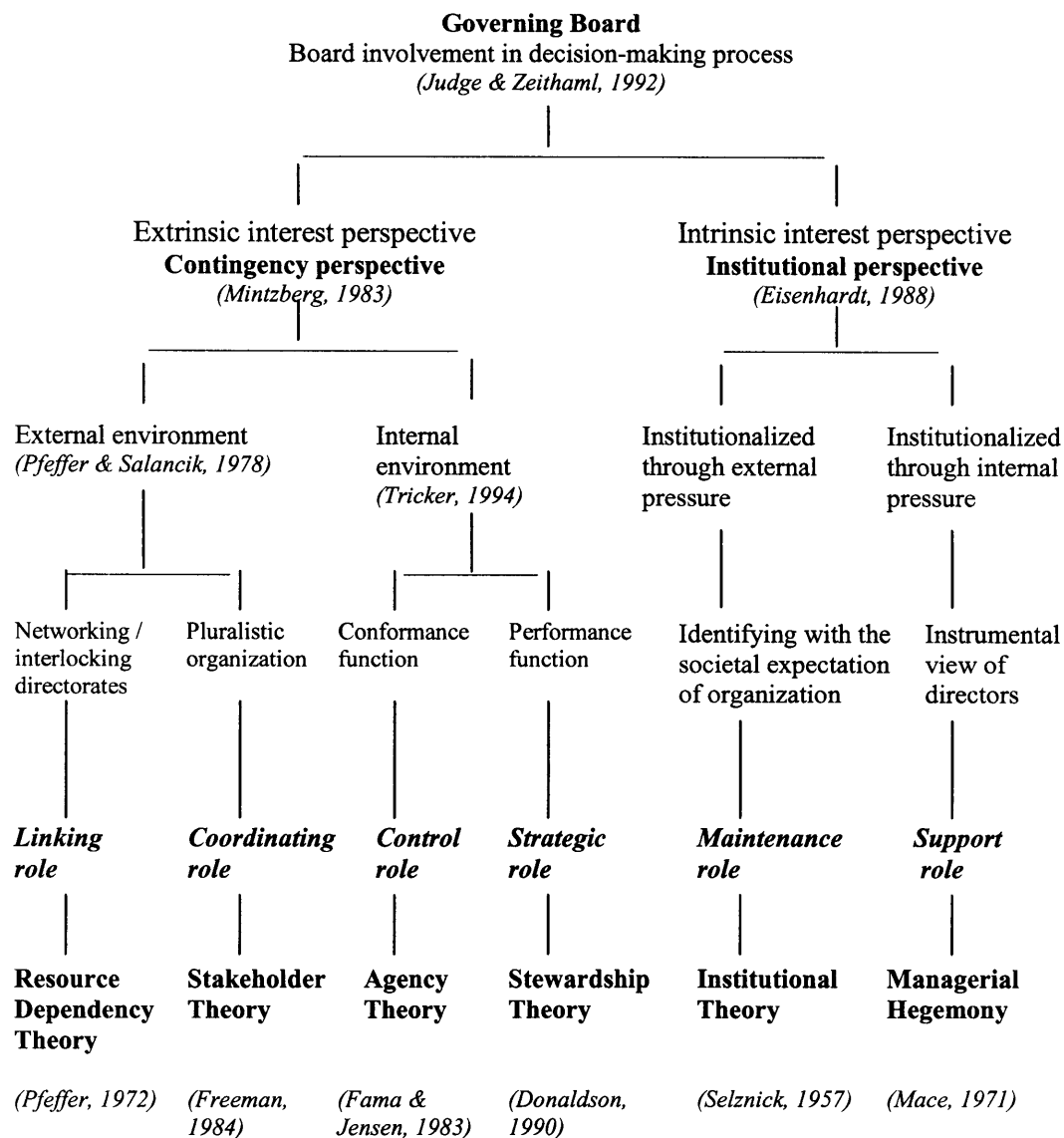
Major theoretical approaches in board governance

Boards are everywhere in public life (see, for example, Carmichael, Knox & Osborne 1997; Robinson & Shaw 2003). Most writing on governing boards has developed through the consideration of two interrelated questions, as follows:

- Whose interests (or what values) should boards serve?

- How can people ensure that boards act effectively to serve these interests?

The first of these questions is reflected in a generally-accepted categorisation of theoretical approaches to the roles of governing boards, articulated by Hung (1998) as shown in **Figure 1** below. As he notes, these theoretical approaches essentially reflect different views of the roles that boards play in organisational life.[1]

Figure 1 Typology of theories relating to the roles of governing boards

Governing Board
Board involvement in decision-making process
(Judge & Zeithaml, 1992)

Extrinsic interest perspective
Contingency perspective
(Mintzberg, 1983)

Intrinsic interest perspective
Institutional perspective
(Eisenhardt, 1988)

External environment
(Pfeffer & Salancik, 1978)

Internal environment
(Tricker, 1994)

Institutionalized through external pressure

Institutionalized through internal pressure

Networking / interlocking directorates

Pluralistic organization

Conformance function

Performance function

Identifying with the societal expectation of organization

Instrumental view of directors

Linking role

Coordinating role

Control role

Strategic role

Maintenance role

Support role

Resource Dependency Theory

Stakeholder Theory

Agency Theory

Stewardship Theory

Institutional Theory

Managerial Hegemony

(Pfeffer, 1972)

(Freeman, 1984)

(Fama & Jensen, 1983)

(Donaldson, 1990)

(Selznick, 1957)

(Mace, 1971)

Source: Hung 1998

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[1] In this regard, it is notable that the management literature in general has been unable to offer a satisfactory conceptualisation of governing boards that does not reduce them to an arm of the executive (Mintzberg 1979) or to a purely symbolic role (Bolman and Deal 1991).

Hung's six theoretical approaches are:

- Agency theory, the classic principal-agent approach to corporate governance, in which the principals need certain monitoring and control measures to ensure that agents act in accordance with the principals' interests (Jensen & Meckling 1976);

- Stewardship theory, a variation of agency theory, which suggests that the interests of managers (agents) largely conform to those of the principals, and that both have a common cause in safeguarding the existence of the institution (Donaldson & Davis 1991; Davis, Schoorman, & Donaldson 1997);

- Stakeholder theory, a pluralistic approach, which asserts that organisations are responsible to divergent and wider groups than merely their principals and that the role of the board lies in negotiating outcomes among these groups (Blair 1995; Monks & Minow 1996);

- Resource dependency theory, which focuses on the need of organisations to gain legitimacy and support from external sources (Pfeffer & Salancik 1978);

- Institutional theory, which essentially suggests that the board acts as a buffer, protecting the organisation from external forces while providing the appearance of conformity to external normative pressures (Meyer & Rowan 1977; DiMaggio & Powell 1983); and

- Managerial hegemony, where the board acts as a 'rubber stamp' for the professional managers of the organisation, who control key information and other resources, and acts to legitimise the authority of those managers (Mace 1971).

This categorisation, with some differences, is reflected in accounts by Clarke and Clegg (1998: 295-367) and by Cornforth (2003a: 6-13). Clarke and Clegg (1998) identify a different category of 'class hegemony' as a further theoretical model, drawn from Marxist perspectives, and do not include the 'institutional theory' perspective. In this view, boards serve to protect the interests of a dominant ruling class. As Hung (1998) argues, however, it is possible to see this category as one manifestation of the 'resource-

dependency' perspective. Cornforth (2003a: 9-11) excludes both the 'class hegemony' and 'institutional' perspectives, including instead a further 'democratic' model.

These six theoretical models are themselves drawn from diverse fields of study (Abzug and Galaskiewicz 2001) and have been reflected in the corporate governance literature in different ways (Keasey, Thompson & Wright 1997a). In the not-for-profit literature, they have proved useful in considering specific issues such as board accountabilities (Cutt & Murray 2000) from a range of perspectives. Each of these models possesses an underlying appeal to a particular form of legitimacy. This is implicit in some writing on university governance (Birnbaum 1992; Mayocchi 1996), which uses 'frame theory' (Bolman & Deal 1991) to show how governing boards symbolically enact rituals to promote legitimacy and maintain an image of accountability and responsiveness to various communities.

