Transforming Institutions through Shared Governance

BY RITA BORNSTEIN

SPARKED BY TWO RECENT CRISES, HIGHER EDUCATION governance is receiving heightened attention across the country. At the University of Virginia, in a surprise move and without consulting with key constituencies, the board forced the president to resign and then capitulated to protests by rehiring her, all within a three-week period. At the Pennsylvania State University, top administrators and a beloved football coach reportedly engaged in a long-term cover-up of child sexual abuse by a former assistant coach.

TAKEAWAYS

1 For shared governance to be successful, board members, administrators, and faculty members must learn to have respect for and confidence in each other, acting inclusively, transparently, and responsibly.

2 Boards need to be active and involved, participating in strategic and financial planning and risk assessment, demanding high standards, and making data-driven decisions. Presidents need to be strong but consultative, both visionary and strategic.

3 To balance and constrain the potential exuberance of boards and presidents for inappropriate corporate-style governance, faculties must be committed to the success of their students and the stability of their institutions.

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While such incidents are rare, we can learn from them. We should seize this opportunity to continue the national conversation about shared governance and to promote deeper conversations within our institutions about it.

Shared governance is a basic tenet of higher education and is frequently referred to. But what, at its best, does shared governance mean in today's changing environment? How can institutions most effectively implement shared governance, and what is the specific role of the board, as well as of the president and faculty members, in doing so?

New Demands, New Responsibilities

Gone are the days of passive boards, imperial presidents, and militant faculties. Today, we want—and need—our boards to be active and involved, to participate in strategic and financial planning and in risk assessment. We want them to demand high standards and make data-driven decisions. At the same time, we need presidents who are strong but consultative, both visionary and strategic. And finally, to balance and constrain the potential exuberance of boards and presidents for inappropriate corporate-style governance, we need faculties that are committed to the success of their students and the stability of their institutions.

As the recent incidents indicate, higher education governance today is not for the fainthearted. The economic recession and government cutbacks have created unprecedented challenges for boards and presidents. On top of the financial crunch, other fast-moving trends—such as changing student demographics, the increasing application of technology to the delivery of education, and globalization—also demand institutional responses. Boards and presidents must make tough decisions to ensure that their institutions remain viable and relevant. And the process by which those decisions

are made is crucial to their successful implementation.

In this turbulent environment, boards may be inclined to take on management responsibilities such as budget and staff reductions, changes in academic programs, or administrative restructuring. While it is appropriate for boards to raise such issues, management tasks should be delegated to the president, who can report back with cost-benefit analyses and recommendations about proposed changes. Boards need to support their presidents and enable them to fulfill their leadership responsibilities. At the same time, boards should also be wary of excessive reliance on long-serving presidents who may develop the arrogance and sense of entitlement that can lead them to act without consultation.

Besides working appropriately together, the board and the president can significantly improve deliberations about and planning for major changes and institutional crises by also ensuring the participation of the third party in the shared-governance compact: the faculty. The faculty workforce is highly educated and experienced and most closely attuned to the needs of students and the culture of the institution. A supportive faculty can help create the environment for successful change. For example, if an institution is facing a budget deficit, faculty members can work with administrators to rethink such issues as graduation requirements, class size, faculty workloads, the use of online teaching materials, and staff growth and compensation.

Listening to the cacophony of opinions voiced lately through the news media, it is clear that, given the opportunity, some observers would appoint corporate-type CEOs to run our institutions and use a "slash and burn" approach to solving financial and other problems. Although it may be simpler and less time-consuming for a president or board to act unilaterally and boldly, the result may be so divisive and destructive that nothing is gained and much is lost.

What Is Shared Governance?

The concept of shared governance is consistent with the American political system, which is based on a distribution of power so that there is no single government authority. Broad participation, collaboration, and compromise are the mechanisms by which colleges and universities should govern themselves.

