Session 4B

King IV, University executive management, and decision-making

(Council, Senate, Executive Management)

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Learning objectives

By the end of this session the participants will be able to:

1. Explain the implementation process to implement the King IV philosophies, principles and best practices.
2. Understand the "Apply and Explain" regime of King IV and the importance of transparency and disclosure to stakeholders.
3. Differentiate between the terms "leadership", "management", and "customer service".
4. Understand the structures and roles of executive and senior management and the democratic committee processes in higher education.
5. Describe the categories of decisions and the value of the ethics framework.
6. Apply ethical decision-making processes and alternative dispute resolution processes.
7. Explain the concepts: "walking in another's shoes" & treating "colleagues as customers".
8. Understand that all levels of management are responsible for compliance, risk management, and the reputation of the university.

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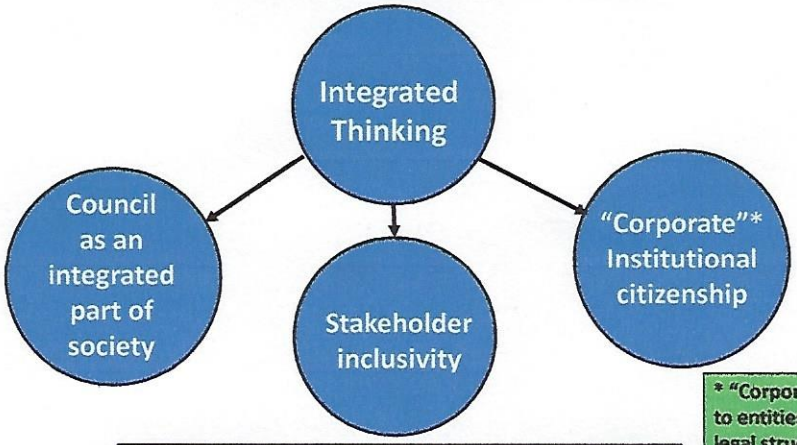
Underpinning Philosophies of King IV™

Sustainable Development



Integrated Reporting

* "Corporate" refers to entities that are legal structures & includes voluntary organizations

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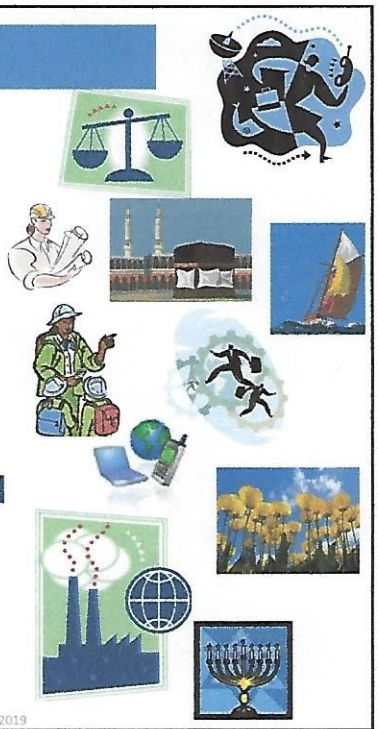
Stakeholders

Internal categories: 19

Staff, students, unions, parents, alumni, donors, sponsors, suppliers, postdocs, partners, tenants…

External:

- Government x 3 levels
- Diplomatic corps here & abroad
- Corporates & labour structures
- The media
- The public - communities



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Stakeholder Expectations

- Financial information
- Backward looking
- Forward looking – forecast information
- First priority – product = quality study programmes
- Second priority – trust and confidence

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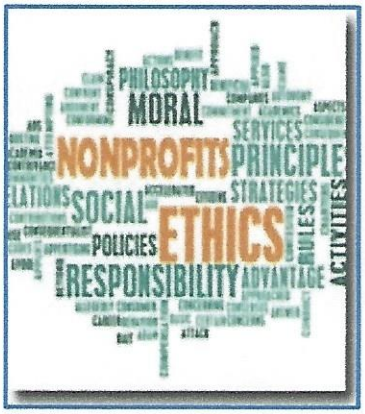
Applying King IV™ Principles and Practices of good governance in Councils



Principle 1

The governing body should lead ethically and effectively.