No one theoretical approach is likely to fully address the realities of board governance, as various authors have recognised (Hung 1998; Rhoades, Rechner & Sundaramurthy 2001; Cornforth 2003a; Kiel & Nicholson 2003). However, the interplay between the various theoretical models and sources of legitimacy provides a useful organising principle for my study, given the 'business' model prescriptions of the 1995 Hoare report for university governing boards in Australia and the creation of new (and often regional) universities in the early 1990s, with different constituencies to those of older, capital city institutions.

Power relationships on and around boards

The second question above, of effectiveness, inevitably leads to a consideration of both the regulations that govern board behaviour and of the power relations in and around boards. One of the few comprehensive attempts to describe the power and functioning of boards from a theoretical sociological perspective was that of Zald (1969). In terms that point to Bourdieu's description of the habitus (1977), Zald takes the view that individual board members each bring a clutch of 'resources', based in legal rights, monetary control, knowledge, and personality, to the task of governance. He suggests that the power of the board over the CEO and the organisation varies contingently depending on the situation (crisis or normal) and on the resources available to the board. His work paves the way for

future contingency approaches and studies of boards from 'resource-dependency' and 'life cycle' perspectives. It also offers a range of hypotheses that have yet to be fully tested empirically.

In practice, as most studies recognise, management conducts the business of the organisation and usually plays the major role in shaping policy. An implicit model of 'managerial hegemony' underpins many of the criticisms raised in studies of board behaviours. A further attempt to describe the local forces that affect directors' power was made by Lorsch and MacIver (1989), who propose that companies should focus on minimising the forces that constrain directors in the performance of their duties and maximising enhancing factors. Enhancing forces include legal authority, group solidarity and CEOs with an open style, while constraining forces include board members' limited time and expertise, and the power of the CEO in speaking from a position of expertise, setting the agenda and controlling information.

In particular, Lorsch and MacIver observe that boardroom norms act as a strong constraint on effective scrutiny of performance by the board or discussion of accountability and other premises:

> Directors are expected, above all, to treat the CEO with respect, which means not embarrassing him or her in a board meeting.... Since directors should not openly criticize the CEO, or the CEO's positions, the accepted way of objecting is to ask penetrating questions. If other directors join in and the tone of the discussion becomes increasingly critical, they convey a message of disapproval. Under normal circumstances, such disapproval is rarely made explicit in a board meeting.
> (ibid.: 93)

The 'enhancing-constraining' dialectic is helpful in diagnosing boards of varying types, as it provides some clues as to how specific social practices may be modified. It has been further extended by numerous studies of not-for-profit boards that adopt an explicit contingency perspective in relation to board power and effectiveness (Murray, Bradshaw & Wolpin 1992; Young, Rafik & Ginn 1992; Widmer & Houchin 2000; Cornforth 2001a, 2001b; Hayday 2001; Ostrower & Stone 2001, cited in Cornforth 2003b). Of course,

where contingencies are specified too broadly, as encompassing all relevant external and internal features, any explanatory power is likely to be lost.

In general, the literature has moved on from earlier attempts to classify boards into universal 'types' (e.g. Alexander, Morlock & Gifford 1988; Molz 1995). Widmer and Houchin (2000) support a contingency approach to board functioning, whereby the characteristics and values of the organisation play a role in determining effective board structures and the balance between policy and implementation. A further form of contingency model is provided by life cycle approaches (Mathiasen 1990, cited in Saidel 2002; Wood 1992; see also Stone 1996), where board behaviour is viewed as changing over time, from an initial commitment at start-up to a more mature and balanced approach, punctuated by renewal due to periodic crises of legitimacy. However, Dart et al. (1996) have found only limited support for the value of life cycle models as consistent predictors of board behaviours.

Most recently, Cornforth (2003a, 2003b) has proposed a paradox-based approach to the study of boards, on the basis that boards of all types 'will face common paradoxes' (2003b: 245). He identifies three major paradoxes, all of which are relevant for a study of university boards, as follows:

- The tension between representative and professional boards;

- The tension between performance and conformance; and

- The tension between controlling and partnering management.[2]

    (ibid.: 245-251)

Recognition of paradoxes is only a first step towards identifying new ways to promote a 'culture' of governance (Edwards 2003b; SA 2003). In general, the theoretical literature is moving towards recognition of multi-perspective and contingency approaches that emphasise processes and power relations over board composition or size.

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[2] Middelton (1987) has also suggested a paradox-based approach to board-management relationships.

In the next sections, some specific questions from the research literature on boards are considered by sector.

Current issues for corporate boards

Corporations law in most countries imposes only general responsibilities on directors of for-profit organisations. These general responsibilities are supplemented by a wealth of descriptive and prescriptive accounts of what boards do or should do (e.g. Tricker 1984; Mills 1985; Francis 1997; Davies 1999; Gregg 2001). Moreover, since the 1980s and in the wake of deep concern over the behaviour of 'corporate cowboys' in the 1980s, much Anglo-American work on corporate governance has focused on describing and evaluating the impact on board behaviour of government regulatory reforms (Cooney Committee 1991; Cadbury Committee 1992; Hilmer 1993; Bosch 1995; Bebchuk & Roe 1999; Gay 2001).

Agency versus stakeholder models

Writing on corporate boards in America and in the United Kingdom has traditionally been dominated by the model of Berle and Means (1932), in which ownership of equity (by shareholders) is separated from control of assets by management (see also Jensen and Meckling 1976). The role of corporate boards in ensuring appropriate behaviour by management is the primary challenge, and divergence between agents' and principals' interests has the potential to become manifest at board meetings.

In this context, some of the most bitterly-contested debates concern the wider social responsibility of the firm (Margolis & Walsh 2001) and whether shareholders or a broader group of stakeholders should be the prime focus of governance (Molz 1995; Monks 1998; Spear 1998; Gamble & Kelly 2001; Vinten 2001). Calls for business to exercise social responsibility and to be accountable to a wider community or to 'the public interest' are of course not new, having been voiced by public figures such as Medawar (1976) and numerous social commentators since the 1960s. However, such calls took on a new life in the 1990s, when questions over the social role of the corporation were highlighted by job losses resulting from recession, environmental regulation and global attempts to align

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corporative governance and governance regimes more generally (Capron 1997). In this context, a project by Boltanksi and Thévenot to value firms in terms of socially responsible behaviour led to their development of the concept of 'regimes of justification' (1991), which forms part of the theoretical framework for my research discussed in Chapter 3.

The debate over 'agency' versus 'stakeholder' theory is largely confined to the Anglo-American literature on boards, as governing boards in other major economies, for example Germany and Japan, have traditionally incorporated employee and stakeholder representation through multi-tiered board structures (Charkham 1994) and the involvement of major investors. Kay (1995) suggests that Anglo-American writers are obsessed with agency theory, failing to recognise that in other cultures, pluralism in corporate life is the norm rather than the exception. However, there are also signs that 'stakeholder' boards are coming under pressure to behave more like 'shareholder' boards in Europe (Rose & Mejer 2003). A growing interest in differences and convergences across national cultures is demonstrated by the number of recent studies on corporate governance regimes in developed and developing countries (e.g. Tam 1999; Jesover 2001; Mertzanis 2001; Apreda 2001).

Power and effectiveness

Aside from the question of stakeholder participation, and within an overall 'agency theory' paradigm, demands for re-empowerment of corporate boards are omnipresent in writing on US boards. The suggested solutions include reducing board size, reducing interlocking or multiple directorships, separation of the duties of chairman and CEO, a stronger role for large institutional investors and supporting shareholder activism (Monks 1998). Other prescriptions for better corporate governance involve selecting a 'lead' director from among external directors, the use of separate meetings of the independent directors, regular review of the board's performance, a strong knowledge of the business by the independent directors, and a close working relationship between the Chair and the CEO (HBR 2000: 187-207).