In 1966, the American Association of University Professors (AAUP) promulgated a statement regarding shared governance. The statement defines areas of primary responsibility for boards, presidents, and faculties while respecting the right of governing boards to be the final arbiters on all matters. The Association of Governing Boards (AGB) and the American Council on Education (ACE) did not formally adopt the AAUP statement, but they "commended" it to their members, and it has become the current industry standard. Over the years, a number of institutions and several states have worked to clarify areas of responsibility. Wisconsin, for example, has codified the responsibilities and relationships among boards, presidents, and faculties.

Shared governance serves a number of purposes:

- It involves the board, president, and faculty working together to make important institutional decisions.
- It acknowledges the professionalism of the faculty.
- It provides each group with primary authority over its areas of expertise and a voice in decisions affecting the programs, organization, and traditions of the institution.

Shared governance builds social capital in a college or university—relationships of trust, cooperation, and reciprocity that enable an institution to fulfill its goals. In its "Statement on Board Responsibility for Institutional Governance," published in 2010, AGB states, "Boards should recognize [that] the academic tradition ... creates the need for deliberation and participation of faculty and other key constituents in decision making. ...The meaningful involvement of faculty and other campus constituencies in delibera-

tions contributes to effective institutional governance."

At the University of Virginia, for instance, no one has questioned the authority of the board to terminate the president. The outrage arose because the board failed to consult or communicate in a timely manner with the president, faculty members, students, or alumni about its concerns. At Penn State, top administrators failed to discuss with the full board and the faculty the appropriate response to the illegal and unethical behavior of a former assistant coach.

For shared governance to be successful, board members, administrators, and faculty members must learn to have respect for and confidence in each other. They need to act inclusively, transparently, and responsibly. Yet boards and faculties generally come from different cultures. Many board members believe that professors are unworldly, lazy, and incapable of timely decision making. Faculty assume that board members do not understand academic values, are not interested in the faculty perspective on issues and decisions, and are most comfortable with top-down corporate decision making. (See sidebar on page 28.)

Already poorly understood and implemented, shared governance is also being threatened by the loss of faculty status in higher education. Financial pressures have led boards and presidents to take such steps as reducing budgets and staffing, increasing class size, limiting tenure, and reducing admissions standards—all without faculty input. Financial concerns have also led administrators to hire many more contingent (nonpermanent) faculty members, thus reducing the percentage of tenured faculty in many, if not most, institutions. As a result, faculties at private institutions, along with the American Association of University Professors (AAUP), are increasingly pressing for the right to unionize. At institutions where shared governance works and faculty members are integrated into decision making, however, the demand for unionization tends to be less likely.

Implementing Shared Governance

While "shared governance" is a term used primarily in higher education, the underlying concept represents good management practice in many different settings. Charles C. Krulak, who assumed the presidency of Birmingham Southern College in 2011 after a distinguished career in the military and in business, has written in *Inside Higher Ed* (October 5, 2011) about his introduction to the basic AAUP documents on shared governance. "I found them in sync with the way I have operated for years," he said. "I have yet to find a truly successful military leader, business leader, or professional coach who did not seek out the unvarnished opinions and views of his or her people. Not only seek out opinions and views but critically understand that it is bad business to ask people to charge a machine gun nest or cut a business deal or accept a game plan without fully understanding their views of the proposed tactics and getting their buy-in."

Yet for all its virtues, shared governance is not easy to implement. It takes experimentation, openness, and trust. There are many examples of difficulties beyond the recent cases. For example, news reports a few years ago described a controversy at the University of Chicago when more than 100 faculty members signed a letter to the president and provost complaining that the administration had failed to consult with them before establishing the Milton Friedman Institute for Research in Economics. As is often the case, perspectives differed on how the situation arose. The provost at the university was quoted in the *New York Times* (July 12, 2008) as saying, "There's been a large amount of faculty input at every stage," while a faculty member wanted to convene the entire faculty and "force a discussion [and] not just accept this as a fait accom-

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pli." The incident is one more example of how challenging it can be for presidents and boards to engage in shared decision-making on controversial issues and how alienating it is for faculty to be left out of important deliberations.