Principle 2

The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.

Principle 3

The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.

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King IV Implementation Roadmap

Council maps the legal provisions to the relevant King principles & practices.

Identify legal provisions falling outside King IV practices - if any. Council creates HEI practices to address these.

Council decides if any King IV practices and other ethical codes or laws require any new university practices.

Apply King IV within Council approved governance practices for the university.

Annually, qualitatively assess outcomes against the relevant King IV principles – if needed enhance practices.

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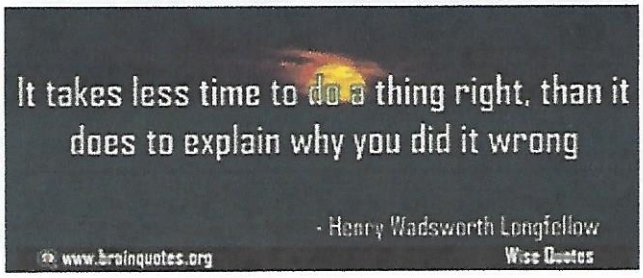
King IV™ Apply (16 principles) AND Explain (215 practices)

Proportionality:

Universities are large corporations (not SMEs)

King IV Application regime is –

'Apply *AND* Explain'



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King IV™ Disclosures

- Disclosure illustrates *how* 1 or more leading Practice enable/s achievement of the Principle
- No *need to disclose* whether every Practice is implemented
- No need to disclose *against outcomes*
- The *narrative* of the Integrated Report OR other communication enables *inferences* to be drawn about governance outcomes

NOTE: The last practice/s in almost every set listed under each Principle is a **disclosure** Practice.

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Using Reports to Avoid Disputes

- Material information is communicated - about an organisation's
  - strategy,
  - governance,
  - performance and prospects,

  in a way that reflects the *commercial, social and environmental* context, within which it operates.
- It provides a clear and concise representation of how an organisation demonstrates *stewardship* and how it *creates and sustains value*.

