



**Australian Vice-Chancellors' Committee**  
*the council of Australia's university presidents*

## Media Release

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### AVCC Review - a way forward

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The Australian Vice-Chancellors' Committee (AVCC) today released the PhillipsKPA report on the future directions for a university peak body.

The AVCC commissioned PhillipsKPA early in 2006 to undertake consultations with various stakeholders, both within and outside the university sector to develop a proposal for the future direction of a university peak body.

AVCC President Professor Gerard Sutton said the AVCC Board of Directors has given broad support to the directions of the report, which will now be discussed in detail by all Vice-Chancellors at a retreat in September.

"The AVCC Board has considered the draft report and believes that it provides a broad framework for Australia's university sector to consider how it can better inter-act with government and the broader community," Professor Sutton said.

"Australia's universities have a vital role to play in the nation's future, and we believe it is critical that our peak body's voice is heard as effectively as possible," Professor Sutton said. "This report offers recommendations on how this be achieved."

Professor Sutton said the AVCC would also discuss the report with the University Chancellors' Conference (UCC).

A copy of the Executive Summary of the PhillipsPKA Report and a list of its recommendations is attached. A copy of the full report can be obtained from the AVCC web site at [www.avcc.edu.au/review](http://www.avcc.edu.au/review)

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# Executive Summary and List of Recommendations

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The Australian Vice-Chancellors' Committee (AVCC) has commissioned PhillipsKPA to undertake a review of the AVCC's 'structure and operational arrangements'. The terms of reference for the review however go beyond simple structural and operational issues to raise questions about the scope and purpose of a peak body for Australian universities.

The operating environment for Australia's universities is much more complex and competitive than it was when the AVCC was established as a company in 1973 and has changed in ways that could not have been imagined when the organisation was first formed in 1920. Universities themselves are much larger and more complex enterprises that operate in a global context. It is now surely accurate to characterise higher education in Australia as a major industry, with an enormously diverse range of enterprises delivering a mix of public and private benefits funded by revenue generated from a mix of public and private sources. Like those in any other industry, Australia's higher education enterprises simultaneously compete with each other and share a common interest in the advancement of the industry. On the one hand, the need for an effective peak body for the university sector has never been greater. On the other hand it is clear that the issues and challenges confronting any peak body have never been more complex.

We believe that the new environment compels the AVCC to remake itself as a new, highly professional industry peak body for the university sector. This new peak body must be able to project powerfully the contribution of Australia's universities to the nation and to advance the long term interests of the sector while recognising the competitiveness of the enterprises that comprise it and the legitimate differences between their groupings. We believe that this is achievable despite the divergence of views among universities on some issues.

If it wishes to do this, we think the AVCC needs to adopt a package of reforms that draws on exemplary practice from other industry sector peak bodies and its counterpart organisations in other countries. Specifically, we think the AVCC should consider:

- Reconstituting itself as a body whose members are Australian universities, represented by their Vice-Chancellors/Chief Executives;
- Adopting a new name which reflects this change of membership;
- Adopting a more outward looking statement of purpose to signal a stronger emphasis on advancing and promoting the benefits of the Australian university sector to the nation;
- Pursuing three broad sets of functions: advocacy, analysis and services, of which advocacy should be the highest priority;
- Developing a more sustained and strategic approach to advocacy that goes beyond self interest;
- Developing ways to pursue common positions while recognising legitimate differences of view where they exist; and
- Changing the nature of the position of President and the structure and operations of the Board.

Overall, there is likely to be some additional cost if the recommendations of the review are accepted. The scale of this cost will depend principally on the nature and extent of additional advocacy, analysis and external communication activities, and on the willingness of the members to increase their contributions for these purposes.

## RECOMMENDATIONS

### Recommendation 1

The scope of coverage of the future peak body should be Australian universities approved for the purpose by the peak body.

### Recommendation 2

The future peak body should take the lead in establishing a forum for the Australian higher education industry as a whole.

### Recommendation 3

The membership of the future peak body should comprise Australian universities represented by their Vice-Chancellors/Chief Executives.

### Recommendation 4

If the membership of the future peak body is changed as recommended in this report, and if the extent of other organisational change is real and substantial, then the new peak body should adopt a new name consistent with its new membership and charter.

### Recommendation 5

The future peak body should adopt a more outward looking statement of purpose to signal a stronger emphasis on advancing and promoting the benefits of the Australian university sector to the nation.