The Board's Role in Shared Governance

The 2006 AGB publication *The Leadership Imperative* asks boards to "help the president chart a course of action that respects faculty, students, and the prevailing institutional culture while carrying it forward to meet new challenges." That indicates that boards and presidents should not undertake a major initiative, such as budget tightening, strategic planning, or enrollment policy, without mutual agreement and, when appropriate, faculty involvement.

The board chair has the responsibility of promoting shared governance and must have a close working relationship with the president, characterized by openness and honesty. A strong and supportive chair can secure advice from board members on important governance issues and gather consensus on the appropriate action. In the effort to be consultative, however, the board needs to be wary of the temptation to micromanage the institution. Moreover, board members must be careful not to undermine the president's authority by engaging in close relationships with senior administrators. Such back-channel talk undermines the president's legitimacy.

The board can improve its understanding of shared governance by ensuring that its membership includes educators from other institutions and associations who bring a broad understanding of higher education and institutional governance. Most important, boards should invite faculty members, either directly or through the president, to participate in deliberations about key institutional decisions. The decision-making process may be slowed, but the results more easily accepted, if the faculty participates. Faculty members may view new initiatives that are developed without their input as burdensome, and they may not respond to administrative requests or attend meet-

ings involving such initiatives.

The board can also recognize faculty accomplishments and honors. At the same time, it should hold faculty to high standards and expect professors and academic administrators to provide metrics and evaluation data to identify institutional strengths and weaknesses.

The President's Role in Shared Governance

When new presidents are hired, they must win the respect and trust of the board and the faculty or they are not likely to succeed. Often, conflicting expectations of presidents create tension. For example, it is not uncommon for board members to demand strong transformational leadership while the faculty prefers collaborative, integrative leadership. Boards may want to make decisions much more quickly than the faculty does. Boards and faculties may also have different visions for the future of the institution. Presidential candidates should try to uncover such differences during the search process. If the differences in expectations and vision seem irreconcilable, candidates should seek a presidency elsewhere.

The president is the chief administrator of the institution and is not obligated to consult on every decision. The challenge is to know when to act and when to consult. The more the board and faculty trust the president and believe that the institution is in competent hands, the more latitude the president has to make decisions.

To help shared governance work, the president must make the concept a part of board orientation, along with the issues of tenure and academic freedom. Most board members come from a business culture and are unfamiliar with these core concepts, which may seem to them unnecessary, disruptive, and unreasonable. The president is in the best position to promote contact, cooperation, and consensus among board members, administrators, and faculty members by creating opportunities for interaction and consultation.

Early in my own presidency, I enlisted a faculty committee to review and recommend changes to strengthen the process and requirements for tenure and promo-

Bridging the Different Worlds of

Regrettably, misunderstanding and mistrust can sometimes characterize the relationship between faculty and boards. I know that firsthand, as I am not only a faculty member at Michigan State University, but also a board member at Hiram College in Ohio.

To cite a case in point, several trustees at a recent board meeting that I attended were dismayed by faculty complaints about communication with the administration, support for professional development, and institutional priorities. It was hard for board members to accept such criticism at a college that has recently experienced enrollment growth, improved its faculty compensation, enhanced its physical plant, and made serious efforts to increase transparency in decision making.

Why do trustees and faculty have a somewhat skeptical, occasionally adversarial relationship? In large part, because they come from different worlds and have distinctly different perspectives on higher education.

Many faculty members have spent most of their lives, as students and educators, in institutions shaped by academic values, traditions, and performance standards.

In contrast, nearly 85 percent of trustees at public institutions and 87 percent of those at independent institutions work outside education, according to a 2010 AGB report.

Further, many trustees come from environments where swift actions and problem solving are essential for success. Business people must capitalize quickly on marketing opportunities before competitors get the upper hand; lawyers must deliver services to clients in a reasonable amount of time or lose them to more-productive peers. As a result, board members are often used to sizing up problems quickly, taking decisive action, and moving forward.

In their work with colleges, board members must often focus on immediate concerns that should be addressed promptly in order to maintain an institution's overall health. Approving budgets, setting tuition charges, or authorizing construction are all tasks that will influence the future but require immediate, or at least

timely, action. Trustees, and the administrators they support, frequently must make short-term adjustments or compromises to balance the budget in the current fiscal year.