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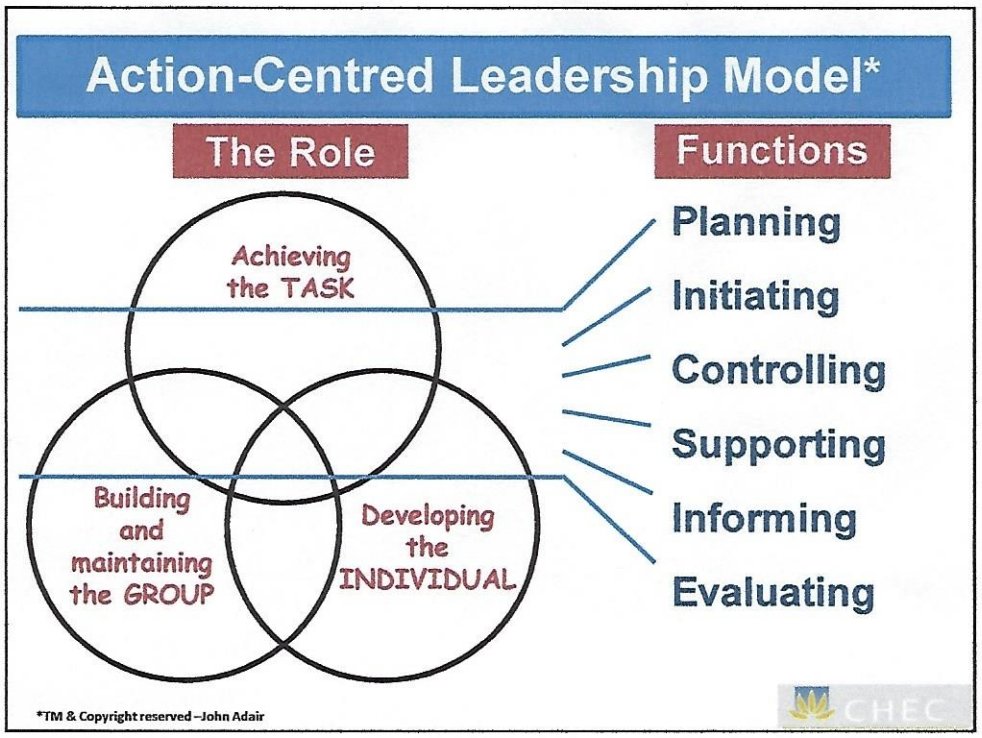
Action-Centred Leadership Model*
The Role
Functions
Achieving the TASK
Building and maintaining the GROUP
Developing the INDIVIDUAL
Planning
Initiating
Controlling
Supporting
Informing
Evaluating
*TM & Copyright reserved –John Adair
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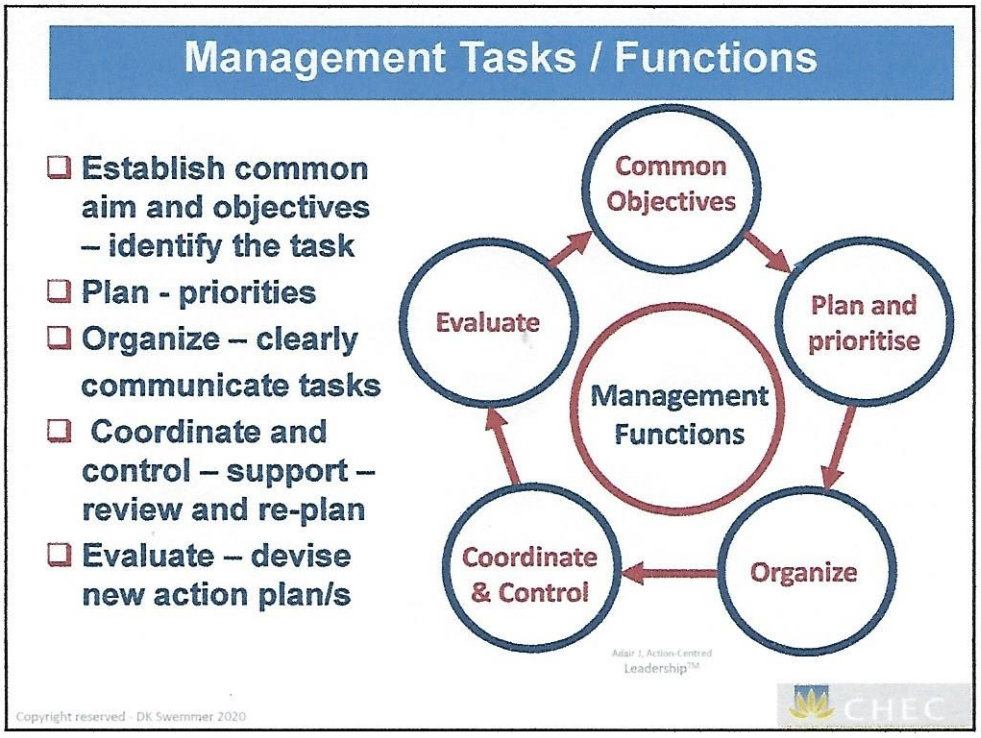
Management Tasks / Functions
Establish common aim and objectives – identify the task
Plan - priorities
Organize – clearly communicate tasks
Coordinate and control – support – review and re-plan
Evaluate – devise new action plan/s
Common Objectives
Plan and prioritise
Organize
Coordinate & Control
Evaluate
Management Functions
Adair J, Action-Centred Leadership™
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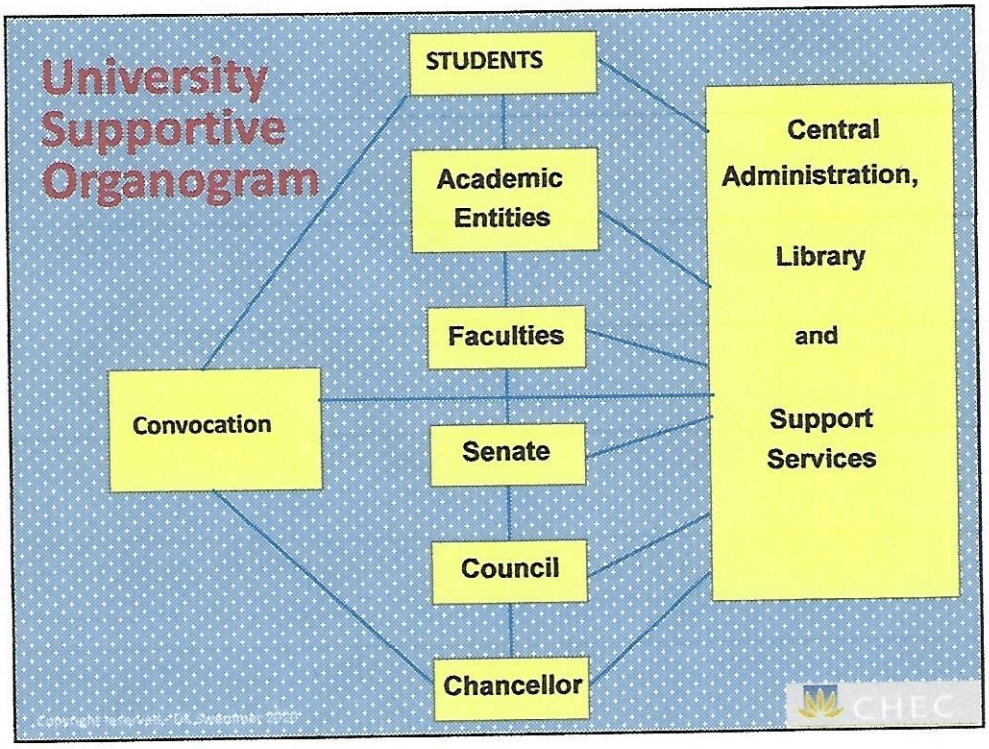
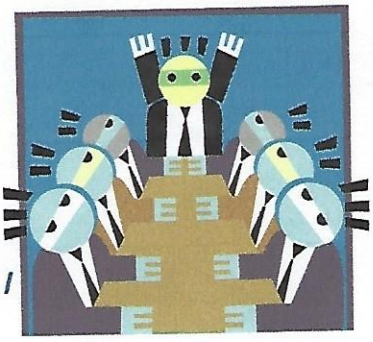


