

Sixth National University Finance and Procurement Conference

18 JULY 2006

THE CHANGING ENVIRONMENT FOR UNIVERSITIES
THE REFORM AGENDA

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CRICOS No. 000213J

Overview

- **Background**
- **Key Reforms**
- **Impact of Reforms on Higher Education Providers**



Key Reforms And Their Impact

- **Change Management**
- **Culture**



1. Student Places

- Strategic Planning and Forecasting
- Load Management Models
- State and Federal Government Issues
- Population Statistics
- Demand for Courses and Unmet Demand
- Entry Level
- Double Degrees – Cross Faculty Teaching
- Increased Competition – Marketing

1. Student Places cont.

- Developing/Repackaging Academic Programs
- Skills Debate – Push for Vet, Lack of Clarity of Professional Skills Shortage
- Ageing Population – Change in skill levels to aged care, income support, explosion in medical schools
- Shift in Load Internally
- International Load – Risk Management, Quality

2. Contribution Levels and Rates

- Expectation Management
- Focus on Student Services
- 24/7 Services
- Impact on Non-School Leavers
- More Students Working
- Students with Loans/Debt

3. Funding – Performance Based

- RQF
- Teaching and Learning
- HEWRRs and NGP
- Workplace Productivity Programme
- Collaboration and Structural Reform

Impacts of Performance Based Funding

- Increased Research Focus and Activity
- Research Capacity – Schemes to attract and retain staff
- Pressure on Resources and Space
- State Government Initiatives (e.g. Smart State)
- Increased Evaluation of Teaching
- Review of Students/Staff Ratios

Impacts of Performance Based Funding cont.

- Review Deployment of Academic Staff
- Review of Proportion of Academic to Professional Staff
- Review of Efficiency of Admin Operations/Structures
- Electronic Business Processes
- Partnerships/Collaboration in Research and Teaching
- Renegotiation of EBAs and Offering AWAs

Impacts of Performance Based Funding cont.

- Review of Workplace Policies
- Seeking Better Integration of Systems and Data Point
- Reputational Risk
- Performance Management Systems Enhanced
- Submissions, Submissions, Submissions...

4. Funding Issues - Continued Financial Constraints (Lack of Indexation)

- Review of Internal RFM
- Broadening of Income Bases
- New Ventures – Commercialisation, Commercial Culture, Concerns over Quality, Partnerships

5. Legislation / Compliance

- Compliance Register
- Litigation
- VSU – Changes of Constitutions for Student Associations; New ways of providing Student Services; Universities filling in gaps.
- Fines
- Major Upgrades of IT System - Patches
- Reporting, Reporting, Reporting ...

6. Reporting

PhillipsKPA Report (Feb 2006) – Key Recommendations

- Remove Student Learning Entitlement
- Establish senior operational group of university & DEST reps to monitor reporting requirements
- Develop single source of documentation for reporting requirements, their purpose, with a calendar and 'map' of their elements
- Evaluate Going to Uni Webstie early
- Consolidate accountability requirements from various programs
- Establish single national agency for collection and publication of higher education data

Governance

- **BACKGROUND**
 - Why interest in Governance
 - Governance – definition and elements
 - National Governance Protocols

- **QUT'S GOVERNANCE FRAMEWORK**
 - Overview
 - Schedule of Authorities and Delegations

Why Interest In Governance

- **High profile corporate collapses**
- **Laws and guidelines developed in response**
(ASX Guidelines issued 2003)
- **Federal Government interest in Universities**
 - Need to be more business-like
 - Controlled entities
 - Commercial interests
 - Broader base revenue streams
 - Degree of accountability
 - Focus on size and composition of governing bodies

Why Interest In Governance cont.

- **State Government interest in Universities**
 - Auditor-General concerns on commercial activities and financial stability of some Universities
 - Treasury focus on risk management (most Universities set up under state Acts)
- **Focus on role of Governing Bodies – responsibility and accountability**

Definition

“Corporate Governance generally refers to the processes by which organisations are directed, controlled and held to account. It encompasses authority, accountability, stewardship, leadership, direction and control exercised in the organisation”
(*Standards Australia, AS8000 – 2003*)

