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GOVERNOR BRIEFING NOTE

Updated: 30 April 2019

12. The size, composition and skills available to the governing body

Introduction and aim

The composition and characteristics of governing bodies, including size of membership and the knowledge, skills and expertise of the members are important factors affecting a governing body's effectiveness. Mindful of the risks of 'group think', attention also needs to be given to the diversity of the membership.

Topics covered

1. The size of a governing body
2. Determining the size
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4. Changes to the size
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1. The size of a governing body

There is no accepted optimum size of membership for a governing body. However, should the size of the governing body's membership be too large, decision-making is likely to be more time-consuming and decisions potentially more difficult to agree. It should be noted that as senior academic and administrative staff are also frequently in 'attendance' at meetings of the governing body and its committees, these can add significantly to the size and the challenge of managing a meeting.[1] Conversely, if the membership is too small there may be significant gaps in the knowledge, skills and expertise needed to assist the work of the governing body.

2. Determining the size

Balancing a desire to have a sufficient pool of knowledge, skills and expertise available to the governing body, with the need for effective group dynamics requires careful consideration. In this regard, The Scottish Code of Good Higher Education Governance suggests the governing body should be 'no larger than is necessary to meet legal requirements on membership and to ensure appropriate coverage of skills and stakeholder involvement.'

3. Reviewing the size

When reviewing their effectiveness governing bodies should consider their size of membership, and, if necessary, make changes. A fundamental review of the governing body's size and composition may equally be triggered by a change in the Chair or head of provider. The new appointment may have views different to the previous incumbent. If a significant change in size or composition is judged necessary this may need to be phased in over a number of years, using, for example, the opportunities that arise when existing members retire. The failure to periodically review the membership, may mean that the governing body's size and composition reflects circumstances prevailing in a previous time period, and is no longer appropriate.[2] As a consequence the effectiveness of the governing body is likely to be impaired.

4. Changes to the size

A provider's governing instruments will normally give some guidance as to the composition of a governing body. Governing instruments will typically detail the maximum and minimum numbers for different membership categories, and sometimes the overall membership number. Within these parameters, the governing body will have some flexibility to determine its overall size, and numbers in at least some of the different categories of membership. If more fundamental changes are required to the overall numbers and categories of membership this is likely to require a change to the provider's constitutional instruments.[3]

5. Composition

The composition of the governing body will normally comprise a majority of independent or 'lay' (external) Governors.[4]

6. Internal Governors

The membership of governing body will also include 'internal' governors, namely the Vice-Chancellor/Principal (and typically chartered providers a number of other senior post-holders), students as ex-officio members, academic staff appointed/elected by senate/academic board and Governors from the professional support staff. For Scottish providers, The Higher Education Governance (Scotland) Act 2016, places a number of requirements on the governing body as to the appointment of internal Governors.[5]

7. Independent or 'lay' Governors

Independent or 'lay' members are normally appointed for the knowledge, skills and expertise they are able bring to the workings of the governing body. However, providers originally founded by local benefactors, or having a strong local connections, may also seek (or be required) to appoint one or more external governors from the community responsible for their founding or their locality. Higher education providers established by, or strongly associated with, a religious (e.g. church foundation) or professional organisation may be required to appoint members from these constituencies.

8. The mix of knowledge, skills and expertise

If a governing body is to be effective it must have a membership with an appropriate mix of knowledge, skills and expertise. This raises the question as to what is the appropriate mix of knowledge, skills and expertise for a governing body of a higher education provider? While the core purpose of a higher education provider is education,

they are also independent and autonomous entities that need to operate as sustainable businesses in order to remain solvent. Given these twin needs, there is a strong case for governing bodies having a membership, which combines sector ('domain' knowledge) and business expertise.[6] The precise balance between the two is open to discussion.

9. Achieving a blend of knowledge, skills and expertise

As a consequence of providers having both educational and business objectives, the membership of most governing bodies is likely to comprise of a mix of those who have in-depth knowledge and experience of higher education, and those bringing commercial knowledge, skills and expertise. Drawing members from the two constituencies allows the governing body access to individuals with the knowledge, skills and expertise to exercise oversight from an education perspective, as well as from a business perspective. Typically, this second group of Governors is likely to include individuals with a background in managing private sector organisations, and those with specialist functional or professional skills (e.g. accountants, solicitors).

10. General abilities and personal characteristics

While the specific expertise of individual Governors is important, arguably more so are their general abilities and personal characteristics. This is perhaps best described as the need for all Governors to 'question intelligently, debate constructively, decide dispassionately and be sensitive to the views of others both inside and outside governing body meetings.'[7] These characteristics are separate to their specific expertise, and are of central importance if the individual is to make a meaningful contribution to the work of the governing body.

11. Diversity of the membership

Attention needs to be directed at whether the composition of the governing body is diverse. Starting with gender, there has been greater recognition that in past many governing bodies were largely male dominated. Further, members have tended to be drawn from a single ethnic group and have similar socio-economic backgrounds. Alongside the argument for equality, evidence from the private sector suggests more diverse boards out-perform boards, which are less diverse.[8]

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12. Addressing diversity

Where boards lack diversity concerns have also been raised about 'group think' – individuals bringing similar perspectives and ways of thinking – leading to management facing more limited challenges. Debates in the private sector read-across to higher education, with an increasing proportion of governing bodies taking proactive steps to achieve a membership which has a gender balance. Attention is now being turning to the extent to which governing bodies exhibit ethnic and social diversity. The Higher Education Code of Governance suggests 'the governing body must also routinely reflect on its own composition and consider taking steps to ensure that it reflects societal norms and values.'[10] Clearly as societal norms and values shift, there will be an impact on the composition of the governing body.