Many research papers, including purely economic studies (e.g. Williamson 1996) report attempts to 'prove' the effectiveness of one theoretical model over another. Particular efforts have been made to examine whether an agency or a stewardship model leads to better board performance (Donaldson & Davis 1991; Arthur et al. 1993; Davis, Schoorman & Donaldson 1997), with a focus on separation of the roles of board chair and CEO and significant board external membership (Dalton et al. 1998; Rhoades, Rechner & Sundaramurthy 2001). The last of these studies, a meta-analysis, concluded there was some support for independent chairs of corporate boards but also found that contingent factors, such as the context of the decision, were significant, concluding that 'governance relations may be more complex than those studied through agency theory' (Rhoades, Rechner & Sundaramurthy 2001: 317).

Conversely, a study by Bhagat and Black (2002) found a lack of significant correlation between the extent of influence by external directors and firm performance. This conclusion is echoed by Kiel and Nicholson (2003) who in earlier case-study work found 'that no single theory offers a complete explanation of the corporate governance-corporate performance relationship, but rather elements of each theory can be seen to apply in different circumstances' (ibid.: 201).

A related strand of research concerns the critical question of whether or not corporate governance practices have any impact at all on a company's bottom line. A considerable body of research has attempted to relate form performance to other structural features of boards, such as interlocking directorships, director diversity and board size (Dalton et al. 1998; Erhardt, Werbel & Shrader 2003). In a comprehensive review of the literature, Patterson (2000) found that there was no conclusive evidence of a link between corporate governance and performance (see also Patterson 2003 for an update on recent research). In the face of these findings, writers are increasingly forced to point out that boards appear to play a role in establishing and maintaining investor confidence, i.e. in the symbolic and legitimising dimensions of corporate governance. Additionally, as Edwards (2003b) notes, this research suggests that 'effective governance, and successful institutional

performance, cannot be secured in either public or private sectors by formulaic prescriptions nor forced through compliance measures' (ibid.: 14).

Qualitative and interview research

Studies of boards from sociological, ethnographic or critical studies perspectives form a much smaller body of work, although there are several recent studies on board members' views of their roles (Stiles & Taylor 2001; Wiseman & Warburton 2002), and on women members and board diversity (Singh, Vinnicombe & Johnson 2001; van der Walt & Ingley 2003). While there is in the literature a recognisable body of qualitative research, its perspectives range from the neo-Marxist to the uncritically positivist.[3]

Earlier sociological studies often focused on director-management relationships, and these are usefully summarised by Reed (1989). An empirical study by Mace (1971) concludes that:

> In most companies, boards of directors serve as a source of advice and counsel, serve as some sort of discipline, and act in crisis situations if the president dies suddenly or is asked to resign because of unsatisfactory management performance ... boards of directors do not establish objectives, strategies and policies, however defined. (Mace 1971, quoted in Reed 1989: 79)

Reed however takes pains to point out that several studies provide a useful corrective to any automatic assumption of board dominance by management and several studies of board behaviour chart political struggles between the CEO and the board (Wade, O'Reilly, & Chandratat 1990; Westphal & Zajac 1995). One conclusion from these various studies is that there is an inner and an outer circle among directors, a feature noted in writings on university governing boards (Bargh, Scott & Smith 1996; Marginson & Considine 2000).

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[3] For a neo-Marxist view, see Fidler 1981. For descriptive and normative studies, see for example Tomasic & Bottomley 1993; Ramsay, Stapeldon & Fong 2000; Samra-Fredericks 2000a, 2002b; Chui & Monin 2003.

A study of part-time board members in the UK was conducted by Pettigrew and McNulty (1998) to identify power and influence at board level, using some of Zald's (1969) hypotheses. In findings that support the 'enhancing-constraining' dialectic of Lorsch and MacIver (1989) and Cornforth's later analysis of not-for-profit boards (2001a, 2001b), the authors found that part-time directors varied considerably in their influence and, significantly, drew attention to the extent to which societal as well as institutional contexts shaped board members' views of their role and conduct. A study by Stiles and Taylor (2001) confirms that corporate board members in the United Kingdom generally view their roles more as 'gatekeepers and confidence-builders for strategic proposals from management' (Tricker 2002: 55) than as initiators of policy. This study also establishes the considerable ambivalence of corporate directors over accountability to stakeholders rather than shareholders.

On the question of factors that shape council members' behaviour, an insightful study by Jensen (1998) considers the impact of expected accountability relationships, in terms of 'proximal' and 'distal' relationships, between board members and the CEO and other significant stakeholders. His study, which draws on social psychological studies of triadic relationships (as between a board, shareholders and the CEO), reinforces previous work suggesting that board members with 'proximal' accountability relationships exhibit higher levels of cognitive complexity and are less likely to vote with the CEO. The wider significance of this work for governance studies lies in the recognition that active expectations of being held to account do influence board members' behaviour, a finding consistent with some of Zald's (1969) hypotheses regarding power relations.

Also relevant to my research are earlier critical studies from a 'class hegemony' perspective (Pahl & Winkler 1974), including a study by Fidler (1981) of trends in social imagery among the British business elite, which examines the extent to which the language of board members sustains and perpetuates a dominant capitalist ideology. Although his conclusion is predictable, Fidler's study raises the question of ideological work done by the language of governance.

The major Australian study of the views of corporate board members is that of Tomasic and Bottomley (1993), who interviewed 95 directors from the top 500 Australian-listed public companies and 55 of their professional advisers (lawyers, auditors, liquidators and corporate regulators). In common with other studies, the authors found that executive directors and chief executives were seen to dominate decision-making. The language of many interviewees reflects a common pattern of concern: 'In many public companies boards are a rubber stamp as the board finds it hard to understand what is going on, when things are presented in a good light and there are time constraints' (ibid.: 52-53).

Most of those interviewed were not sympathetic to the notion that directors' duties should be extended to include the interests of creditors or employees (ibid.: 71). Of interest in Tomasic and Bottomley's account is the question of honesty in corporate behaviour. Business ethics were seen as being difficult to legislate for, with ethical conduct heavily dependent on individual moral values. The authors refer to a persistent trend, seen in other occupational groups, to blame poor conduct on a few 'rotten apples'.

This study, with its rich use of the language of actual directors, suggests potentially interesting comparisons with the discursive practices of university governing board members. However, its lack of a specific theoretical or critical perspective leaves the reader uncertain of the merits of the views presented by company directors and their advisors. In this regard, the lack of strong support for best practices among institutional investors reported by Ramsay, Stapeldon and Fong (2000) may explain why many board members in Tomasic and Bottomley's study appear relatively indifferent to the need for improved governance practices.

Public sector governance

Writing on public sector governance (or corporate governance in a public sector context) has expanded considerably over the past 15 years, prompted by the privatisation or quasi-privatisation of state-owned enterprises in many countries, together with the use of more 'corporate-style' boards as governance mechanisms within health and other social welfare systems. These developments have raised the profile of governance issues within the

public sector, leading to a range of guidelines on best practice for organisational governance (see Edwards, Nicoll & Seth-Purdie 2003: 16-17 for references to Australian and international guides) and numerous presentations by relevant auditors-general (see for example Barrett 2003a, 2003b; Cameron 2003).

In contrast, research studies of public sector boards are only intermittently reported in the literature on governance, two exceptions being Dornstein's (1988) study of the boards of public and private telecommunications companies and Ashburner's accounts (1997, 2003) of the effectiveness of the private board form in the National Health Service in the United Kingdom. In Australia, public sector boards in Western Australia have been reviewed (AGWA 1998), while the above-mentioned study by Edwards, Nicoll and Seth-Purdie (2003) interviewed senior officers in Federal statutory authorities and government departments. Its findings explored the tensions of operating under a corporate board form within a framework set by government.

A major research question for writers on public sector boards is the way in which such boards are different to corporate boards. A primary difference, for many writers, is the difficulty in locating the principal. Lines of accountability begin to blur when the ultimate principal is several stages removed, as where government is an intermediary between the public and an organisation. Accountabilities also become less clear when there is more than one principal, an objection often raised to the use of a stakeholder model in corporate governance. An emerging view is that 'public' board governance has all the attributes of 'private' corporate governance but with added requirements. These are due to multiple stakeholders with interests in participatory governance, the presence of government ministers and parliamentary committees, and a greater number of additional public accountability requirements (Dornstein 1988; ANAO 1999, 2003; Horrigan 2001).