### Recommendation 6

The future peak body should pursue three broad sets of functions: advocacy, analysis and services, of which advocacy should be the highest priority.

### Recommendation 7

(a) The broad advocacy function should operate at three levels:

- (i) High profile, sustained activities in the public interest;
- (ii) Activities designed more directly to advance the positioning of the sector and build constituencies of support; and
- (iii) Targeted engagement with and lobbying of government in relation to policy development and implementation.

(b) The balance of effort should be shifted somewhat toward levels (i) and (ii), while maintaining a strong capability for activity at level (iii)

(c) In pursuit of these functions the future peak body should:

- (i) Develop a small number of strategic activities in areas where the university sector clearly has standing and an important contribution to make, but which lie beyond the immediate self interest of the sector
- (ii) Look for opportunities to engage with potentially supportive and influential third parties
- (iii) Build support with politicians who may not be the primary decision makers within the Commonwealth Government but who have significant influence with them
- (iv) Note the value of University Chancellors and university councils as conduits to business, opinion and political leaders

- (v) Build sustained, sophisticated, dispassionate intellectual arguments designed to engage central agency officials and to strengthen the case of the sector's supporters within government
- (vi) Develop a stronger external communications capacity and an improved set of publications and other materials tailored for specific external audiences.

(d) The future peak body should develop a multi-year advocacy strategy, including a sustained focus on a limited number of key themes or objectives, supported by annual plans with identified priorities, critical success factors and reviews of performance.

#### Recommendation 8

The future peak body should retain very strong capabilities in policy development and analysis, and information management and provision.

#### Recommendation 9

The future peak body should maintain a suite of highly valued membership services which are self-contained, transparently costed and, where possible, provided on a user pays basis outside of general membership subscriptions or with variable subscription levels to allow members to choose the set of services they wish.

#### Recommendation 10

The future peak body should embrace the diversity of its membership and accept that a shared view will not be achieved on all issues. (See also recommendation 19.)

#### Recommendation 11

The future peak body should seek agreement on working relationships and communication arrangements with the organisations of the university groupings and where relevant should seek their input, involve them in forums and operate collaboratively with them in the interests of the shared membership.

#### Recommendation 12

The future peak body should:

- (a) retain a system of task forces/working groups
- (b) review the current set of AVCC working groups with a view to aligning the structure more effectively with the revised mission
- (c) consider the creation of standing committees to consider and provide advice on:
  - (i) Future developments in the higher education industry and long term policy issues; and
  - (ii) External relations and alliances.

#### Recommendation 13

The future peak body should develop a set of specific proposals to strengthen the perceived value of the plenary meetings.

#### Recommendation 14

The University Chancellors' Conference should be recognised by the future peak body as a source of advice to the Board and should be supported by the Secretariat in a similar way to a standing committee.

### Recommendation 15

The President and Chair of the Board of the future peak body should not be a serving Vice-Chancellor.

### Recommendation 16

The future peak body should appoint a leadership team comprising a part-time, paid, non-executive Chair of the Board and a full-time CEO.

### Recommendation 17

Contingent on acceptance of recommendations 15 and 16:

(a) there should be provision on the Board of the future peak body for up to two Directors appointed by the President

- The President's remit (see recommendation 19) should specify the reasons why such appointments may be made, with the primary reason being to bring an otherwise unrepresented viewpoint on to the Board so that the Board is broadly representative of the membership.

(b) consideration be given to deleting the current provision for the immediate Past President to be an ex officio member of the Board.

### Recommendation 18

The future peak body should:

(a) encourage prospective Board members to provide a statement supporting their candidature and outlining any particular matters which they would wish to focus on if elected

(b) consider whether the Board should have the power to make one or two appointments of external Directors who are not Vice-Chancellors

(c) review the operations of the Board against the principles and standards of good governance for non-profit organisations.

### Recommendation 19

Formal Statements of Remit should be prepared for the President and the Board of the future peak body. *Inter alia*, these statements should explicitly articulate the responsibility of the Board and the particular role of the President to identify those issues (or parts of issues) on which the peak body should speak on behalf of the whole sector and those which are most appropriately left to individual universities or university groups to pursue.

### Recommendation 20

To enhance transparency and confidence in the operation of the Board:

(a) Board agendas and non-confidential Board papers should be circulated electronically to all members;

(b) Directors should actively network with members to remain informed of their views; and

(c) The President should institute a regular program of direct one-on-one discussions with individual Vice-Chancellors.