Professors, in contrast, live in a world of ideas where careful analysis and contemplation are the hallmarks of success. A primary task is to help students develop the knowledge and analytical skills that will enable them to succeed in the uncertain years ahead. Professors also strive to make permanent contributions to their disciplinary fields through high-quality scholarship that must comply with exacting standards. Thorough research, rigorous analysis, and systematic consideration of all sides of an argument are highly valued. Many academic debates continue for years as scholars change their views based on new research findings or new conceptual paradigms.

Trustees must consider the well-being of the institution as a whole. They

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Faculties and Boards

By Roger G. Baldwin

have a responsibility to maintain a fiscally sound enterprise with effective and forward-looking leadership; otherwise, the institution cannot offer rigorous, cutting-edge academic programs or improve the work environment of professors. For their part, faculty members have a much more circumscribed focus: their disciplines' place in the curriculum, the human resources necessary to offer a quality major in their fields, and the condition of classrooms, library resources, and technology needed to maintain an environment conducive to learning and scholarship.

Yet board members and faculty members are players with different positions on the same team, not adversaries or enemies. How can we manage trustee-faculty relations constructively? Efforts to maintain good relations should be consistent with the mission and culture of each distinctive institution, but some key principles and practices can help to sustain positive trustee-faculty relations in any institutional context.

Get acquainted. To many faculty members, trustees are faceless, abstract power players about whom they know little. Similarly, trustees may have minimal direct knowledge of faculty members. As a result, unfounded biases can shape opinions and influence actions. Regular and frequent opportunities to bring faculty members and trustees together are one step toward better relations.

At small colleges this can occur at receptions, college-wide ceremonies, or cultural events. For example, the board at Hiram College recently hosted a reception for new faculty members to welcome them to our academic community and promote trustee-faculty interaction. At larger institutions, trustees and faculty representatives can meet at specially arranged dinners, receptions, academic celebrations, or even athletic events. The opportunity to interact informally can reduce misunderstanding and diminish stereotypes.

In addition, faculty presentations to the full board or committees can inform trustees about the nature and challenges of faculty work. Similarly, public forums or invited meetings where trustees explain their duties, concerns, and goals for the future can also help to demystify the board. At small institutions, such interactions can be open and informal. At larger institutions, scheduled meetings with designated board and faculty representatives can ensure key players on both sides get to know each other.

Communicate. Colleges and universities are complex, dynamic institutions with multiple stakeholders. For that reason, boards and faculty should have numerous communication channels to keep each other well informed and to minimize misunderstandings, rumors, and urban legends that can undermine the good work of both groups.

One option is a formal trustee-faculty committee that meets regularly to share information and to air concerns of both groups. Hiram College has such a committee that meets for dinner before every board meeting. This committee is only part of a continuing effort to maintain dialogue, but it ensures that both groups are able to express their views directly and on a regular basis.

Dedicated Web sites intended to share news, views, and upcoming events of the board—or, conversely, of the faculty—can also minimize the chance for misunderstanding and inappropriate actions, such as implementing policy changes without adequate data or timely consultation. A regular e-mail message from the board chair to the faculty that reports on recent board actions, upcoming meeting agendas, and long-term plans can keep faculty members informed about board actions and intentions. Similarly, verbal reports from faculty members at board meetings and Web-based reports to trustees about faculty activities, major achievements, and priority concerns can give the board a richer context for understanding challenging issues when it is making important decisions.

Collaborate. Of course, the best way to reduce adversarial relations is to bring stakeholders together around a common concern. At Hiram College, for example, the board's technology committee meets regularly with faculty representatives. This committee has been instrumental in defining the college's technology needs, setting priorities, and communicating the urgency of this topic to the administration and board as a whole. As a result, the college's technology infrastructure has improved significantly in line with the needs of students, faculty members, and the college's instructional program. The committee has also been a good way to foster trustee-faculty communication, respect, and trust.