Moreover, accountability for public sector bodies is always likely to be interpreted in a wider 'public trust and public interest' sense than in a narrow 'accounting' sense (Kearns 1996: 35-44). These considerations have led to the development of elaborate schemas

(Horrigan 2001) or 'governance maps' (ANAO 2003) for relationships and influences among public sector boards.

Two emerging themes from the literature are, firstly, a need for public sector boards to focus on 'performance' as well as on 'conformance' (Garratt 1996; Barrett 2003a) and secondly, the challenges posed by governance networks (Ewalt 2001; Feldman & Khademian 2002; Aulich 2003). Such networks embrace cross-agency governance (Barrett 2003a, 2003b), multiple public/private or public/not-for-profit partnerships, and 'joined-up' governance, where diverse agencies collaborate to manage and deliver programs. Such joined-up or networked governance aims to overcome tensions between 'democratic' (or stakeholder) and 'efficient' models of governance (Stoker 2003).

In the context of networked governance, Australian writers have suggested that greater emphasis is needed on governance practices that support effective relationships across diverse sectors (Edwards 2002a). As well, the concept of 'community' has been rediscovered as a focus for public policy and the 'new governance' (Adams & Hess 2001; Reddel 2002). The emphasis on governance understood as 'community' fits well with research on not-for-profit organisations, although the implications for public sector board behaviours are far less clear.

Not-for-profit boards

Research on not-for-profit governance is increasingly well served by bibliographies developed by North American centres on governance (see Saidel 2002; IOG 2003; MWCNL 2003). In the sections below, some major themes for not-for-profit boards are explored, including a separate section on pertinent research concerning school governing boards.

In recent years, the rise of management programs addressing the not-for-profit sector has been matched by an expansion of publications on not-for-profit boards. Many of these are normative 'how to' manuals, the basic rules of which are not dissimilar to the normative roles and expectations proposed for public sector and university governance (see for

example Duca 1996; Carver 1990, 1997[4]; Golding & Stewart 1999; Widmer & Houchin 2000; Dietel & Dietel 2001; Gill 2001; Robinson 2001).[5]

In this regard, an emerging theme in the research literature is the effects of professionalised practices on not-for-profit board effectiveness (Green and Griesinger 1996; Herman & Renz 2000; Cornforth 2001a). A number of reports suggest that normative professionalising prescriptions do appear to work (Herman & Van Til 1989; Cornforth 2001a), especially where boards review their own performance (Holland, Chait & Taylor 1989a, 1989b; Jackson & Holland 1998). Overall, the literature on not-for-profit boards has made important contributions to understanding dimensions of effective - and ineffective - performance among boards.[6] However, the relationship between board effectiveness and organisational performance, as in the corporate sector, remains ambiguous (Saidel 2002: 67).

Board member roles and power

Notwithstanding the proliferation of normative texts, results from the field increasingly point to the significance of personal, political and situational factors on board member roles and performance. These are reflected in the contingency and life cycle approaches noted at the start of this chapter (Wood 1992; Stone 1996), and related studies of differential power among board members (e.g. Block & Rosenberg 2002).

Moreover, several research studies highlight the gap between formal prescriptions of board roles - what board members are 'supposed to do' - and actual practices. Harris

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[4] Carver's Policy Governance model (1997) provides a structured approach that focuses on the setting of policy by a board, with implementation devolved to management. The model takes as its organising principle the policy-implementation distinction, familiar from the literature on public administration, and relies on an absolute division between policy and implementation.

[5] Writings on not-for-profit governance show signs of adopting the eye-catching title style of popular management texts. 'Extraordinary board leadership: The seven keys to high-impact governance' (Eadie 2000) is one example.

[6] Gill (2001: 25) provides a useful list of signs that a board may be in trouble.

(1989), for example, showed the gaps between official statements and role perceptions among board members and staff in not-for-profit organisations, while in an Australian study of community-managed welfare organisations, Wiseman and Warburton (2002) highlighted the need for greater professionalisation of practices. Widmer (1993) found that board members 'played' multiple roles, rather than the uni-dimensional role of trustee found in much writing. Her research indicates that board members may simultaneously (or sequentially) cast themselves in the role of 'expert / advisor', 'worker', 'representative' and 'figurehead'.

Using role theory, Widmer concludes that many board members experience role ambiguity and role overload and that there is significant displacement of the trustee role by these alternative role descriptions. Her study highlights the potential for the use of discourse and observational analysis to explain the different 'logics of action' that board members may apply. It also provides pointers to the ways that the competing 'shoulds' of normative models can be interpreted in social practices.

There is also some consistency in research findings of a positive impact on board or organisational performance of the presence of major donors on the board (Fama & Jensen 1983; Olson 2000; Callen, Klein & Tinkelman 2003). Some of this relationship may be explained in terms of Jensen's (1998) work on the positive 'proximal' effects of key stakeholders on board performance.

Differences in culture and ideology between corporate and not-for-profit boards
Many writers note an increasing convergence between governance issues in for-profit and not-for-profit organisations (Olson 2000; Cornforth 2001b) with differences among governing bodies of various organisations are increasingly recognised as differences of degree, tradition and context (Mintzberg 1979; Molz 1995). While a majority of studies of not-for-profit boards not surprisingly tend to adopt, implicitly or explicitly, the stewardship, resource dependency and stakeholder models, recent work has also

considered agency theory in relation to school or not-for-profit boards (Gordon 1995; Abzug & Webb 1999; Olson 2000).[7]

However, one strand of the literature on not-for-profit boards considers why not-for-profit and corporate boards are different. These differences are likely to be important for board performance, as there is claimed to be some evidence that environmental fit may play a role in shaping board effectiveness (Hilmer 1993). From a 'resource-dependency' perspective, changes to board structures and styles signify, to both external and internal constituencies, a realignment of values in line with key legitimising forces and underlying values. In this regard, Abzug and Galaskiewicz's (2001) study of the competing legitimacy claims of community representation and normative principles in not-for-profit organisations provides a useful pointer to further research.

Earlier work on these distinctions focused on structural differences in boards, notably in the literature on pluralist versus more corporate forms of hospital board (Alexander, Morlock & Gifford 1988; Delbecq 1988; Kaufman et al. 1989; Alexander, Weiner & Bogue 2001). The last of these studies provides some evidence of a growing adoption of the 'corporate' board form among large hospital groups.

One conclusion from the hospital-based studies is that the tensions between trustee and delegate roles may be greater on non-corporate boards, where less 'occupational homogeneity' is likely to exist (Alexander, Morlock & Gifford 1988: 317). However, as Stone, Hager and Griffin (2001) note, corporate-style not-for-profit boards are likely to have higher proportions of members from business and professional backgrounds, indicating that corporate structures are accompanied by 'corporate' membership. On the other hand, the traditional concept of trusteeship, of holding assets in trust for (long-since departed) owners or the wider community, and the associated difficulty in interpreting the owners' wishes, is found generally to be stronger in non-corporate boards (Hodgkin 1993).

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[7] Saidel (2002: 48) observes that the not-for-profit literature has generated a vast number of governance 'models' that use their own terminology. Some of these reflect standard distinctions, e.g. 'corporate-philanthropic', but others are more idiosyncratic.

In Australia, a large-scale study (Steane & Christie 2001) has suggested that public interest and not-for-profit governance is a distinctly different form of governance, necessitated by the organisation's purposes and characterised by greater stakeholder involvement, a plurality of demands, multiple objectives and unclear outcomes, and a degree of social responsibility in operations. The authors conclude that

> ...not-for-profit boards can mimic some aspects of a shareholder approach to governance. But not-for-profit boards, in the main, indicate priorities and activities of a stakeholder approach to governance. (ibid.: 56)

Other studies of the differences between corporate and not-for-profit boards have focused on differing cultural norms, values and ideologies. The perceptions of differing norms between corporate or major public institution boards and the boards of voluntary organisations have been examined in writings from the not-for-profit sector (Ostrowski 1990; Beals & Eadie 1994), including Brower and Shrader's (2000) study of the moral reasoning and ethical climate in for-profit and not-for-profit organisations. In general, these studies provide support for Steane and Christie's (2001) view that board governance in this sector exhibits a sense of social responsibility and a focus on values.