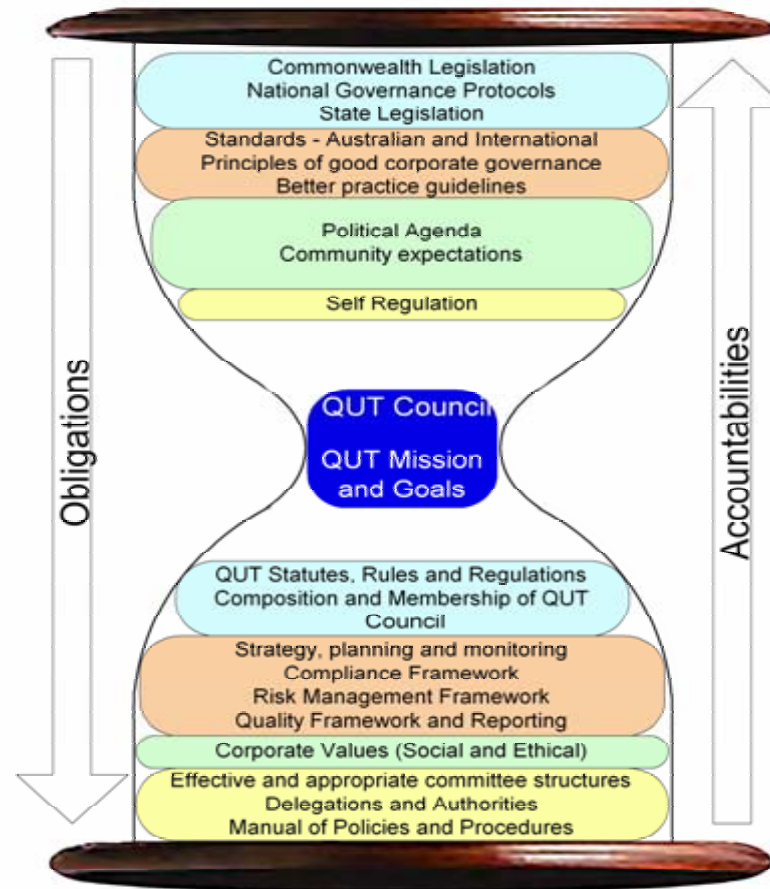
Common Elements of Good Practice

- Strategy, planning and monitoring of the vision and mission
- Robust risk management & compliance processes
- Structure, composition & membership of Council
- Council performance & effectiveness
- Effective & appropriate structures
 - Organisation
 - Committee
- Reporting & monitoring (transparency & accountability)
- Corporate Values (social & ethical)

National Governance Protocols

- 11 protocols – shift to more Corporate approach
- University Acts have been amended
- Funding conditional upon meeting protocols (linked to HEWRR compliance)

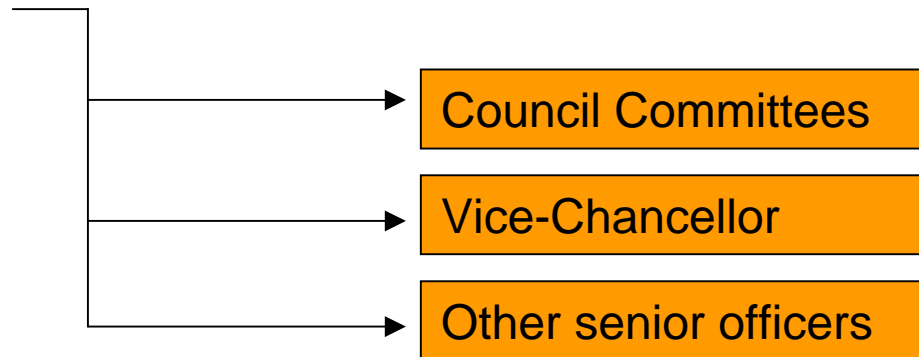
QUT's Governance Framework



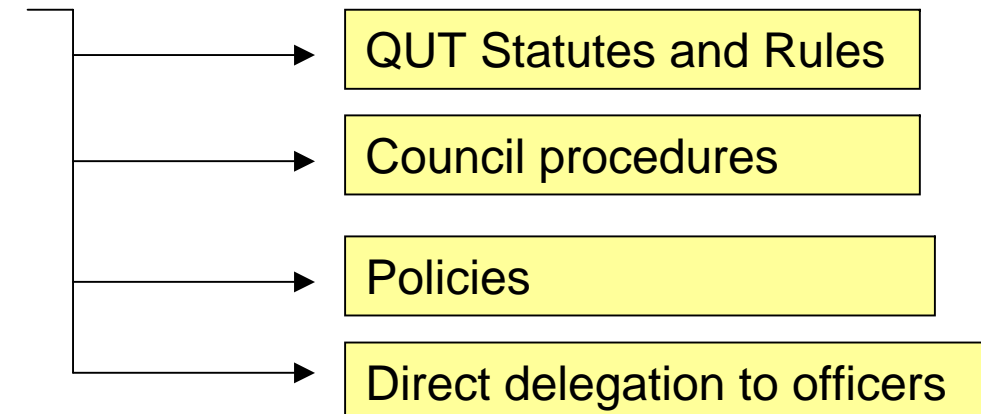
Schedule of Authorities and Delegations

Part 1 - Council

Council delegates to:



Council delegates via:



Schedule of Authorities and Delegations

Part 2 – Vice-Chancellor