13. Nominations committee

The detailed work of seeking and appointing new 'lay' members to a governing body is normally delegated by the governing body to a nominations committee. Governor Briefing Note 15 discusses the work of the nominations committee.

14. Utilising the skills available

Making best use of the knowledge, skills and expertise available from amongst the membership of the governing body rests with the Chair of the governing body. A key aspect of the Chair's role is to ensure the knowledge, skills and expertise represented on the governing body are effectively utilised. In this regard the Chair should encourage all members to contribute fully to the discussions and decisions of the governing body.

15. Committee membership

The Chair of the governing body also has an important role in determining the chairs and the membership of the committees of the governing body. The committees are where much of the detailed and often specialist work of the governing body is discharged. Committee effectiveness is important to the overall system of governance. If committees are to function effectively, they need to be well-led and have a membership with an appropriate set of skills. This is likely to include individuals with specialist knowledge and expertise which align with those areas with which the committee has responsibilities.

16. Succession planning

There will be a time limit on how long any member can serve on the governing body. The maximum allowable term is normally detailed in the provider's governing instruments. At some point the option of re-appointing an individual for a further term, (other than in exceptional circumstances when an extension may be justified) will cease to be available. As a consequence, periodically members with specific knowledge, skills and expertise will be lost to the governing body. This loss can seriously impair a governing body's effectiveness. To avoid such a risk, it is important for governing bodies to engage in succession planning, identifying any impending loss of key skills from the governing body and instigating in good time the search for a replacement able to replenish the skills lost.

17. Ineffective governing bodies

Weak governing bodies may arise for a variety reasons, and in practice multiple factors may be responsible. As discussed earlier, the composition of a governing body is critical. Having appropriate individuals and mix of knowledge, skills and expertise able to question the executive is critical. However getting the composition right is just one condition of an effective governing body; it will also need to be well-led, receive sufficient and timely information to inform its decision-making and operate in a culture of openness and transparency. These matters are discussed in Governor Briefing Note 25, The factors that influence whether governance is effective?

18. Information in the public domain

Information as to the size and composition of a governing body is normally placed on a higher education provider's website. While the extent of the information in the public domain will vary by provider, typically it will include data on membership of the governing body and different membership categories. The information is likely to include the names of each member and may include brief biographical details. Information about the operation and membership of committees of the governing body is also frequently made available.

19. Information on Scotland providers

For Scottish providers, The Scottish Code of Good Higher Education Governance states "all Institutions are expected to make clear in their annual reports how the size, and composition of the governing body (and any change in the size or composition) contributes to maintaining a coherent and effectively functioning governing body, as well as meeting statutory requirements on membership and the need for an appropriate range of skills and experience." [11]

20. Comparative analysis

The information available on a provider's website or published in an annual report offers a resource to enable comparisons as to the composition, size and skills base of the governing bodies of different providers to be made.

21. Conclusions

The size and composition of the governing body, and availability of appropriate knowledge, skills and expertise all play a part in whether governance is effective. These factors should be kept under regular review, to ensure effectiveness is not compromised.

22. Questions to review

Q What is size of the governing body? Is the size appropriate, and does it assist the governing body's effectiveness?

Q When was the size and composition of the governing body last reviewed?

Q What is the balance of numbers on the governing body between members having a background in higher education and those will commercial expertise?

Q How diverse is the membership of the governing body?

Q Is there a need to improve the diversity of the governing body? If so, how is this to be actioned?

Q Is there succession planning which takes account of the impending loss of any key areas of knowledge, skills and expertise from the governing body?

End notes and further reading

[1] In 2018 a review of one English provider's governance found that in addition to a Council membership of 26, fifteen senior academic and administrative managers routinely attended Council meetings. This meant that over 40 people were present for a fully attended meeting.

[2] A number of providers have taken proactive steps to modernize their governing instruments, enabling them to reduce the membership of their governing body. The process can be lengthy and require external consent.

[3] The governing instruments for post-92 providers will typically require the governing body, within given parameters, to annually approve the actual membership number for the governing body and for the individual membership categories.

[4] The requirement that the governing body must have a majority of external members is detailed in Committee of University Chairs, The Higher Education Code of Governance, Revised June 2018, p.25, and in The Scottish Code of Good Higher Education Governance, 2017 edition, p.11.

[5] Chapter 1, Section 10 of the Act details the requirements, including the appointment of two persons appointed by being elected by the staff of the institution from among their own number; one person appointed by being nominated by a trade union from among the academic staff of the institution who are members of a branch of a trade union that has a connection with the institution; one person appointed by being nominated by a trade union from among the support staff of the institution who are members of a branch of a trade union that has a connection with the institution: and two persons appointed by being nominated by a students' association of the institution from among the students of the institution.

[6] Increased attention being given to academic governance for providers in England, Northern Ireland and Wales has strengthened the case for having governors with a background in higher education.

[7] Committee of University's Chair, The Higher Education Code of Governance, Revised June 2018, p.25.

[8] See, for example, Cox J, Businesses perform better when they have greater ethnic and gender diversity, study reveals, Independent,19 January 2018.

[9] For further discussion see Women Count: Leaders in Higher Education 2018.

[10] CUC, Revised June 2018, p.23.

[11] See 2017 edition, Section 2, The Governing Body: Membership, p.11.