In a study of trusteeship over time in the United States, Hall (1994a) identifies several distinct cultures of philanthropy, which in form are not unlike the interpretative repertoires discussed in subsequent chapters. For example, philanthropy may be presented as advancing the interests of the community as a whole or, alternatively, philanthropy as advancing a special cause or the interests of one's family. Hall comments that these cultures do not blend, but rather 'co-exist, compete, overlap and intersect in various ways and in various settings as individuals who view trusteeship in different ways serve as trustees of nonprofit organizations' (ibid.: 200).

An important study by Daley, Netting and Angulo (1996) has similarities to my research in its examination of competing ideologies among board members revealed in language. The authors found three forms of discourse occurring across all the seven boards they surveyed:

- Mission language, which addresses values and commitment to organisational purposes;

- Operations language, which deals with financial and professional obligations; and

- Manners language, which shapes public communication styles and social roles.

The authors identified actual and potential contradictions between the first two forms of discourse, mitigated by the 'manners' language of polite public communication among board members in ways that echo Lorsch and MacIver's (1989) remarks about the strong norms of boardroom behaviour.

This study is directly relevant to my research, as it focuses on language and the tensions inherent in different 'logics of action' or forms of discourse among board members. It also suggests that such tensions are likely to be present, to a greater or lesser extent, in most not-for-profit boards established for specific social or charitable purposes.

School governing boards
While the context for school governance frequently differs from that for university governance, especially in countries where there are 'school districts' with overarching boards, the recent literature on school governing bodies represents a relatively cohesive set of concerns and a considerable degree of engagement with qualitative research questions around board dynamics and ideologies.

Various studies in the early 1990s explored school governing body behaviour in regard to relations between the board and the CEO (Allison, Allison & McHenry 1995), decision-making (Newman & Brown 1992; Kefford 1993), and the tensions between lay governing body members and teacher representatives on the board (Beckett, Bell & Rhodes 1991; Field 1993; New 1993). There are also, inevitably, a number of 'how to' manuals specific to educational settings (Seitz 1994; Bolman, Deal & Rallis 1995) and various studies of socialisation and on the job learning by board members (Tallerico 1991; King 1992; Erickson & Stout 1996).

Kogan et al. (1984), in an extensive study of school governing bodies following changes to Local Educational Authorities in the United Kingdom, draw from a range of political-administrative theories to develop a theoretical approach characterised as a 'rational top-down view of policy-making', mediated by ideas from organisation theory (decision-making) and political theories (e.g. collective bargaining, elites and pluralism, interest groups).

The authors argue that governing bodies have a number of roles potentially open to them, stating that if 'the political-administrative system is diffuse and variable, this allows choices in the way it constructs the role of the governing body' (ibid.: 14). Four different models, or council types, are suggested, each based on a 'differing conception of what a governing body has as its purpose' (ibid.: 145), related to what may be 'quite different conceptions of the role of lay authorities in educational government' (ibid.: 164).

The relevance of Kogan et al.'s work for my research is that it highlights the differing 'logics of action' and conceptions of governance that individual external members may apply to their governing body roles. While the authors' final typology of four board types is specific to the local context, their attention to differing conceptions of governance as expressed by individuals is suggestive for my research, as is their use of the two-way relationship between top-level policy and local-level implementation.

Continuing some of these themes, Deem's (1995) study of competing ideologies in lay participation in school governance also developed my thinking. Drawn from an intensive 10-year study of ten school governing bodies, involving observation, questionnaires and semi-structured interviews, Deem suggests that, co-existing with 'the party political governor and the old-established "pillar of the community" governor' (ibid.: 65), are school governors whose views reflect two distinctly different ideologies - a collective concern ideology and a consumer interest ideology. Deem characterises the first as stressing democratic and accountable processes, with a concern for governorship as public or community service, while the second is more concerned with individual outcomes and with a distinct market orientation. However, Deem's report of her findings does not

distinguish between the role of discursive practices and the actual behaviours that lead her to identify these various 'repertoires'.

Related interpretations are suggested by Brehony (1992) and Field (1993), while a 1996 Canadian study by Walker examined, inter alia, the differing educational philosophies of members of local and divisional school boards (for example, education as preparation for citizenship or as cultivation of the intellect), highlighting the differing values and 'logics of action' that board members could apply. Taken together, these studies suggest some of the differing legitimacy claims that may be made by members of governing boards in the educational sector.

Issues for university governance and governing bodies

The earliest universities adopted models based on student governance (the University of Bologna) or academic governance (the University of Paris). University boards were a later development, tracing their roots back to John Calvin and the university he founded in Geneva with an external board selected by the city government (Cowley1980; Gade 1992).

Over time, different nations have developed distinctive patterns of university governance. The legacy of governance by an internal academic community, omnipresent in higher education rhetoric (Gould 2003) and similar to the partnership model found in professional firms, persists in governance structures in some older universities in the United Kingdom (Gade 1992). In contrast, as noted in Chapter 1, the United States has a strong tradition of governance in both public and private universities through a board of trustees or regents.[8] Both these nations however have an established norm of 'shared' (trustee / academic) governance.

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[8] In addition to single-institution governance, there are other distinctive structural forms due to the presence of large multi-campus public institutions, with extensive state government involvement in governance, coupled with the presence of distinct campus-level boards (for an overview see Bargh, Scott & Smith 1996, pp. 161-165).

In continental Europe, the state has since the late eighteenth century taken a stronger role in control of universities, with autonomy granted not to institutions but to individual academics (Mora 2001; Neave 2001).

The historic conception of governance by the academic community provides one of the ongoing concerns of the literature on university governance, the other being the autonomy of universities and specifically relations between the state (government at various levels) and institutions of higher education. That is, university governance has largely been viewed in terms of struggles for power and control among the state, the academic community and trustees/management, each group seeking to legitimise its position. As Rhoades (1992: 1382) notes, the literature not only examines but also often articulates its own ideology of governance. A crucial question for my research concerns the forms of legitimacy that are advanced by governing board members themselves. At a specific period in time, do board members (and particularly external members) largely express the legitimacy claims of the state or do they also support claims made by executive management or the academic community?

Within this general schema, different countries have emphasised different concerns, depending on their forms of university governance and the concerns of the day. Writings from the 1960s and 1970s emphasised the role of stakeholders in 'shared governance', spurred by student activism and an emphasis on participatory democracy (Epstein 1974; Corson 1975; Harman 1975; Fisher 1991; Scott 1995). Since then, the emphasis on 'shared governance' in American universities has oscillated considerably (Chait, Holland & Taylor 1991; Lyall 2001). The current situation in the United States, United Kingdom and Australia is well summarised by Coaldrake, Stedman and Little (2003), who observe that 'the question of which forms of university governance produce the best performance is unlikely to be answerable, even in principle' (ibid.: online). A research example is presented by Brown (1999), who examines faculty participation and concludes that its effects on university performance may be good or bad, depending on the type of decision.

The global movement of the 1990s, whereby national governments took a stronger 'steering role' with regard to higher education (Goedegebuure et al. 1994; Amaral, Jones & Karseth 2002), brought university governing bodies into prominence in two ways. In continental Europe, universities were granted more autonomy but also more responsibility for managing their affairs, manifested by strengthened executive authority (Neave 2001) and the devolution of power to enhanced governing boards (de Boer, Denters & Goedegebuure 1998a, 1998b). This in turn has led to greater interest in the role of stakeholders in university governance (Maassen 2000a, 2000b; Chatterton & Goddard 2000; Magalhães & Amaral 2000). In other countries, as outlined in Chapter 1, the use by governments of mechanisms designed to make universities respond to particular instrumental goals has led to increased emphasis in universities on 'top-down' management at the expense of internal academic governance structures (Deem 1998; Trowler 1998; Marginson & Considine 2000). Both these changes are impacted by international developments that include the expansion and globalisation of higher education systems, including the growing market-based 'trade' among individuals, corporations and universities in qualifications, research and students (Newby 2001).

In reaction, recent writing has suggested the need to reaffirm a commitment to academic governance (Shattock 2002a, 2002b; Gould 2003) and to the wider social role of the university, in the light of risks from the ongoing effects of rampant commercialisation (Bok 2003; Cain & Hewitt 2004).