Executive Team

Form follows Function

- Vice-Chancellor (CEO)
- Deputy Vice-Chancellors:
  - Academic
  - Research
  - Operations
  - Institutional Change / Student Affairs / Community Engagement
- Registrar
- *Other executive responsibilities:*
  - Advancement / QA / PR / Media / Finance / Human Resources / Legal compliance



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Vice-Chancellor

- Provides vision, strategic insight & leadership
- Has overall responsibility for management, transformation, development & creation & maintenance of the campus/es
- Represents & promotes the University externally
- Maintains & builds strategic regional, national & international relationships
- Strategic planning & implementation
- Internal & external communication
- Key role in advancement (fund raising)

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University Governance Structure

Council
(Governs)

- Institutional Forum (Advises Council)
- Senate (responsible for Learning & Teaching)
- Students Representative Council

Educational Leadership & Decision-Making: Dr Christine Cunningham, School of Education, ECU, 2013 (5.18) https://www.youtube.com/watch?v=mGB3l1EKabc

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Committee sizes & decision-making

- Committee: 8-12
- Council/Board: 13-30
- Forum: 30-50
- Seminar: 50-100
- Assembly/Parliament: 100>

Process:

- ✓ Sufficient consensus *or* majority vote
- ✓ Tie-breaking by casting vote *or* elimination rounds

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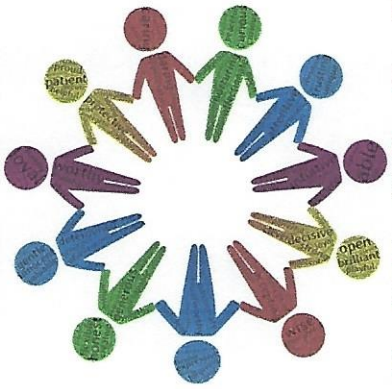
Committees of Council, Senate, and Joint Committees