Opportunities for beneficial trustee-faculty collaboration can emerge directly from the needs of an institution. What college or university cannot think of concrete ways that board members and professors could work together on alumni events, fundraising, and a variety of resource needs (technology upgrades, facility enhancements, etc.) and policy concerns?

While some disagreements between the board and the faculty are probably inevitable, we have a common bond in our shared commitment to our college or university. That bond is a starting point for building respect and trust, setting priorities, solving problems, developing strategic initiatives, and continuing to work together to advance the students and institutions we both serve.

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tion. This was a challenge for the committee, but when it finally completed a proposal, the faculty senate approved it. These changes would not have been well received without faculty leadership.

Indeed, the president often has to serve as translator between board members and faculty leaders. The president should articulate frequently the institutional vision and mission to help unify the board, faculty, administration, students, and alumni.

The president can make everyone's job easier by regularly educating both the board and the faculty about trends in higher education and society that are or will be affecting their institution. The better educated these groups are, the better the decisions they will make. A president should also express admiration and appreciation for the faculty when communicating with the board and, conversely, should describe to faculty members the backgrounds and qualifications of board members—praising them publicly and often for their volunteer efforts and financial support.

The Faculty's Role in Shared Governance

Faculty members are more likely to accept decisions made by the board and the president, even if they do not agree with them, if they have been consulted and involved in true deliberations. It is the democratic process that is most important to faculty members. They want the president and board to value their contributions, objections, and suggestions and to ensure faculty input into important decisions.

At the same time, faculty members need to convince the board and administration that, if consulted, they can and will make timely recommendations and deci-

sions. Timeliness is not hastiness, however. The faculty sees itself as the keeper of the institution's core values.

That is not incompatible with the need for faculties to clarify their governance structures and policies to promote nimble and responsible advice and decisions. As former Duke University President Nannerl O. Keohane has written in *Higher Ground: Ethics and Leadership in the Modern University* (Duke University Press, 2006): "All of us need to acknowledge that the tendency towards lengthy consultation and mulching new ideas that comes so easily in an academic setting—where careful deliberation and extensive testing of evidence bring rewards in the core enterprises of teaching and research—can easily be overdone in the governance of the institution. ... At some point—usually sooner than we on campus get there—it's time to stop talking and take action."

The faculty needs to be thorough and honest in peer evaluations and also willing to assess program and student outcomes for the board and the public. It should also have a say about, and be brought into any process of, academic downsizing and budget-cutting. That can be challenging for faculty members when evaluating their own areas, but personal and departmental loyalties should not prevent them from acting in the best interests of the institution. If the faculty cannot or will not make necessary choices, it abdicates its responsibilities and leaves academic decisions entirely to the administration and the board—a confusing process that would certainly not serve students or the institution well.

Conclusion

Despite recent controversies, we should remember to celebrate the extraordinary leadership that boards, presidents, and faculty members provide in most institutions. Volunteer board members make exceptional contributions of time, expertise, and money, and their loyalty and devotion to our institutions are remarkable. The president's job today includes

a huge portfolio of responsibilities, many contentious groups to manage, a challenging economic environment, and a critical public. Professors are responsible for delivering a world-class education to American and international students in an era of constant change.

The recent controversies can serve as catalysts for all boards and presidents to undertake an assessment of how governance is working in their institutions. What is the relationship between the board and the president, and how do they communicate with each other? How are faculty members brought into discussions of strategy and change? Does the composition of the board reflect a variety of experiences and viewpoints, including academic expertise?

When boards, presidents, and faculty members work together in the spirit of shared governance, they strengthen the institution's social capital and can take collective action in support of a change agenda. A commitment to shared governance improves the productivity, quality, and reputation of an institution and creates a positive climate for students, staff members, and the community. ■

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T'SHIP LINKS: Susan Whealler Johnston, Martha W. Summerville, and Charlotte Roberts, "The Changing Landscape of Trustee and Board Engagement." July/August 2010. Charles R. Middleton, "The Virtues of Student and Faculty Trustees." July/August 2010. Robert Holyer, "Care and Feeding of the Chief Academic Officer." May/June 2010. Susan Whealler Johnston, "Affirming Shared Governance." March/April 2010.

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