Theoretical approaches to university board governance have, in general, tended to use political or sociological models, which reflect the idea of competing values and legitimacy claims between academics and management or bureaucracy (Blau & Scott 1962; Baldridge 1971; Mintzberg 1979), or to borrow or apply ideas from management and decision-making literature. More recently, insights from agency theory have also been applied (Olson 2000). Clark (1983) identifies six authority levels relevant to universities and the wider social systems in which they exist: at the enterprise level, the relevant forms are trustee and bureaucratic authority. However, Rhoades (1992) notes that Clark gives 'little attention to the problematic and contested nature of authority' (ibid.: 1378) or to the

ways in which authority is socially constructed. Moreover, Clark does not discuss the nature of trustee authority in any detail.

Hardy (1990) provides an overview of previous work on power and decision-making in academic organisations, considering structural forms (the university as professional bureaucracy), the rational model, collegial model, political model and the garbage can model of decision-making (Cohen & March 1974), plus the use of mixed models. She concludes that these models, which have dominated research to the exclusion of other approaches, are inadequate to explicate the processes through which power is exercised and consent manufactured or resisted in university governance, noting that it may not be clear which model is operating. She suggests that the operation of power in universities is subtler than any of these models allow and that wider insights from symbolic and cultural studies be used to clarify the factors that account for its manifestations. Of interest are Hardy's identification of the extent to which the winners and losers from processes of change may be unclear and her assertion that university governance is most productively viewed through multiple frames. Another relevant study is that of Rhoades and Slaughter (1991), which critically examines attempts by various groups within a university to structure discourse practices, in order to control an emerging agenda in regard to technology transfer and research. Other insights from critical theory have informed an emerging body of work on ideologies of higher education, including the ways ideology is used to affirm the identities of differing institutions (Tierney 1991a; Slaughter 1991). This work has some parallels with contrasts drawn between older and newer universities in Australia (e.g. Marginson & Considine 2000).

Although the problematics and parameters of shared governance have been the focus of considerable discussion in the literature (e.g. Birnbaum 1989; Henkin & Persson 1992), few studies have explicitly considered governance as enacted by the board of trustees. Governing boards feature in many earlier accounts of the university from a pluralist political or organisational studies perspective (e.g. Stroup 1966; Baldridge 1971; Epstein 1974; Corson 1975) but for the most part such studies devote a chapter or a few pages to

the board and their accounts sit uneasily with broader accounts of tensions and dilemmas in shared governance.

Despite the small number of research studies, there are many guidance manuals and 'how to' books for university trustees and, increasingly, similar publications for board members of community colleges and for academic managers (see for example Rauh 1969; Gies & Anderson 1977; Bowden 1982; ACCU 1991; Chait, Holland & Taylor 1991; Ingram 1993; Edelstein 1997; ACCT 2003; AGB 2004). In addition, there is a significant number of reports on governance by individual institutions (see for example Schneider & Johnson 1988; Trow 1998a).

As well, demographic and socio-economic characteristics of governing body members of American universities and colleges have been studied for some time by the Association of Governing Boards of Universities and Colleges (AGB: Davis & Batchelor 1974; Kerr & Gade 1989). In its 1989 report, the Association found that board membership was predominantly male (80%) and white (90%), reinforcing findings from other surveys that point to the elite nature of board membership (Middleton, 1987).

Another stream of American writing has focused on relations between the board and the president, especially in the context of presidential leadership and trustee roles (e.g. Cleary 1979; Nason 1982; Chait, Holland & Taylor 1991; Fisher 1991; Birnbaum 1992; Weinstein 1993; Munitz 1995; Michael et al. 1999). Cleary's (1979) questionnaire survey found differences in opinions on their roles between trustees and presidents on social issues and on issues of academic and social policy, suggesting that trustees generally wish for higher levels of involvement, a finding reinforced by other studies of trustee satisfaction (Kerr & Gade 1989; Michael et al. 1999). An emerging topic concerns the moral and ethical dimensions of university trusteeship (Abdo 1995, 1998; Smith 1995).

In Canada, Hatton (1991) asked directors of corporate boards who had experienced university board membership about their roles on each type of board. He concludes that there are few significant difficulties for directors in moving from one type of board to

another. While it would be helpful to know more about Hatton's methodology, his study raises interesting questions, in the light of Steane and Christie's (2001) findings on the stakeholder orientation of not-for-profit boards.

One of the major American research studies of university governing bodies was undertaken by Wood (1985). Drawing from in-depth interviews with trustees and presidents from ten private liberal arts colleges located in four States, she attempts to show 'how board members themselves perceive their roles' (ibid.: ix). In common with many other works on board governance (Kogan et al. 1984; Alexander, Morlock & Gifford 1988; Kerr & Gade 1989; Molz 1995), Wood develops a typology, identifying three differing operating styles of boards:

- The ratifying board;

- The corporate board; and

- The participatory board.

These types reflect in part a recent distinction in the Australian literature between 'corporate' and 'collegial' or 'participatory' governance models (Edwards 2000a). Wood (1985) observes that it is not possible to predict which type of college will tend to generate which board style, but notes that 'the operating styles of boards tend to change over time, generally evolving from corporate to participatory and back' (ibid.: 125), a theme elaborated in her later work (1992).

Wood finds that the concept of 'public interest' governance is replaced in the private colleges she studied by the idea of the trustee as an advocate for the particular institution, indicating a degree of 'capture' by the college's professionals (1985: 146-147). Her analysis suggests some ways of structuring future comparative research around ideas of 'public interest' governance and board members' views of their own accountabilities.

In contrast to the American situation of a well-developed normative literature and an assumption that governing boards are largely 'professional' in their operations, writing on

university governance in the United Kingdom has portrayed governing bodies as largely ceremonial, an occupation for 'gentlemen' rather than 'players' (Moodie & Eustace 1974; Bland 1990).

Scott (1995) has identified four phases in the recent history of university governance in the United Kingdom: a 'civic phase' of the late nineteenth century; a 'donnish' culture of the 1920s to the 1950s; the student culture of the 1960s; and a managerial culture since the 1980s (see also Bargh, Scott & Smith 1996: 4-8).

Since the 1990s, reforms to higher education in the United Kingdom have led to government demands for more accountability and stronger supervision by university governing bodies. The inclusion of university governing bodies in the institutions considered by the Committee on Standards in Public Life, established in 1995, led in turn to the publication of guidelines on good practice for governing bodies issued by the Committee of University Chairman (Bargh, Scott & Smith 1996; see also Shattock 2002a, 2002b).

In a study directly relevant to my research, Bargh, Scott and Smith (1996) aimed to explore governing boards as a neglected area and specifically to examine the differences in 'governance in action' in old and newer universities and to chart the impact on governing bodies of changes in higher education at the time. Their research comprised a questionnaire, from which 494 useable responses were generated, and interview-based case studies of two 'old' and two 'new' universities.

The authors draw a distinction between an established idea of 'dignified' lay participation in university governance and demands for more business-like 'efficient' participation (ibid.: 5), with possible rhetorical overtones of 'active citizenship' (cf. Deem 1995). However, they observe that:

> The links between universities and society, culture, science and innovation led us to expect that the emergence of new principles and patterns, networks and relationships, in the reformed public sector, as well as a new managerialist ethos,

would provide all the conditions for the transformation of the environment of governance.

> Yet the research evidence points to a more qualified and ambiguous set of conclusions...In contrast to the position in other sectors, the appeal of corporate models seems to have been qualified by the old academic culture that values intellectual mutuality, organizational collegiality and institutional autonomy...(Bargh, Scott and Smith 1996: 172)

Specific findings from this study are also of interest for comparative research on university governing boards:

- Strategic roles were seen by the respondents as the most important, followed by audit, supervisory and support roles, with an expectation that the importance of roles in strategic planning would increase in future years (ibid.: 88-91);

- Outside formal meetings, the most important other activity was seen as 'talking to students/staff', followed by 'visiting units and departments', 'representing the institution on other bodies' and 'ceremonies' (ibid.: 91-95);

- A fairly high overall level of satisfaction was expressed with the relevance of information received by council members, with a markedly lower level of satisfaction among internal members (ibid.: 95-97);

- There was a very high proportion of members who were middle or upper class white males aged 45-64, with only 2% of members from ethnic minorities (ibid.: 44); and

- A greater willingness to debate and discuss broader issues was evident among governing body members of 'new' universities (ibid.: 135).