- ❑ Each *standing* committee has a charter / remit
- ❑ Membership renewal and rotation is the principle
- ❑ Annual review of delegated authorities – for changes
- ❑ Yearly review of performance
- ❑ Members act in the interests of the role of the committee
- ❑ Observe the Code of Ethics
- ❑ Joint committee/s: example is Honorary Degrees Committee
- ❑ Ad hoc committees / Task teams or groups have specific Terms of Reference and end date

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The ABCDs of categorizing decisions*

Scope and Impact

Broad

Big-bet decisions
- Major consequences
- Often unclear, right or wrong choices

Cross-cutting decisions
- Frequent and need broad collaboration
- Cross boundaries

Narrow

Ad hoc decisions
- Episodic low-stake
- Impact depends on their concentration

Delegated decisions
- Assigned to a person who is accountable Or to a task team

Unfamiliar, infrequent — Familiar, frequent

Level of familiarity

**Untangling your organization's decision making*, Aaron De Smet, Gerald Lackey, and Leigh M. Weiss, McKinsey, 2017

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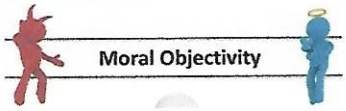
*Ethics Management Framework**

- Strong leadership commitment
- Build ethics management into governance structures
- Implement the following –
  - Risk assessment including ethical concerns
  - Risk alleviation strategies
  - Develop a code of ethics and needed ethics-related policies
  - Develop commitment throughout the institution to ethics values and standards
  - Monitor and report regularly on the state of ethics in the institution
- *Assess ethics performance and include findings in the annual integrated report*



* © Ethics Institute of South Africa

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Handling Burning Issues

Ethical Decision-making Procedure*

1. Study the details of the issue carefully
2. Identify the key component/s
3. What ideals/values are involved?
4. Determine possible choices of action
5. Decide which action is most ethical

- Derived from Ruggiero VR, *Thinking critically about ethical issues*, 7th Edition, 2016.

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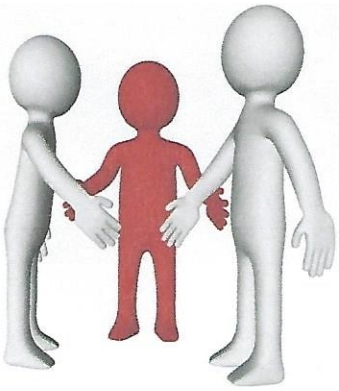
Alternative Dispute Resolution Practices



- Social processes
- Counselling
- Referrals to non formal authorities
- Intercession
- Negotiation
- Conciliation
- Mediation
- Use ombudman's offices
- Tribunals
- Collaborative laws
- Arbitration…

All before formal legal recourse

What Is Governance, Risk and Compliance (GRC)? Scott Mitchell (Chair OECG) interviews Jimmy Lin (VP, the Network) (3mins), 2014
https://www.youtube.com/watch?v=01GqqUW29MQ

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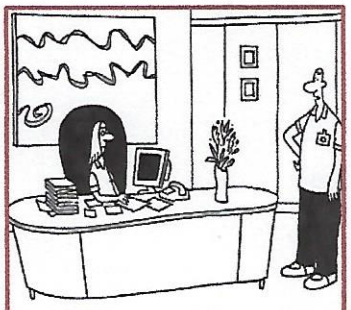
Colleagues as customers

- Care based service
- The Golden Rule
- Test your behaviours by putting yourself in another's circumstances - imagine how you would feel were you the recipient, rather than the perpetrator, of your behaviours / actions
- Empathetic living



"Someone calling themselves a customer says they want something called service."

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King IV™ Governance Outcomes

Benefits that a learning Council should seek to realise through good governance:

- Ethical culture
- Good performance
- Effective control
- Legitimacy

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