The authors conclude that the 'inner rhythms of university governance have changed less than the outer forms' (ibid.: 178), indicating that board members reflect a 'soft' managerialist approach (Trow 1994), where higher education is seen as still 'an autonomous activity, governed by its own norms and traditions, with a more effective management still serving functions defined by the academic community itself' (ibid.: 11). This conclusion is reinforced by Scott (2001), who accepts that one of the effects of

managerialism in higher education, the increasing power of the Chief Executive, has not been matched by an increase in the power of the governing board.

However, as Bargh, Scott and Smith do not examine the specific orientations or 'logics of action' of governing body members, they are not able to discuss in any detail whether these members support an 'instrumentalist' view of higher education as subordinated to extrinsic purposes or a 'cultural' view that takes education to be an end in itself (Marginson 1993: 124). The latter is closer to the transcendent 'idea' of a university expressed by Cardinal Newman and others (see McCaughey 1988 for an Australian example). The role of governing bodies in leading or supporting a change from one form of legitimacy to another is a further potential area for research, although the study by Bargh, Scott and Smith indicates that councils may perform more of a mediating than a driving role in the process.

Writing on university governing bodies in Australia

Recent government actions and reports in relation to Australian university governing bodies were described in Chapter 1 (see also Coaldrake, Stedman & Little 2003). The Australian literature on higher education reflects the international developments noted above and, in some ways, Australia has been a leader in recent development in public sector and higher education reform (Meek 2003b).

In regard to university governance, however, the dynamics of the struggle for control persist quite remarkably over time. The following issues, noted by Blainey (1957) in regard to The University of Melbourne in the 1880s, are instantly familiar:

> ...two contentious principles of university government were still unresolved: should the chancellor or the vice-chancellor be the most powerful officer, and should the government be allowed to interfere in university affairs? (ibid.: 72)[9]

The body of work on higher education in Australia provides some evidence of the way that councils are viewed in the context of wider changes to university governance and

their role in ongoing issues of accountability and autonomy (Harman & Selby Smith 1976; Ramsey & Howlett 1979; Smith & Williams 1990; Wood & Smith 1992; Meek & Wood 1997; Marginson & Considine 2000).

As well, there are some discussions of the role played by individual councils and Chancellors contained in institutional histories and in studies of boards in multicampus structures (Meek 1992; Smith 1992) and institutional amalgamations (Harman & Robertson-Cuninghame 1995). There is an ongoing concern, peculiar to the Australian literature in its formulation (see Chapter 9) but linked to wider concerns over 'participatory' governance (Edwards 2000a, 2002b), about 'trustee' versus 'delegate' (representational) roles for council members (Wood & Smith 1992; Smith 2002).

There is a small but expanding body of work on university councils viewed from a legal perspective (Price & Whalley 1996; Corcoran 1999; Rochford 2001; Jackson & Cowley 2002), which raises issues of ownership, corporatisation, legal liability and fiduciary responsibility. While Jackson and Cowley (2002) make the case for a 'corporate' perspective on university governing bodies, Corcoran in particular (1999) has provided an argument in law for much stronger participatory representation by staff, students and alumni as 'owners' of the university.

Within this general context, and although information on the composition of Australian university councils is fairly readily available (Wood & Smith 1992; Meek & Wood 1997; AVCC 2000, 2003a), there are very few research studies of the roles of Australian university governing boards. In one of these studies, McCaig (1965) conducted structured interviews with members of the Senates (councils) of two Australian universities, to examine Senate functions as perceived by members, and differences in perceptions among the three groups of 'academics', 'laymen' and 'government servants'.

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[9] Strong lay governance was the norm for the first Australian universities. Full-time, 'professional' Vice-Chancellors (or Presidents) were not appointed until the time of Word War II. See also Davis (2002).

McCaig notes that 'many members experienced some difficulty in formulating their views on Senate functions' (ibid.: 99). However, he reports that over half the members offered as the Senate's primary roles 'business management functions' and acting as a 'court of review and conciliation' (ibid.: 101).

Considering the views of groups, academic staff tended to stress a secondary responsibility for academic affairs, while lay and government members emphasised the function of the Senate as a link between the university and the community. Government servants, the smallest group, tended to reflect the views of academics more closely than those of lay members.

Of most interest in McCaig's study, apart from the extent to which the study reflects the language choices available at the time to both McCaig and his respondents, is the account of the subject positions that members attributed to themselves and to others. Academics were seen by others as representing staff interests, a role they denied for themselves, stressing instead individual expertise. Government servants were similarly seen by the other two groups as representatives of government, a role again strongly de-emphasised by the government servants themselves.

The next significant study of governing bodies occurred a decade later, with the publication of a study on regional and metropolitan colleges in the then advanced education sector, comprising Colleges of Advanced Education (CAEs) and technical colleges. This study included a report on research about college councils (Harman 1975). Observing that the history of such councils was in many cases fairly short, Harman reported on the characteristics of council members, who were predominantly male, with lay members mostly university graduates with either 'prestigious or lucrative occupations, or both' (ibid.: 505). On council member roles, Harman concluded that 'council members see their main contribution in terms of bringing a critical and independent approach and broad experience to bear on questions of policy' (ibid.: 522).

Harman found that around half of the staff/student members and half of the 'lay' members of councils agreed with the proposition that 'colleges should be run as a community of scholars, not as a business or government department' (ibid.: 515-516). While this may reflect college members' aspirations to university status for their colleges, it is a tangible marker for comparative research of the types of legitimacy claims regarded at the time as acceptable and even normative.

A striking feature of Harman's study is the extent to which the concepts he uses - ones with which his respondents are clearly familiar - are recognisable a quarter of a century later. Whether universities should be run as businesses, freedom of expression by academics, and the role of staff and student members are all current issues for university governance (Corcoran 1999; Marginson & Considine 2000) and for research on councils.

Other papers from two years of seminars on governance held at the Darling Downs Institute of Advanced Education offer further insights into the framework within which the role of CAE councils was being discussed in the mid-1970s (Barker 1975; DDIAE 1976). Accountability to the community and to government was a major issue (Allen 1976), with staff and student representation well-established and some ongoing suspicion of external members. While the advanced education sector was clearly distinct from the Australian university sector, there is indirect evidence that these perceptions - and the calls to reclaim the academy for staff and students - were reflected in views of university governance at the time (see for example Stavropoulos (1989) on the establishment of the Melbourne University Assembly in the 1970s).

By the late 1980s and early 1990s, Australian academic staff were likely to be presenting the case for collegial governance as a response to the rise of a discourse of managerialism (Smyth 1989) or examining the new 'managerial' skills required of Vice-Chancellors (Sloper 1989, 1994). In a 1992 doctoral dissertation, Mildred examined attitudes to governance in one College of Advanced Education, concluding that the design of appropriate forms of governance should take account of the organisation's internal culture and norms. The study found widely differing attitudes to governance among staff and senior managers, with

teaching staff expressing greater commitment to collegial governance models. While a general concern was expressed that opportunities for participation in decision-making had been reduced, senior managers were inclined to support more 'bureaucratic' or managerial governance models. One striking finding from this study was the extent to which institutional 'sagas' or history were used to explain current systems and opportunities for staff participation.

Reports of a conference on the governance and funding of Australian universities held in 1992 offer some hints on views of governance held at the time, although the main focus was on government-institution relations (Marshall & Walsh 1992). A small number of articles directly considering the role of university councils emerged in this period (Smith 1992; Wood & Smith 1992).

Some further evidence of attitudes to university councils is provided in a general study by Meek and Wood (1997) of governance and management in Australian higher education. Among academic staff and managers, there was a general perception that councils were not very effective in representing the interests of the university to Federal or State Governments, to the private sector or even to the local community, with a large number of 'not sure' responses. While university executives expressed more support for council effectiveness than other managerial staff, the authors speculate that the large number of 'not sure' responses may highlight a general 'low visibility' of councils among the academic community (Meek & Wood 1997: 22). However, there was strong agreement from university executives, deans and heads of departments that councils should not be more active in day-to-day management: 'It appears that the vast majority of respondents are highly sensitive to demarcations between governing roles of councils and internal management responsibilities of institutions' (ibid.: 23).

Marginson and Considine (2000) discuss features of what they describe as a new form of university governance in Australia, the enterprise university. This new form is characterised by increased executive power and declining academic influence in governance, and is influenced by wider movements in the new public management

coupled with reduced reliance on government funding and globalising trends in higher education. Drawing from extensive analysis and interviews across 17 universities conducted in 1995 and 1996, the authors found the 'enterprise' trend to be common across all institutions studied, although more marked in some than in others (ibid.: 11).

Their findings highlight the extent to which there are isomorphic or mimetic tendencies amongst Australian and international universities, regardless of their 'newness', an outcome supported by Taylor's (1984) analysis of the impact on newer universities of the material and symbolic culture of universities of the 'gold standards' of Oxford and Cambridge.[10]

At the same time, the exploration by Marginson and Considine of the governance role of university councils in leading or retarding these changes is surprisingly flaccid. Their assessment, offered with some degree of caution, is that university councils are, with some specific exceptions, controlled by management and that many new university business enterprises have effectively been removed from their ambit (ibid.: 103).

The authors cast councils in a passive role, locating them on the periphery of new developments: significantly, there is not one quote from a council member in their assessment of councils, while issues such as attitudes to academic staff and student representatives on council are not explored.

A national overall reduction in size of councils is discussed at length and the 'management' of council by the university executive is stressed, but without any assessment of the extent to which councils are complicit in or critical of the rise of managerialism. Whether these devices for the 'management' of councils reflect actual changes or whether they have always been present is not explored.

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[10] In this regard it should be noted that the uniform regulatory and funding regime of the Federal Government until 2003 was likely to exert a strong coercive pressure for isomorphism among universities.

Echoing the findings of Bargh, Scott and Smith (1996), Marginson and Considine identify some key structural features of council work, such as the presence of 'insiders' and 'outsiders' on council and the contribution made by committee work (ibid.: 106).

In relying on the words of senior managers to provide a characterisation of council operations, Marginson and Considine do not explore the extent to which the ideas of entrepreneurship have actually changed the ways councils think and talk about their roles. My research aims to redress this imbalance by foregrounding the views of council members themselves.

Recent discussions on Australian university governance (e.g. AVCC 2002) indicate renewed interest amongst practitioners in the tensions and dynamics of university governance. Edwards (2000a, 2002b) provides a useful summary and raises a number of questions for future research. Significantly, she identifies tensions between 'effective' and 'participatory' governance as a means to explain the persistence of 'trustee - delegate' tensions. One implication for my research is that council members may employ underlying governance models that dictate specific, and differing, ways of 'performing' governance in action. A further approach is suggested by the use, novel in Australia' of a blended concept of 'trusteeship' (AVCC 2003b), incorporating elements of stewardship and a more corporate approach to governance.

Conclusions

This survey of the literature suggests some convergence in thinking about governing boards across the for-profit and not-for-profit sectors, but also suggests persistent differences in the cultures and values that provide the impetus for board action.

The theoretical models identified above provide a basis for understanding the differing perspectives, constituencies and values that board members bring to the task of governing. However, research findings suggest that boards are likely to exhibit features of several models at the same time. Earlier pluralistic models of competing interests are

progressively being augmented by more nuanced accounts of the ways in which organisational and individual values shape governance tasks.

The literature also provides some guides to board effectiveness, through the identification of factors that constrain and enhance board performance (Lorsch & MacIver 1989), contingency or life cycle approaches (Wood 1992; Widmer & Houchin 2000) and recognition of the competing choices or paradoxes that board members face more or less continuously Cornforth (2003a, 2003b). At the micro level, the power held by individuals can also exert an influence (Zald 1969; Jensen 1998; Cornforth 2001b). Taken together, these studies point to the possibility of developing a comprehensive, multilayered approach to the examination of governing board performance.

One emerging view is that organisational and socio-cultural values and 'taken for granted' ideologies may be more significant than the structural characteristics identified by some earlier writers in shaping the ways in which boards interpret their tasks. If, as some writers have suggested, development of a 'culture of governance' is the key issue in improved board governance (Edwards 2003b; Coaldrake, Stedman & Little 2003), this culture must surely manifest itself in ways other than a standard professionalised language applicable to all boards.

Despite widespread agreement that pluralism and stakeholder models are dominant considerations for not-for-profit governance, there have been surprisingly few studies that assess whether differing values and needs of multiple constituencies are reflected in differing concepts of how a governing body should carry out its functions. Significant work in this regard relates to school governance in the United Kingdom (Kogan et al. 1984; Deem 1995), although these studies do not focus specifically on the use of multiple discourses.

It is suggested that the sociology of Pierre Bourdieu may provide a useful starting point to examine governance within and across social fields. The culture of the type of organisation - or the field, in Bourdieu's terms - appears likely to influence board norms

and rationales. What is permissible and accepted as an ideology or a role for members of hospital governing boards may not be acceptable in a university context and vice versa. Moreover, changes to the field may also influence governance practices. In the field of higher education, much recent writing has considered university governance in the light of public sector management reforms and increasingly direct statements by government of the outcomes that universities are expected to deliver (Meek 2002).

It appears that governance by governing boards is both overdetermined and underdetermined. It is overdetermined in respect of the exhortatory literature on the cluster of normative 'good things' that a board is required to be (e.g. Robinson 2001: 41-43): effective, hands-off, committed, a team, well-informed, critically questioning, supportive of the CEO, attentive to symbolic dimensions, clear about its roles and responsibilities, alert to risks. It is also overdetermined in respect of the increasing numbers of stakeholder groups demanding greater accountability and responsiveness by boards.

Governance, however, is potentially unruly: it takes the form of an often disparate group of people, invested with substantial powers, brought together at infrequent intervals to discuss matters of which they may have only an imperfect knowledge. The potential for anarchy and disruption is evident. Governance is therefore underdetermined in the sense that it inevitably represents a failure to achieve its goals, while common tensions or paradoxes of choice persist over time (Cornforth 2003a, 2003b). It is also underdetermined to the extent that while board members have a choice of roles available to them (Widmer 1993; Bargh Scott & Smith 1996), we know little about the ways in which choices are made to exhibit one role or another. As some research has indicated (Daley, Netting & Angulo 1996; Abzug & Galaskiewicz 2001), one way of approaching board governance lies in a conceptualisation of governing bodies as sites of discursive struggles over values, ideologies and forms of legitimacy.

Boards and their members do have choices about how governance is enacted in practice. There is some evidence from the literature that these choices may be uncovered by a study

of the 'logics of action' or 'regimes of justification' that board members use to legitimise claims for one position over another. A study of these competing logics could assist in assessing the ways in which dominant, normative ideas are accommodated or resisted in practice through the invocation of alternative concepts. In terms of language and discourse, the work of Boltanski and Thévenot (1991) appears to offer ways to categorise the differing legitimacy claims that serve to establish governing body behaviour and roles.

These considerations led me to the development of the research questions described in Chapter 1. A starting point, drawn from various studies of ideology (e.g. Deem 1995; Tierney 1991a), is the question of which interpretations of governance or of a university are significant for university board members. A second obvious question is how such interpretations relate to the six theoretical governance models identified by Hung (1998). The literature on higher education, including the major study by Bargh, Scott and Smith (1996), a suggests a third question, about the extent to which managerialist ideas are reflected in the discourse of governing board members. From theories of pluralism and the political dimensions of organisational life, it appears that a study of discourses might also suggest some ways in which coalitions or compromise positions could be reached, generating my fourth question. My final question, on how the presence of differing interpretations might be used in developing a 'culture of governance', returns to a general aim in the literature of assisting boards to enhance their operations.

The next chapter establishes a theoretical framework for the analysis of university governing bodies using a Bourdieusian model combined with concepts from critical discourse analysis and the work on 'regimes of justification' identified above.